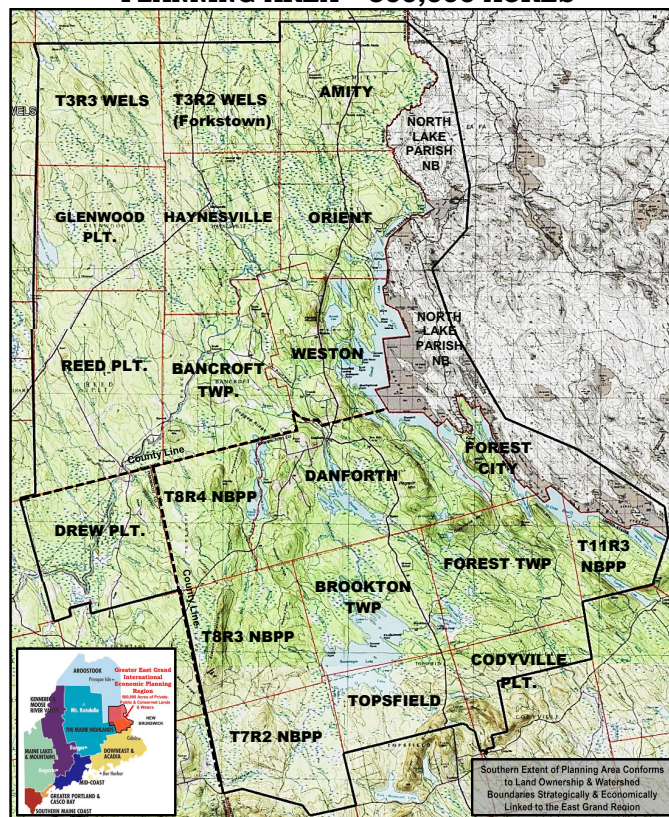


# Greater East Grand Economic Council and the GEGR Broadband Committee Report to the Region

## GREATER EAST GRAND REGION ECONOMIC PLANNING AREA – 500,000 ACRES



### Committee Members

Dwayne Young, Chair; David Apgar, Jessica Comeau, Mike Comeau, Angela Cowger, Constance Curtis, Dan Daggett, Scott Hanington, Ron Hickman, Caroll Randall, David Taylor, Van White, Heather Zakupowsky

### Project Support

Sarah Strickland, Interim Director, GEDEC  
John Dougherty and staff, Mission Broadband

October 24, 2022

**Greater East Grand Economic Council  
Greater East Grand Region Broadband Committee  
Final Report & Recommendations  
October 24, 2022**

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**The Greater East Grand Region (GEGR) Broadband Committee** is pleased to provide a final report and recommendations to the twelve-community region. This report is organized into three sections with two technical appendices.

Section I	Project Background
Section II	Internet Providers Proposal Summary and Committee Analysis
Section III	Recommendations and Next Steps
Appendix A:	Key Analysis Documents
Appendix B:	Definition/Explanation of Terms

### **SECTION I – Project Background**

The Greater East Grand Region is a citizen-designated economic and community development region that includes twelve towns in three counties linked together by history, geography, and the local economy. They are Amity, Orient, Weston, Haynesville, Bancroft, Glenwood Plt, Reed Plt/Wyitopitlock, Drew Plt, Brookton, Forest, Forest City, and Danforth.

The GEGR Economic Council (GEGEC) completed an economic and community planning project early in 2020 that identified goals and priorities that would help the region stabilize and regain its local wellbeing and vitality. The regional vision is that *the people who live in this region have a quality of life that ensures their economic self-sufficiency and a family's well-being across generations*. Eight long-term goals guide the council's work:

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| <ul style="list-style-type: none"><li>■ <b><u>New business and employment</u></b> opportunities through investment and peer-to-peer support for existing businesses and entrepreneurs.</li><li>■ <b><u>Existing business</u></b> are transitioned successfully to new owners.</li><li>■ <b><u>Four-season recreational tourism</u></b> is a positive economic driver and supporter of existing businesses.</li><li>■ <b><u>Investment in new infrastructure</u></b> to support quality of life and work.</li></ul> | <ul style="list-style-type: none"><li>■ <b><u>Youth</u></b> are supported to pursue their aspirations and become actively involved in the community.</li><li>■ <b><u>Young adults</u></b> have chosen to remain or return "home" because of the region's positive support and career opportunities.</li><li>■ <b><u>New families</u></b> have moved to the region because of the excellent education, welcoming community and job opportunities.</li><li>■ <b><u>Elders</u></b> can successfully "thrive in place."</li></ul> |
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With Covid-19 as a backdrop, the GEGEC realized that without access to high-speed broadband services, the region would be hard pressed to advance any of its goals or priorities in meaningful and tangible ways. High-speed internet became the priority infrastructure improvement for the region.

