Broadband and the Future of America’s Counties

Association of Minnesota Counties

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**Data Speed Capacity**

- **Wireline Technology**
  - Dial-up
  - T-Carrier (T1 through DS3)
  - DSL
  - Cable Modem (through DOCSIS 3.0)
  - DOCSIS 3.1

- **Wireless Technology**
  - EDGE
  - 3G
  - 4G (through LTE)
  - TV “White Spaces” Unlicensed TV Frequencies
  - LTE Advanced (Release 10)
  - Unlicensed TV Frequencies

- **Fiber-to-the-Premises**

**Max Bitrate**

- 50 kbps
- 100 kbps
- 500 kbps
- 1 Mbps
- 10 Mbps
- 50 Mbps
- 100 Mbps
- 200 Mbps
- 500 Mbps
- 1 Gbps

**Technology**

- Technology at a mature state of deployment
- Technology deployed in select markets
- Technology at conceptual or developmental stage or early stage of deployment
Framework for Options

Wait for the private sector
Do it yourself
Build partnerships
Model for Partnerships

Public assets and/or financing, private operations

– Public sector opens new markets by improving economics for private partner
  • Through financing, existing assets, existing spending, economic development tools

– Operations and service provision are by the private partner(s)
Model for Partnership: public capital, private operations

• Opportunity for innovation
• Plays to strengths of both parties
• From the standpoint of a locality, risk shared but 100% of network benefit realized
  – Public benefit does not show up on financial statements
  – Private partner gets financial benefit
RS Fiber in Minnesota

Regional consortium created non-profit, private entity to build, manage, and operate

1. Deployment of fiber to the home, business, and farm over time
2. No cherry-picking (ie, build to everyone)
3. Bonding capacity of localities makes deployment possible
Private partner gets long-term lease of cities’ fiber in return for taking operating risk and meeting community goals:

1. Expanding fiber throughout the cities over time
2. Enabling competition--ongoing commitment to wholesale service
3. No cherry-picking (ie, build to everyone)
Westminster, MD

- Expansion of county fiber to the home and business
- City will own fiber only; long-term lease to partner to operate
- Ting Internet selected as partner
- Ting shares financing risk; city shares market risk
Garrett County, MD

- Underserved rural area in Alleghenies
- County selected private partner to deploy fixed wireless network in unserved areas
- Private partner builds with (partial) public funds but bears operating risk
- Public maintains ownership of publicly-funded assets in case of default
- Public risk contained
Town fiber as strategic asset: Holly Springs, NC

- Town’s robust fiber rings built for internal services
- Designed strategically to enable FTTP in future
- Fiber lease agreement with Ting internet
  - Ting will lease public fiber for backbone
  - Ting will build to homes & businesses
Incremental, strategic approach that leverages public spending

• Starting point for analysis is internal savings and efficiencies
  – Reduced costs from leased circuits—current and future
  – IT operational efficiencies
  – Public safety
  – K-12 and community colleges
  – Libraries

• County-use fiber serves as platform for expansion, innovation, competition
Cumulative payments, fiber build (high estimate) vs. minimal leased services
Cumulative payments, fiber build (low estimate) vs. 10 gigabit service