



VCUDA

Vermont Communications Union Districts Association

House Presentation
April 3, 2025

Ellie de Villiers, President & Chair - Chair@vcuda.org
Rob Vietzke, Program Director - Rob@vcuda.org

Vermont Communications Union Districts

Developed under the direction of hundreds of community volunteers.



**NORTHWEST
FIBERWORX**



Lamoille FiberNet
Communications Union District



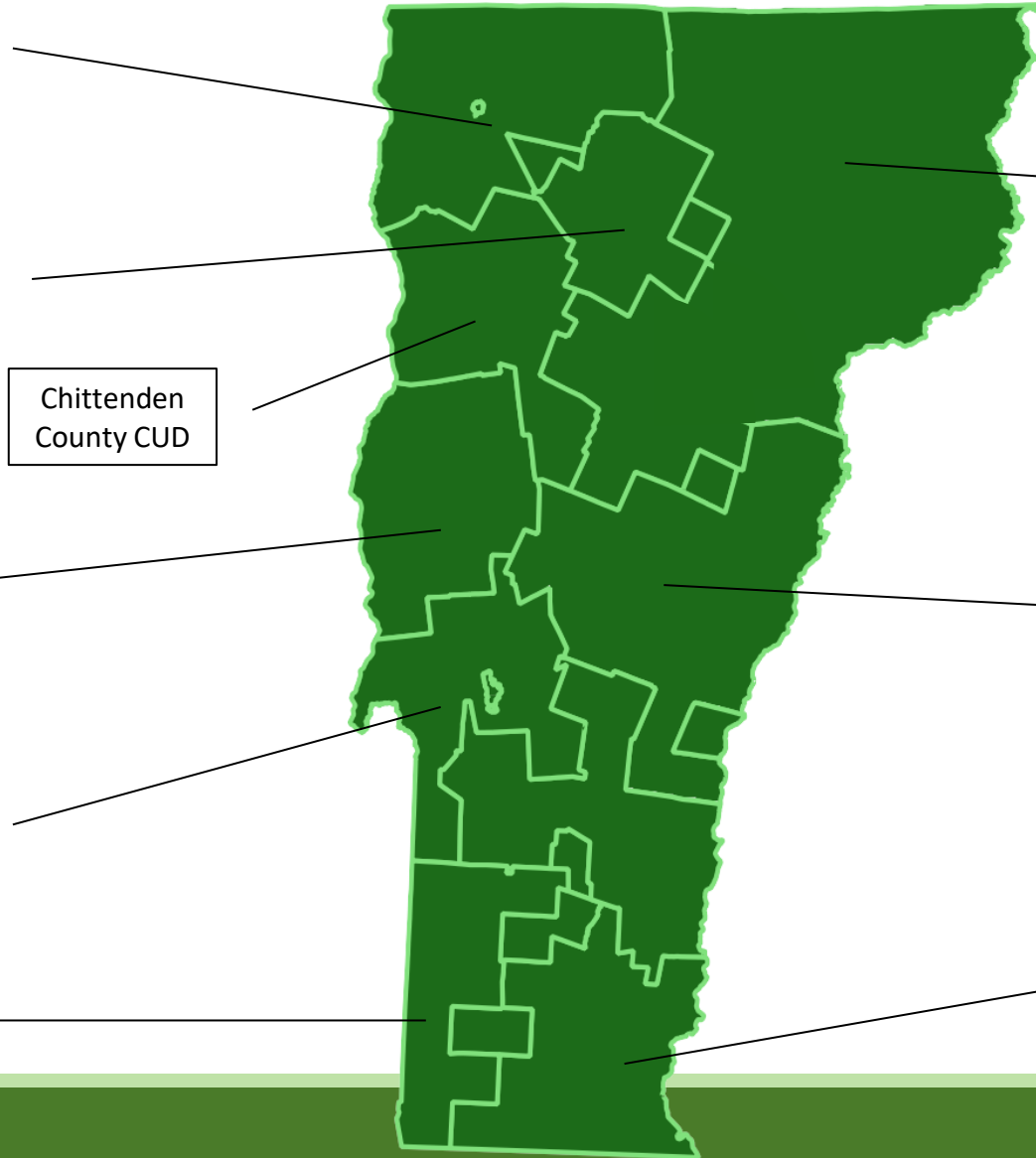
MAPLE
BROADBAND



OtterCreek
communications
union district



**Southern Vermont
Communications
Union District**



Chittenden
County CUD



NEK BROADBAND | **CV**FIBER

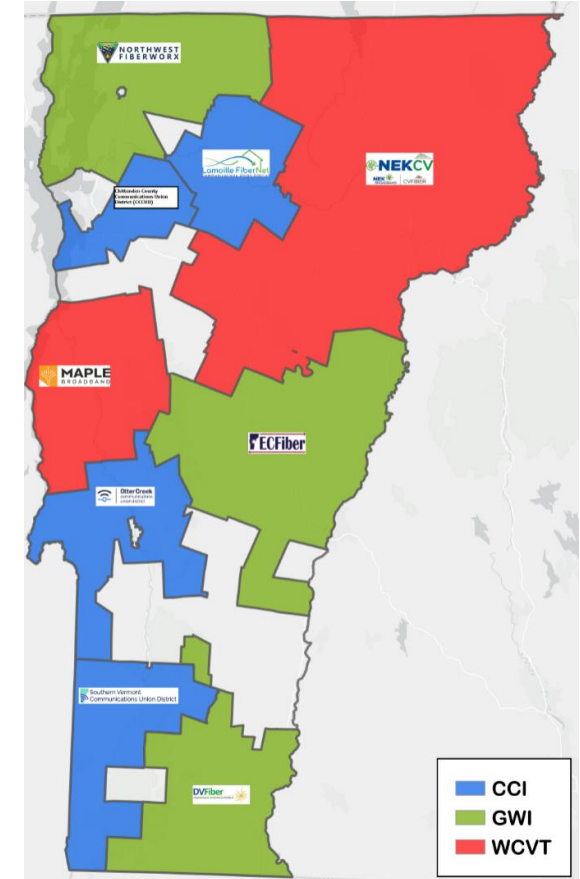


DVFiber

empowering our connection to the future

About the Communications Union Districts

- Each CUD is organized as a multi-town municipality as a result of a ***Town Meeting vote to create a CUD. Towns may join a CUD via a Select Board vote.***
- Each ***town*** appoints ***representatives to participate directly in the CUD governance*** and transparent administration, including compliance with Open Meeting Law.
- ***Committed to universal service*** - will reach every on-grid address starting with the currently unserved and underserved.
- ***Accountable and Transparent*** - Town representation in governance assures grassroots involvement, transparency, and accountability.
- ***Public Ownership*** - All assets funded by the CUD are owned by the CUD municipality.
- ***Private Partnership*** - CUD have partnered with commercial partners to operate the CUD infrastructure.
- ***Financing*** - CUDs may pursue revenue bonds. CUDs do not have general tax or bond authority: public control without local tax financing.



Communications union districts (CUDs) were created ... to coordinate and implement creative and innovative solutions in their respective territories, particularly where existing providers are not providing adequate service that meets the needs of their residents and businesses

CUDs are Mission-Driven.



