



Rural Broadband: Three Service Providers Discuss Business Models and Solutions

NTIA Webinar Series

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Conference Line: 800-593-7190 Passcode: 984-4951#

April 15, 2020

Participants

Presenters:

- Justin Forde, Senior Director of Government Relations, Midco
- Renee Chapline, Vice President of Communications and Government Affairs, Prince George Electric Cooperative
- James Garner, Vice President of Operations, Telephone Electronics Corporation

Moderator

- Don Williams, Broadband Program Specialist

Helpful Information

Questions

- Please type questions and comments in the question box on the right hand side of the screen. Questions will be taken after the final presenter.

Presentation

- The presentation along with a transcript and an audio recording will be available on the BroadbandUSA website within 7 days of this webinar under Events/Past Events.
- <https://broadbandusa.ntia.doc.gov/past-event>

Technical Assistance

- Guides, products, publications, and other tools are available to assist you with the planning, funding and implementation of your broadband project.
- <https://broadbandusa.ntia.doc.gov>

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Justin Forde, Senior Director of Government Relations, Midco

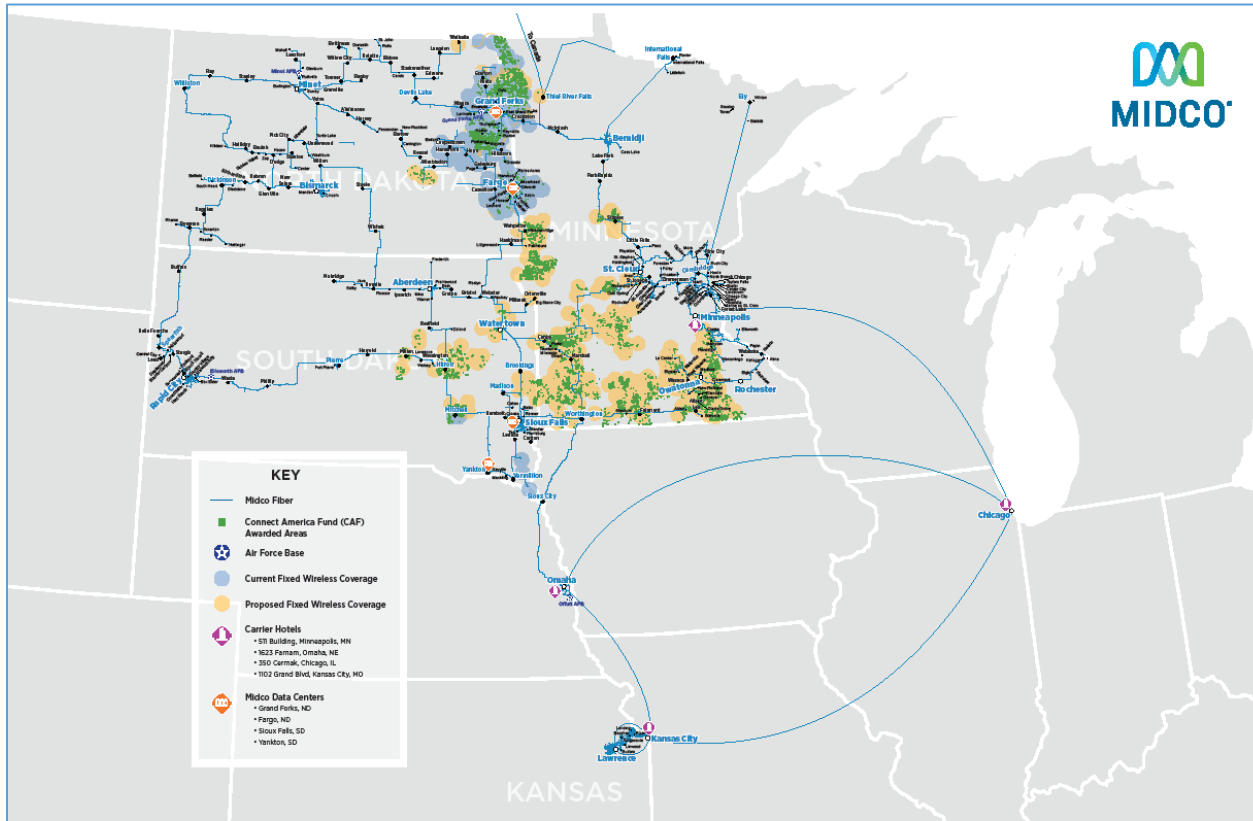


Closing the Digital Divide

Broadband USA Webinar
April 15, 2020



Extensive Fiber and Fixed Wireless Network



MIDCO

Let's Go[®]

