STATE OF VERMONT
DEPARTMENT OF PUBLIC SERVICE
DIVISION OF TELECOMMUNICATIONS AND CONNECTIVITY

2017 VERMONT TELECOMMUNICATIONS PLAN

November 8, 2017
6:30 p.m.

115 Eastern Avenue
St. Johnsbury, Vermont

Public Hearing held before the Department of Public Service, at the Catamount Arts Center, 115 Eastern Avenue, St. Johnsbury, Vermont, on November 8, 2017, beginning at 6:30 p.m.

PRESENT

Vermont Department of Public Service:

Clay Purvis, Director of Telecommunications & Connectivity

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MR. PURVIS: Hello and welcome. Today is November 8th. It's 6:30 p.m. and we're here today to hold a public hearing on the 10-year Telecommunications Plan. The agenda tonight will be to take testimony from the public on things that -- items that should be included or discussed in the Telecommunications Plan.

To get started we will lay out some ground rules. Those wishing to speak, please state your name for the record, and please keep your comments to five minutes apiece until everyone who wishes to speak has had a chance to speak. And then if you would like to make a second comment, please come up and make a second comment.

So with that, I'll open the floor to anyone who would wish to speak. Nick?

MR. ANZALONE: Sure. Very awkward.

MR. PURVIS: It is but --

MR. ANZALONE: All right. So my name is Nicholas Anzalone, and I live in Ryegate. A-N-Z-A-L-O-N-E. What I want to say -- I have a lot of opinions, but they are going to escape me now. So I would like to say that we are really frustrated by the situation personally, and in Ryegate, I have been waiting 10 years to get something a little bit faster
than 1.5 megabits. And it feels like too long. It
feels like whatever we are doing is really slow, and
I'm really frustrated about it.

I want to see if I can do something
about it. I've heard a lot of things that may change
this opinion. I would really like us to consider
treating Internet the way we treat roads or other
sort of like things that are for the public good, and
for our like public service that need state support
in a more intensive way and a more sort of equitable
way that sort of spans the entire state including
rural areas. If that's really not viable in terms of
the politics, I think I would really like to see us
pushing to make it -- to lowering the bar, to making
it easier for communities to solve their own
problems, individuals to solve their own problems,
but with education like some sort of like public
resource that makes it easy for somebody like myself
who literally didn't know anything about this until I
got angry enough about it two months ago to look up
-- like how can I help myself fix this problem. Who
can I reach out to? What are the resources? Who are
the companies that have like fiber that are like who
can tell me like where those pipelines are. So that
I can reach out and try find out for myself like what
the -- what a possible solution might be for me and
my community.

Connected with that, I feel like it
might be a good idea to try to prioritize and help
communities building centers where high-speed
Internet is available. Like there isn't even a
public place really where I can go right now that's
within easy driving distance of my house where I can
go and get a solid connection during the workday and
feel like I can perform my normal daily duties that I
do remotely. That's it.

MR. PURVIS: Thank you. Anyone else
like to make a comment? Michael?

MR. BIRNBAUM: Up there?

MR. PURVIS: Maybe for the cameraman.

MR. BIRNBAUM: Sure.

MR. PURVIS: Thank you.

MR. BIRNBAUM: So my name Michael
Birnbaum. B-I-R-N-B-A-U-M. I have a company named
Kingdom Fiber that is going to be utilizing state
resources in the Northeast Kingdom. It's about 170
miles of networks if you include the north link
network which is separate still.

We're here to address what we would
like to see in the 10-year plan. And so the 10-year
plan ought to have some audacious goals and some
pragmatic achievable goals. And I didn't come here
intending to tell you what the right ones are. But I
do think that the plan ought to make distinctions
between what are aspirational and what are achievable
goals in 10 years, in terms of the amount of
bandwidth that ought to be delivered to every
location, in terms of how government and the private
sector separately and as partners can achieve those
goals.

My experience as an Internet provider
with my wireless company which is separate has been
that the cooperation between government and private
sectors is fraught. The larger companies are very
skittish around regulators, and regulators are
anxious to encourage those larger companies to open
up, open up their resources, share them, sell them,
lease them. If they are, I'm sure that the
Department of Public Service would love to have the
right to tell a large company you need to share your
resources, you can be compensated for it, but you
need to share them. But I know that the Department
has no leg to stand on because there are federal
rules and state rules and that prevent them from
regulating these companies in that way. So I know
that there is lots of fiber.