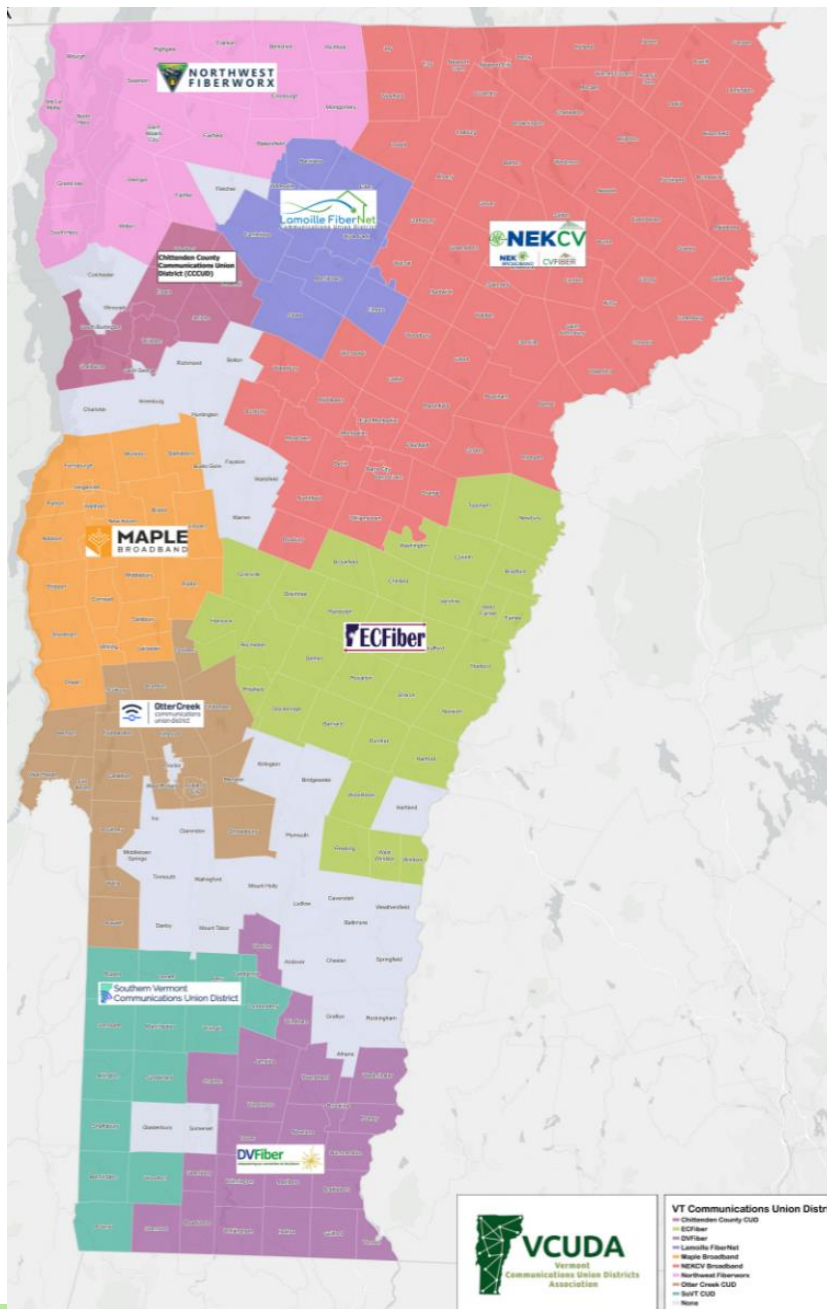
The Vermont Communications Union Districts Association serves to unite the interests of Vermont's municipal internet networks, devising ways to share resources and voicing CUD consensus on critical policy issues.

- Unites the interests of Vermont's municipal internet networks
- Devises ways to drive efficiencies
 - Shared Procurement
 - Financial and Technical Best Practices
 - Utility company coordination
 - Understanding State, Federal grant, and compliance requirements
- Voices CUD consensus on policy issues

Each CUD appoints a representative and alternate member to VCUDA.
VCUDA currently maintains part-time staff and contractor support.

