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VCBB Effort Unites Communications Union Districts & Private Providers to Propose Resilient, Redundant Open-Access Middle Mile Fiber Broadband Network

\$114M comprehensive proposal for a 1,663 mile statewide middle mile network submitted to NTIA's Enabling Middle Mile Broadband Infrastructure Program

Montpelier, Vermont – Vermont joined other nationwide applicants in applying for funding from the \$1 billion Enabling Middle Mile Broadband Infrastructure Program. Vermont's application proposes a \$114M, 1,663-mile, statewide middle mile network. The proposal was developed in collaboration with the [state's nine \(9\) Communications Union Districts](#) and the state's major telecommunication companies. This project is supported by a [\\$30 million state match to be included in the Governor's budget proposal](#) and over \$16 million in cash and in-kind contributions from [NEK Broadband](#), [ECFiber](#), and [FirstLight](#).

According to Governor Scott, "This Middle-Mile grant represents an opportunity for us to invest even more public money in our community fiber networks, reducing their need to go to the bond market. It would enable us to connect different Districts together, and then to internet hubs in more connected areas beyond the borders of our state. This network provides Vermont a once in a generation opportunity to build a comprehensive state-wide reliable and resilient backbone to ensure we can withstand future weather events, handle new demands for electricity and enable smart transportation systems. Above all, it would accelerate our plan to achieve universal service, at rates Vermonters can afford."

The effort to develop the proposal was spearheaded over the last four months by the Vermont Community Broadband Board (VCBB). According to Christine Hallquist, Executive Director of the Vermont Community Broadband Board, "One of the VCBB goals is to propose and develop a resilient and redundant statewide network while also addressing public safety, energy equity, and reducing the cost of broadband. The middle mile grant provided the opportunity to consult with and build trust between the state's nine communications union districts and the private telecom companies."

The Vermont Middle Mile Infrastructure Project and the resulting network will be managed by a new Special Purpose Vehicle (SPV), a separate legal entity with majority public control for the purpose of constructing, owning, and operating the network composed of the CUDs and private partners providing Indefeasible Rights of Use (IRUs) to their networks. Vermont has used SPVs effectively with its shared electric utility substations and the same model will be used for this shared telecommunications asset.

“This middle mile grant application showcases Vermont at its best - diverse stakeholders such as CUDs and for-profit companies coming together and contributing their expertise, insights, and skills to collaborate on a plan that is directed at promoting the public good. The Vermont Community Broadband Board was created to make this kind of breakthrough happen,” said June Tierney, Commissioner of the Department of Public Service.

If the grant is awarded, it will enable the state’s nine CUD to accelerate their construction timelines, negotiate better bulk data rates, and increase the resiliency of each of the networks. The new network also leverages previously built state fiber that was transferred to the CUDs in late 2021.

“NEK Broadband is pleased to provide in-kind match fiber-optic cable network in support of the Vermont Community Broadband Board (VCBB)'s middle-mile grant application. A successful application will build a middle-mile network throughout Vermont that will decrease overall costs and increase opportunities for regional and statewide growth, providing residents with added educational opportunities, job availability, and healthcare access,” said Christa Shute, Executive Director, NEK Broadband.

This was echoed by other CUD leaders. According to Maple Broadband Executive Director Ellie de Villiers, “Maple Broadband supports this application because a reduction in capital expense for middle mile infrastructure will enable us to achieve our goal of providing high speed broadband to every address in our district faster and with less debt.”

Vermont telecommunications and electric utilities were also supportive of the effort. The plan was developed in consultation with WCVT, FirstLight, Consolidated Communications, VTel, and VELCO. According to FirstLight’s Chief Development Officer, Patrick Coughlin, “FirstLight is excited about the potential that this grant application offers to the State of Vermont. It leverages FirstLight’s existing, open access network and expands to additional unserved and underserved areas bringing critical broadband to the community. We look forward to continuing to work with the state’s broadband office to bridge the digital divide.” The sentiment was echoed by Erik Garr, President of Fidium Fiber, part of the Consolidated Communications family. “We know how critical broadband infrastructure is for our economy, our community and society, and we are excited to do our part to support this important statewide initiative.”

VTel applauded the effort and expressed interest in future participation in the new Special Purpose Vehicle (SPV) that will manage the effort. “Inviting private fiber owners and municipally owned CUD’s to each contribute hundreds of miles of unused fiber strands into a statewide fiber bank, to

enable mile-for-mile fiber trades, is a great concept. For our small company, this could help us reach dozens and even hundreds of new broadband destinations and wireless sites,” said Dr. Michel Guité, President, Vermont Telephone Co., Inc. / VTel Wireless, Inc.

As part of President Biden’s “Internet for All” initiative, the Middle Mile grant program provides \$1 billion in funding to projects that connect high-speed Internet networks to each other and reduces the cost of bringing Internet service to communities that lack it. Nationwide, over 235 applications were submitted totaling more than \$5.5 billion in funding requests for the Enabling Middle Mile Infrastructure Grant Program.

If awarded, the network will be constructed within 60 months. Awards will be announced starting in March 2023.

Additional information on the proposal can be found on the Vermont Community Broadband Board’s [Vermont’s Middle Mile Proposal for the NTIA webpage](https://publicservice.vermont.gov/content/vermont%E2%80%99s-middle-mile-proposal-ntia) (<https://publicservice.vermont.gov/content/vermont%E2%80%99s-middle-mile-proposal-ntia>)

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