MEMBER OF THE PUBLIC: Is your mic on?

Is there a switch on the bottom?

MR. BIRNBAUM: Maybe I wasn't holding

it high enough. Can you hear me all right back

there? Sorry.

I don't have an answer to that

question, but I'm sure that that's an important one

to the Department. And so in the meantime, in order

to achieve let's say a goal of 100 megabits per

second at every home and business in the state, which

I believe is one of the goals that the state has had

for a little while now, that can be achieved with

both fiber and it can be achieved with fixed

wireless. It's a very expensive goal. State

taxpayers; so we all want it. It's like mom and

apple pie. We all believe it should be provided like

roads and electricity and water. But the problem is

we don't have the funds to support that idea. And

the state can either double our taxes to get those

funds or hope that there is going to be federal

stimulus money to support that kind of expansion.

So I don't -- I guess the only thing I

can say about the 10-year plan is that it ought to be

pragmatic looking at the resources that are
available, and also state the aspirational goal in case federal funds can be made available. I guess that's enough for now. Do you want me to describe the project I'm doing? I can do that. But --

MR. PURVIS: Sure.

MR. BIRNBAUM: But I'm addressing the 10-year plan.

MR. PURVIS: Your call. Your testimony.

MR. BIRNBAUM: I'm happy to have publicity.

MR. PURVIS: Sure.

MR. BIRNBAUM: So Kingdom Fiber is a new venture. And it's going to serve the 22 towns that the Northeast Kingdom dark fiber network traverses through including the north link network which is kind of in the middle of it. And it's launching at the end of the winter after the Craftsbury municipal dark fiber network is completed. And I guess that's all the prepublicity I'll claim here. You can check it out on Kingdomfiber.com.

MS. ALGIER: Can I ask a question? Heather Algier from Ryegate. So what segment of the Northeast Kingdom -- so it just the includes around Craftsbury?
MR. BIRNBAUM: No.

MS. KITCHEL: Norton.

MR. BIRNBAUM: You may not have heard Clay describing the network.

MS. ALGIER: No, I heard that.

MR. BIRNBAUM: It starts in Hardwick, goes up to Newport, out to North Troy. East all the way to Bloomfield. It also goes up to Derby Line. And then from Bloomfield it goes a loop, Canaan north and down.

MS. ALGIER: So that what you're offering --

MR. BIRNBAUM: And also down to Guilford in the Connecticut River Valley. So we are going to light all of that fiber.

MS. ALGIER: Okay.

MR. BIRNBAUM: And we are going to light the fiber in Craftsbury.

MS. ALGIER: Okay.

MR. BIRNBAUM: And we intend to extend into other towns in the same way that Craftsbury is getting extensions, so that ultimately it will grow. And --

MS. ALGIER: I mean what could the build out look like for that?
MS. KITCHEL: Would it include Ryegate?

MS. ALGIER: Yes. Would it include --

be St. Johnsbury.

MR. BIRNBAUM: So the whole corridor
Burke, Lyndonville, St. Johnsbury, Ryegate is not in
the picture for our project because there is no fiber
anywhere near that we can access, and if we were to
build it ourselves it would be prohibitively
expensive in the near term. But in the long term,
anything is possible.

MR. PURVIS: Okay. Thank you, Michael.

MR. BIRNBAUM: Okay.

MR. PURVIS: Anyone else who would like
to speak? Senator Kitchel? Or David. Okay. Thank
you.

MR. SNEDEKER: David Snedeker.

S-N-E-D-E-K-E-R. And I work with the Regional
Planning and Development Corporation for the
Northeast Kingdom. I'm also on -- Clay shared -- on
the connectivity advisory board.

Looking at the Telecommunications Plan
that we are in the process of updating, I looked
through the goals which speak to broadband speed,
broadband deployment, affordability, local public
content, adoption and usage, mobile service, basic
service, enhanced 911, competition and fairness.