Connecting and Innovating

- 10,000 miles of fiber is our backbone for innovation
- Multiple delivery methods to best serve customers: fiber, hybrid fiber coax, and fixed wireless
- Over 400,000 customers across 5 states
- 95% of customers have access to affordable Gig

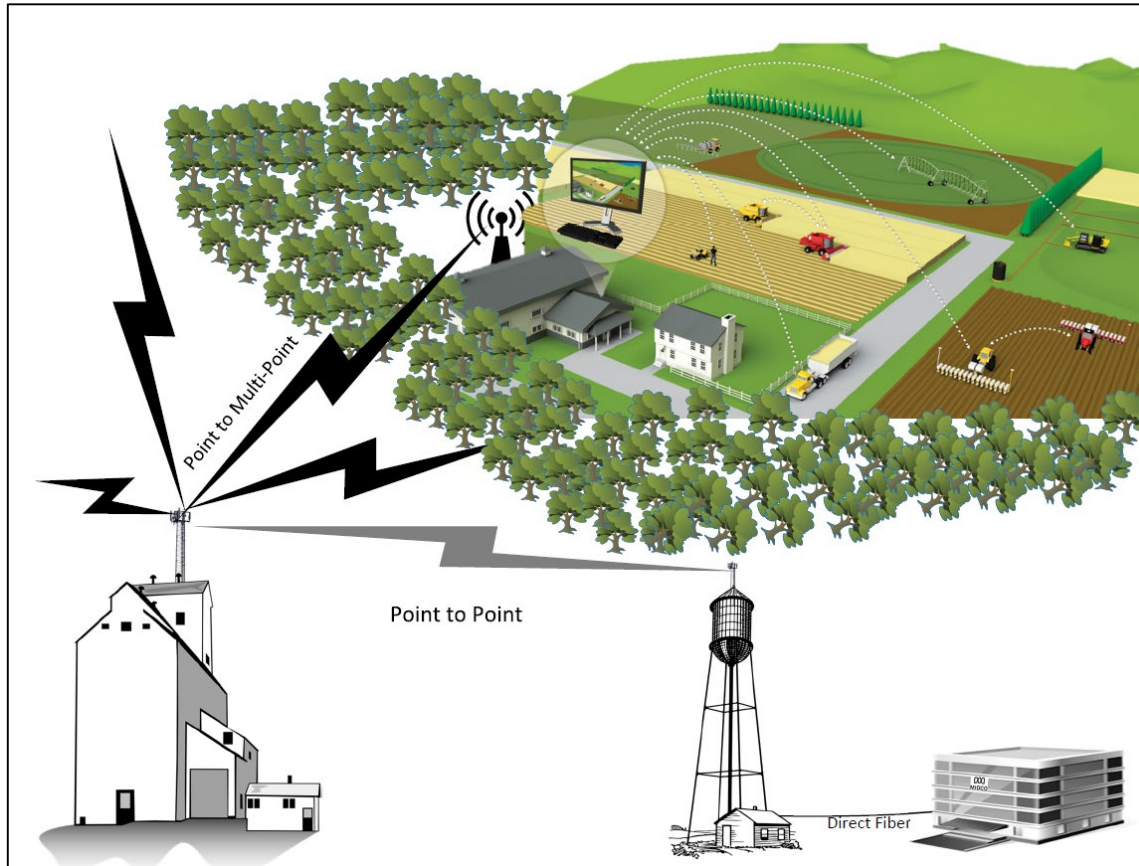


10G Evolution

- Leverages recent advances to build upon our Gig capability
- Features fiber-smart, 2-way speeds and carrier-class 10G speeds for future generations of network technology
- Brings world-class capability to rural America