The Goal: Statewide World-Class Broadband ($\geq 100/100$) via Fiber-to-the-Premises (FTTP)

- Fiber is the only technology certain to deliver long term capacity at every home.
- LEO Satellite and Wireless Challenges
 - Toplogy/Line of site, weather, foliage
- Long-term Infrastructure
- Community owned & controlled infrastructure enables upgrades and pricing/consumer protection considerations



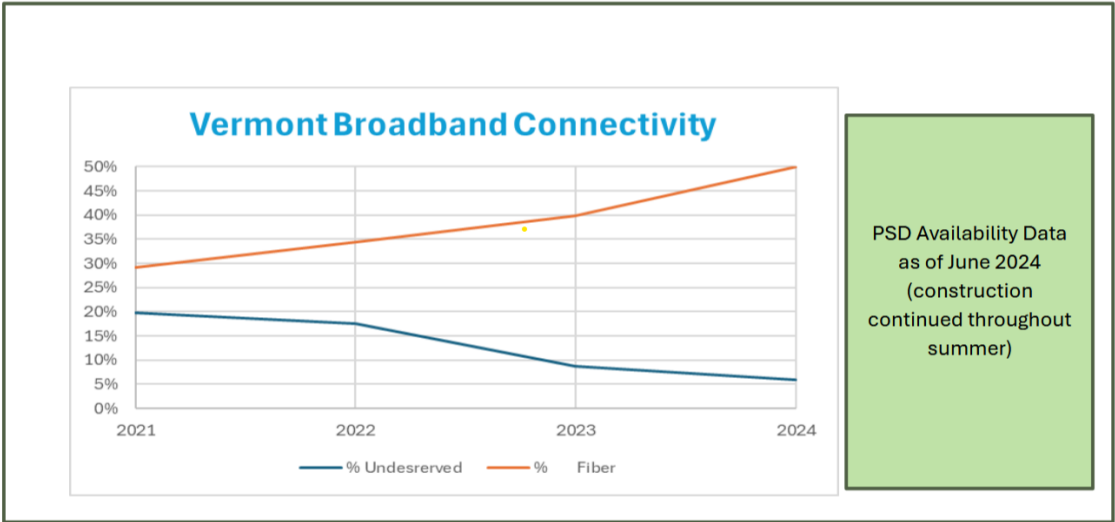
Broadband Progress in Vermont Addresses “Served”

Vermont tracks “served” addresses as locations with at least 25 Mbps down and 3 Mbps upstream capable technology.

All new grant funded activities have been required to provide a minimum of 100/100 down up since 2021.

Data taken from VCBB Vermont Broadband Status dashboards.

VCBB Broadband Address Status	2021	2022	2023
Addresses Served	246,583	254,748	273,052
Addresses Unserved	64,050	58,309	40,702



BEAD Program Update



Program Design

- \$42.5B Federal Funds in Infrastructure and Jobs Act
- Preference for long term infrastructure (fiber) over short term solutions (wireless)
- Law required States to establish state-centric programs that would complete detailed analysis, planning and locally administered competitive program to avoid mistakes of other broadband subsidies (USDA and FCC programs)
- All states and territories completed their planning phase by January 2025.
- 3 States have completed selection / Vermont is in middle of selection

Potential Headwinds in New Administration

- Secretary of Commerce Lutnick announces: ***“a rigorous review of the BEAD program. The Department is ripping out the Biden Administration’s pointless requirements. It is revamping the BEAD program to take a tech-neutral approach that is rigorously driven by outcomes, so states can provide internet access for the lowest cost.”***

Potential BEAD Changes impact on Vermont



- Potential reduction in permitting, workforce selection, and other “onerous” requirements
- Potential elimination of “fiber preference”
- Potential implementation of a “per address” cap
- Potential delay in completing Vermont’s Act 71 strategy

Reduction in permitting, workforce selection, and other “onerous” requirements

Some members of Congress and the administration are advocating to remove a number of NTIA policy requirements in the current State program plans:

- Labor and Workforce: Prevailing Wages, Union Workforce, Collective Bargaining, Local Hiring, Union Neutral, Labor Peace Agreements, Workforce Composition
- Climate Change
- Network Management / Open Access / Interconnection Agreements
- Letter of Credit/Performance Bond

Many of these changes would be neutral to positive for CUDs

Potential elimination of “fiber preference”

Draft Language being circulated in Congress:

An Eligible Entity (State Broadband Office), in awarding subgrants for the deployment of a broadband network using grant funds received under this section, *shall treat as satisfying the definition of the term ‘reliable broadband service’ any broadband service that meets the performance criteria established under subsection (a)(2)(L) without regard to the type of technology by which such service is provided.*”

This language essentially equates wireless and satellite broadband options with fiber, in contrast to the prior administration’s explicit preference for fiber.