In 2020, the State of Maine increased planning funds for communities to begin broadband planning efforts. In July 2020, the GEGEC received funds to initiate a community-based planning project with the goals of identifying household unmet broadband needs and determine the best option to expand

access to a fiber-based network that could deliver an affordable, reliable, and future-oriented solution across the region.

The first GEGR Broadband Committee was established and led by Dwayne Young with support from Sarah Strickland, project consultant for the economic planning initiative. Members included citizens from key organizations and businesses who had been involved in the economic planning project. Local resident Aly Cropley and students helped gather data through community-based surveys and secured the necessary information to complete early planning requirements. A community-based planning process developed by Island Institute was the framework for the committee's early work.

In July 2021, the committee secured a second planning grant from the state to complete a feasibility plan using an RFP process to internet service providers interested in serving the region. The deliverable from this planning phase would be specific recommendations about the model, provider, and design for expanded internet service across the region. The committee retained Mission Broadband, an internet consulting firm based in Bangor, to provide broadband expertise for the project.

In February 2022, Mission Broadband completed its analysis of the six proposals the committee received through the RFP process. With this information in hand, the Broadband Committee was expanded to include representatives from each town in the region with the responsibility to *work on behalf of these communities to develop and recommend specific strategies for securing affordable, universal, reliable, and future-ready broadband service*. The Committee was empowered by participating communities to engage with internet service providers (ISPs) and other technical advisors to produce plans, budgets, and funding strategies for consideration and action by town select boards and County governments.

## **SECTION II - Internet Providers Proposal Summary and Committee Analysis**

From June through September 2022 the committee analyzed the six proposals based on the original project goals for the new network (universal, affordable, future-ready, and reliable) and the commitment to minimize the financial risk for each town. At the same time, a local Connectivity Buster was hired together with several high school students to complete the second community wide survey to provide added information to the committee's deliberations. Three different models were considered:

1. **Expand Existing Private ISP Network** – work with existing ISPs to expand service to unserved and underserved areas.
  - *Spectrum, CCI, Pioneer, Wireless Partners*
2. **Establish a new Municipal Utility District (MUD)** – fiber to the home network built by a private ISP and owned by the towns.
  - *Sertex, Axiom*
3. **Join Downeast Broadband Utility (BDU)** – Explore joining the Calais/Baileyville fiber to the home network.

Early discussions about the three models centered around the committee's preference for:

- More competition and choice of Internet Service Provider (ISP) or, having an existing ISP expand services to more people?
- More local control over internet services (customer service, maintenance, operations) or, having an existing ISP maintain control and responsibility of the internet service?

- To invest federal/state funds in a locally owned asset or, invest these funds in expanding a private, internet service network.

Other equally important factors, like household density and take-rate, all contributed to the committee's analysis.



The following chart provided an overview of the six proposals based on the overarching goals for the new network.

ISP	Universal Access	Future-Ready for 20+ year	Reliability (highest speed)	MUD* Ownership Option?
Wireless Partners	Yes	No Wireless cell dependent	100/20	No
Spectrum	No Missing Drew, Reed, Glenwood	No Partial cable dependent	1G/500	No 10 yr franchise by each town
CCI	Yes	Yes	1G/1G	No
Sertex	Yes	Yes	1G/1G	Yes
Axiom	Yes	Yes	1G/1G as demand grows	Yes
Downeast Broadband Utility (DBU)	Yes	Yes	1G/1G	It is a MUD
Pioneer	Yes	Yes	1G/1G	Unclear

Despite the history and reservations about relinquishing local control to an existing ISP, the realistic requirements to start a new regional municipal utility network turned the committee towards evaluating the opportunities to work with an existing internet provider, or Downeast Broadband Utility (DBU) to serve the region. As the most important criteria emerged, the committee re-examined proposals from CCI, Spectrum, and DBU.