Fixed Wireless Connects Rural America

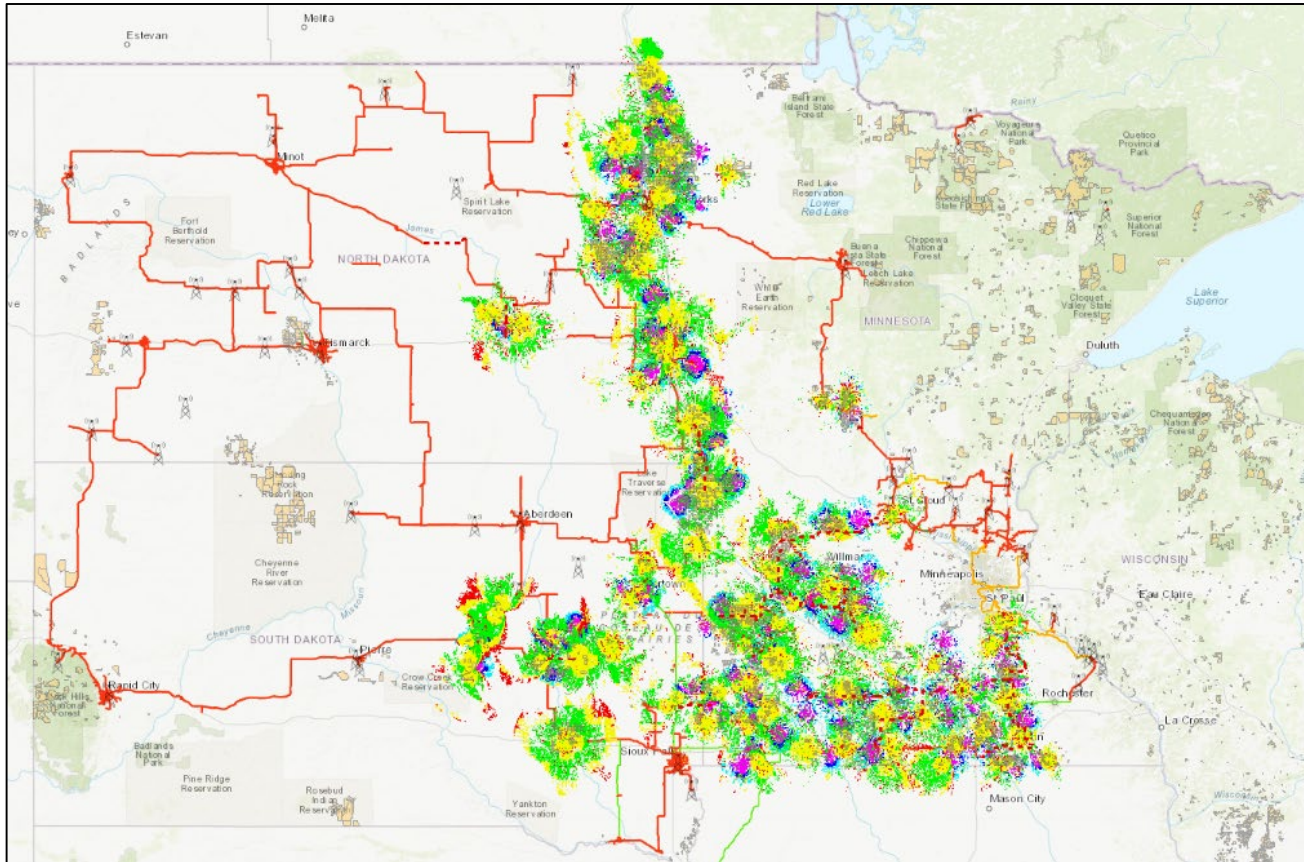


Midco® Edge OutSM

- Fiber leads all strategic builds
 - Wireline buildouts where possible
 - Fiber-fed towers for internet connectivity
- Awarded \$38.9 Million in CAF Phase II



Midco Edge OutSM to Serve Rural America



MIDCO

Let's Go[®]

Midco Edge OutSM to Serve Rural America

- 9,371 total CAF locations awarded
- 200,000+ new homes passed
- 100/20+ speeds will be offered; no data caps
- 3-6 year build out
 - Launched first new market in 2019: rural Mitchell, SD
- CAF is the first step of our fixed wireless expansion