I think we are falling short on each and every one of those goals. So I think there needs to be some acknowledgment in the plan that more needs to be done. There probably are many reasons why we are not getting to where we need to be, but I think it's an important part of rural economic development and just rural community development. So having that acknowledgment in the plan is important.

I also think that I'm glad to hear that Michael's group is taking up the north link dark fiber assets. That's been basically idle with the exception of a few strands that were leased for a few years. And there was a lot of promise when that project went in years ago, which has basically been unfulfilled, so those are my comments. If the state can help facilitate that, that would be great.

MR. PURVIS: Thank you very much.

Thank you so much.

MS. KITCHEL: I'm Jane Kitchel. K-I-T-C-H-E-L. I'm the state senator for Caledonia and a third of Orange County. And I think if there is anything we hear is the importance of broadband availability as part of really our economic vitality. And we recognize that rural and very disperse
populations are very difficult.

I would agree with some of the other comments. I think a lot of political rhetoric has been thrown out that's created expectations, but the resources and the money has not really been honestly described. So that people would say this is what has been the goal of the last three Governors. Why isn't it here?

So the other question I have is a 10-year plan is a long-time plan in the life of technology in a very changing world. And so I, you know, I hope that there is some ability to make a plan as dynamic, I think, as a technical landscape that is going to be ahead of us and things that we may not have even thought about.

But I would just like to say that if there is anything the Northeast Kingdom and for people who want to stay in this area certainly telecommuting is an important consideration. We know that there are jobs available in other parts of the state. But we really place a high priority on the vitality, and the economic viability of our area. And so the work that goes into the plan, I do think we need to be realistic about our goals. I don't think we have been in the past. I think expectations
have been set too high, and when you do that, people get frustrated; they get angry.

The other thing is being pragmatic and being as nimble as we need to be, which sometimes it's difficult for government, or when we are dealing with regulated entities as well, which broadband is not.

The other thing I would simply say is I think I speak on behalf of all legislators that broadband is a priority, as was mentioned, we are a little state, and the price tag is pretty enormous if we were to get to that optimum level. So I think we do have to be pragmatic in terms of what we can do, and be strategic about what we do do. And I'm not sure that that in fact has been the case.

We had a lot of ARRA money that came into the state. And I'm not sure that we are at a place that we hope to be. So I want this plan to be something that doesn't collect dust. That in fact, can be used and have utility, and that can be modified as we go along.

So appreciate your willingness to come out and hear from people and what's on their minds. Thank you.

MR. PURVIS: Thank you very much.
Anyone else? All right. The time is 6:46. And we have taken testimony from everyone present who wishes to -- wished to speak. So I think that we can adjourn.

MR. BIRNBAUM: Can I speak again?

MR. PURVIS: Sure.

MR. BIRNBAUM: Okay.

MR. PURVIS: I take that back. We will have one last comment.

MR. BIRNBAUM: I miss the VTA. The Vermont Telecommunications Authority made some mistakes in its early days and did a lot of good in its later days. And the legislature mothballed it and entrusted the Department of Public Service to take over those functions, which has in -- and the Department has some very well meaning, talented people, including Clay here. But the Department is a regulating agency. And it's been very difficult, it seems to me, for the connectivity initiative which is what the new function was named, to aggressively and creatively respond to the needs of the state. And I personally am a recipient of a grant from that initiative, so I'm -- I don't think it's all bad by any means. But I think having it an agency or authority like the VTA used to be is something that
should be revisited.

I understand from someone that the VTA is very reluctant to manage the fiber resources it was entrusted with. And is not -- for example, the north link network, which has been offered to the Department, but if that was an independent agency perhaps that resource could be managed. And so I think that those who are making the 10-year plan should at least address the possibility that a recommendation to the legislature be made to move the functionality of telecom planning as opposed to telecom regulation be moved out of the Department.

Thank you.

MR. PURVIS: All right. Anyone else? Well it's now 6:48, and so I think that this concludes this hearing. Thank you very much.

(whereupon, the proceeding was adjourned at 6:48 p.m.)
CERTIFICATION

I certify that the foregoing is a correct transcript from the record of proceedings in the above-entitled matter.

[Signature]

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