State Broadband offices evaluating proposals would not be able to “prefer” fiber for a higher cost over wireless under this scenario.

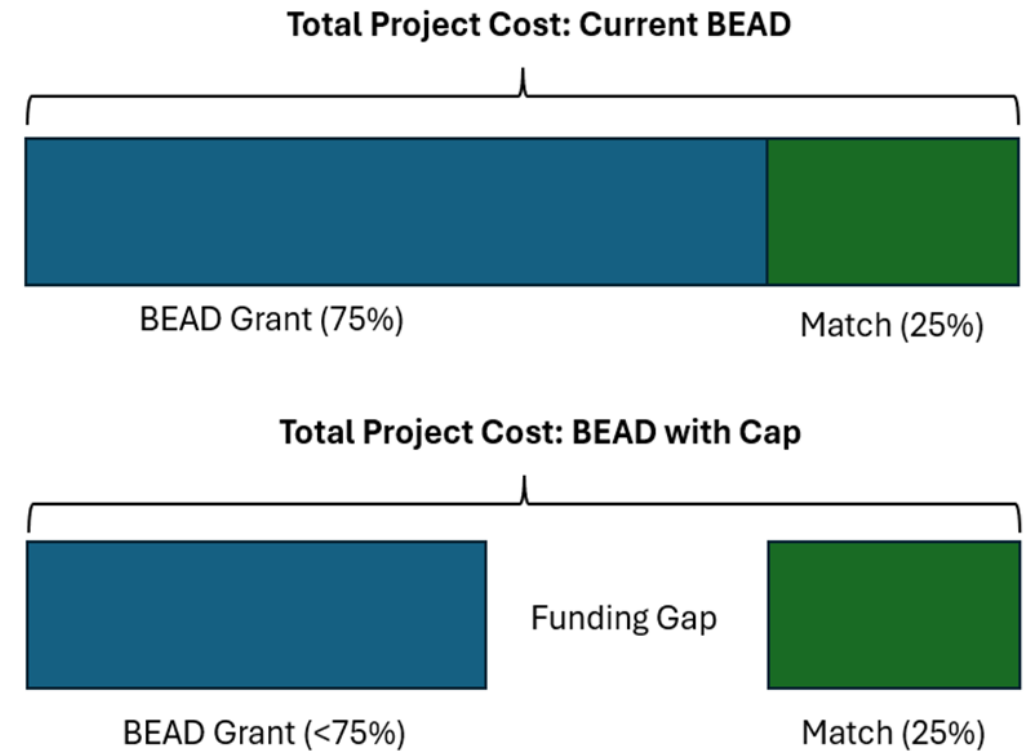
Potential “per address” cap

One potential outcome of the “rigorous review” may be to place a cap on the allowable expense per address.

There is a federal statutory minimum 25% match.

A per-address cap would essentially reduce the amount of the total project cost of a fiber build that could be expensed to the grant.

This poses a potential funding gap for CUDs to participate in the program and is therefore a *significant risk*, should this scenario come to pass.



Potential delay in completing Vermont's Act 71 strategy

- Since 2023, Vermont's implementation of ACT 71 using initial ARPA funds has reduced the unserved/underserved broadband population from 65,000 addresses to approximately 20,000.
- CUDs and other Providers are prepared to immediately begin implementation upon awards from the VCBB's competitive BEAD process this spring.
- "a rigorous review" undoubtedly delays a program that was already awarding funds in many states.
- If rewriting the rules is required by each state, delays could be significant. Existing rule development and competitive bidding has already been underway for 18+ months.

Community Broadband is about Vermonters.

Led by experts and hundreds of community volunteers, Vermont and its Communications Union Districts are on the move, delivering world class broadband where it has never been available before.





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Chittenden County CUD

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