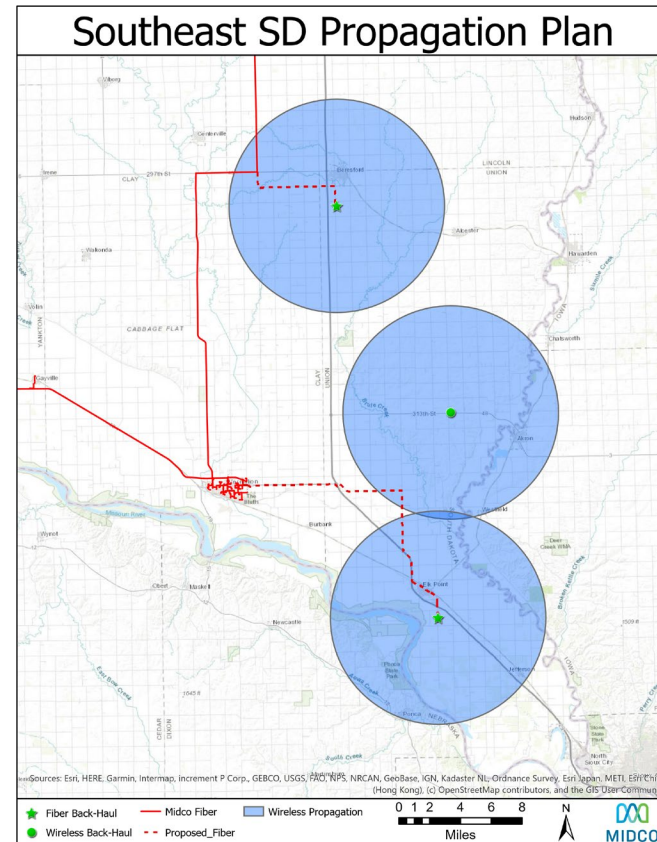


Future Broadband Development

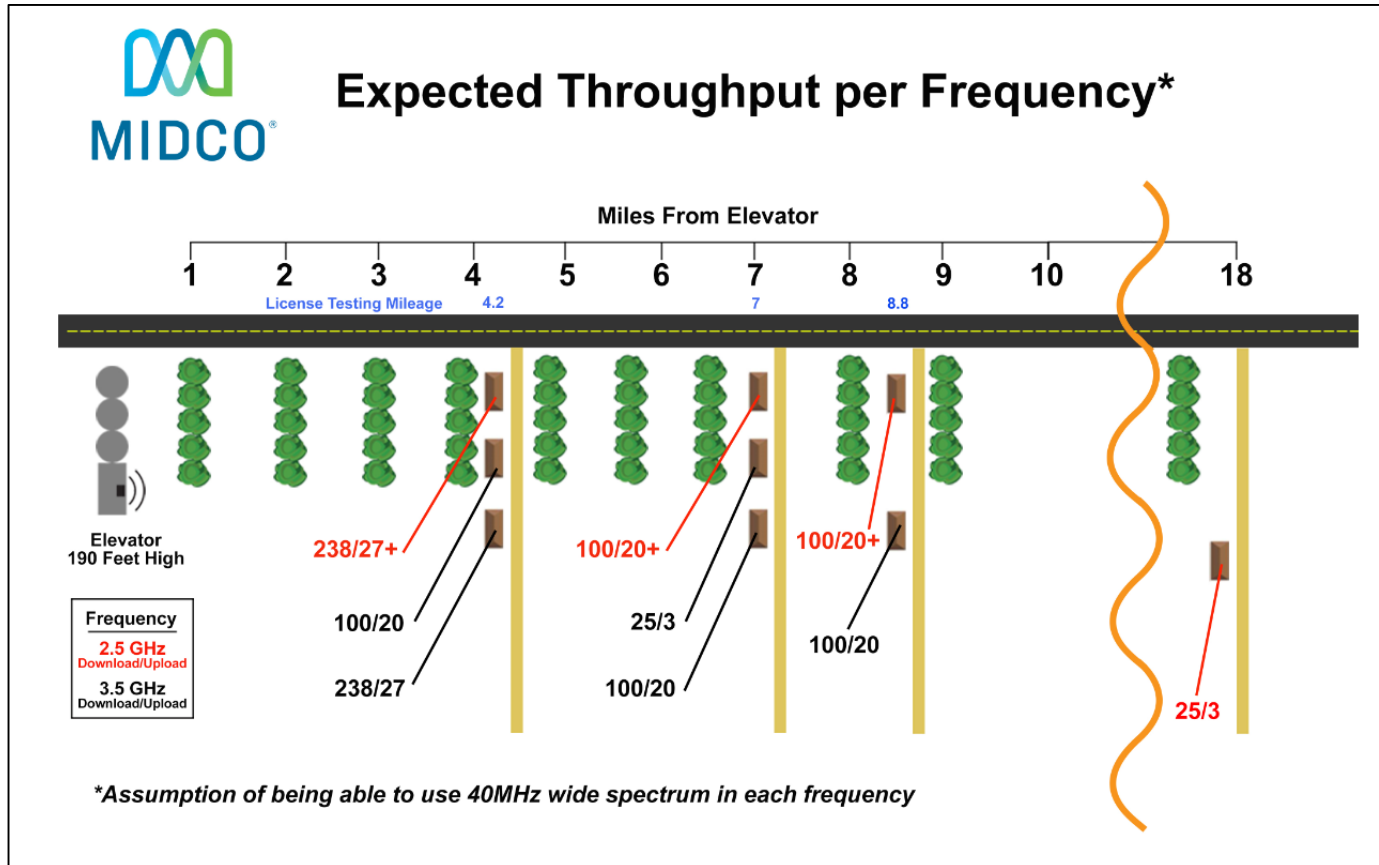
- Fiber leads all strategic builds
 - Fiber or HFC buildouts where possible
 - Fiber-fed tower for internet connectivity
- Fixed wireless is a tool in the toolbox, with various uses
 - Prior to a fiber build
 - Remote areas
 - Difficult terrain