## Final Proposal Review Criteria

### The Network

- Universal
- Affordable
- Future-ready
- Reliable

### The Towns

- Minimal, if any, direct cost to the towns
- No role in building, operating or maintaining the network
- Existing contracts with other providers are not disrupted

### The Provider

- Includes all households and businesses on electrical grid
- Buildout within 24 months of secured funding
- Competitive pricing with different price packages for different speed levels
- Customer service is a top priority
- Funds 100% of household contribution as required by MCA grants
- Commitment to help expand digital access and education
- Total project cost estimate

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Four criteria rose to the top of the committee's final assessment which eliminated Spectrum and DBU from consideration.

- There would be no direct cost to the towns.
- Buildout would be across the region, including all Connect the Ready eligible towns.
- Within 24 months after securing funding, the network would be built and operational.
- A commitment to expand residents access to digital equipment and training to take full advantage of universal broadband.

### Section III – Recommendations & Next Steps

With these considerations in hand, the committee continued its discussions with Consolidated Communications (now called Fidium) to determine if a project would be financially feasible for Fidium and meet the committee's criteria. As of 10/24/22, the following project parameters are in discussion in anticipation of Fidium applying for a Connect the Ready grant on November 9<sup>th</sup>.

- Fidium builds a 2G symmetrical, reliable, affordable, future-ready, fiber-to-the-home network for every household currently on the electricity grid.
- CCI/Fidium assumes the full cost of building, operating and maintaining a new fiber network in exchange for 100% ownership of the infrastructure and the household connections.
- All eligible\* towns are included in CCI's plan: Orient, Weston, Haynesville, Glenwood Plt, Reed Plt, Drew Plt, Brookton, Danforth, Forest, Forest City
- Fidium applies for and receives an award from MCA to build the entire network at no cost to the towns. The current estimate is \$8.1 million

- Fidium contributes between \$1.0 and \$1.4M on behalf of the towns to meet the MCA grant application criteria for a per household contribution between \$500-\$700.
- Fidium provides free internet service to a network of citizen-designated locations to launch and sustain a digital inclusion and training strategy across the region.
- Fidium builds out and launches the network within 24 months once funding is secured.

\* Eligible Areas are defined by Maine Connectivity Authority. Amity is currently defined as a "Reach Me" candidate.

**Next Steps: Between October 24<sup>th</sup> and Nov 9<sup>th</sup>, the following steps are anticipated:**

- Broadband committee members meet with town leaders as requested to review report recommendations and secure support for the project.
- By November 1<sup>st</sup>, each town provides a Letter of Support for the Connect the Ready grant application by Fidium. Draft template is attached.
- By November 1<sup>st</sup>, the broadband committee and Fidium finalize all the project and financial parameters that will be included in the Connect the Ready grant application due Nov 9<sup>th</sup>. If for any reason, the parameters cannot be met, the committee and Fidium will postpone the grant application, hold additional discussions on concerns, and determine if it will be possible to seek Connect the Ready grant funds in late winter 2023.
- If there are no barriers to moving forward, Fidium's application for Connect the Ready funds is submitted on November 9<sup>th</sup> for the supporting towns.

**Appendix A: Key Project Documents available on request or at [www.eastgrandregion.org/broadband](http://www.eastgrandregion.org/broadband)**

1. Map of the Greater East Grand Region
2. 2020 ConnectMaine Phase 1 Planning Grant and Report
3. 2020 RDOF awards by census track
4. 2020 Census Data by town for selected variables
5. 2021 ConnectMaine Phase 2 Feasibility Planning Grant and Report
6. 2021 VetroCare network KML design maps/files used for the RFP
7. 2021 RFP for network designs and cost estimates for the region
8. 2021 ISP proposals from Sertex, Spectrum, CCI, Pioneer, Axiom and Wireless Partners
9. 2022 Financial analysis files for Sertex and CCI proposals
10. 2022 MCA Eligible Program Area Map
11. 2022 Links to MCA Connect the Ready grant application parameters
12. 2020-2022 Community Survey results
13. 2020-2022 Broadband Committee meeting notes
14. 2020-2022 Community update documents

**Appendix B: Glossary of Broadband Definitions and Terms**