State Broadband Partnerships

- Midco is committed to working with local partners
- 2019- Awarded \$300,000 from Connect SD Program
 - Fixed wireless service launched December 2019
- 2020- Awarded nearly \$900,000 for two Minnesota Border-to-Border Grants
 - HFC Deployments in Renville and Scandia



Mid-Band, Fixed 5G LTE Network



Contact Information

- Justin Forde, Senior Director of Government Relations
 - (701) 532-2017
 - justin.forde@midco.com

- Testimonial from current, fixed wireless subscriber

<https://www.youtube.com/watch?v=kix6vaZhvNU&feature=youtu.be>



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Thank you, Justin!

Renee Chapline, Vice President of Communications and Government Affairs, Prince George Electric Cooperative



Discovering Innovative Solutions for
Members

The Next Generation Cooperative

Renee Chapline

Vice President of Communications
and Government Affairs



**Prince George
Electric Cooperative**

A Touchstone Energy® Cooperative 

Cooperatives History of Identifying Needs in Rural America



- 1930's Electric Cooperative are established
 - Need for rural electric buildout
- Cooperatives foster strong relationships with members
- Cooperatives bring Economic Development Opportunities
 - Job creation
 - Electric service spurs capital investment to support education, and opportunity for rural families
- Electric Cooperatives began CONNECTING PEOPLE in rural America to the grid
 - Member helping member methodology
 - 2017 PGEC establishes a business case for deployment of FTTH
- Next steps

In the Beginning: Innovation and Transformational Pilot

KEY FACTS

Prince George Electric Cooperative deployed a test pilot on West Quaker Road to determine viability, interest and provide data for leadership to establish a base model for decision making on the topic of broadband deployment by PGEC.

RESULTS

Phenomenal response from members in the Pilot with a demonstrated 65% take rate. Rural families should not settle for anything less than the best communications platform technology has to offer....Fiber To The Home!

Award Winning Broadband Model

Hopewell- Prince George Chamber of
Commerce - 2/22/18, Upper Shirley Vineyard
- **Innovative Practices**

Virginia Economic Developers Association -
4/13/18, Richmond Virginia - **Community
Economic Development Award**

National Association of Counties- 7/15/18
Nashville, Tennessee- **Achievement Award**

Virginia Association of Counties - 8/14/18 -
Achievement Award

National Association of Telecommunication
Officers and Advisors- 8/30/18,
Philadelphia, Pennsylvania - **Project of the
Year**

Next Generation Solutions



PGEC addressing the needs of our members



Urban Communications in a Rural Community

The 4th Utility

- Rural
- Reliable
- Revolutionary
- Responsible



\$1 M Grant Prince George County Virginia

\$15.4 M CAF II Funding

\$1.25 M Virginia Tobacco Revitalization Funding
with Sussex County Match

\$4.5 M Virginia Telecommunication Initiative
(VATI) with Surry County Match



“In the 1930’s Electric Cooperatives began Connecting People to Electricity and how appropriate today we are connecting our members to the WORLD!”

Renee Chapline

Vice President of Communications and
Government Affairs

rchapline@pgec.coop





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Thank you, Renee!

James Garner, Vice President of Operations, Telephone Electronics Corporation



Telephone Electronics Corporation (TEC)

- TEC is a family owned small business that began as a small, rural telephone company in 1923
- TEC grew organically and through a series of acquisitions and currently operates six rural telephone companies in TN, AL, and MS.
- TEC operates a regional CLEC that focuses on enterprise customers and specializes in broadband solutions for customers operating multiple campuses.
- Growth strategy based on overbuilding legacy copper plant and strategic fiber expansions into underserved areas.
- Take the long view on business models to prioritize investments and leverage existing resources

TEC Knows Rural

- Serving rural markets for 97 years
- Embedded in our communities
- Understand unique dynamics of serving rural communities
- 3,378 square miles
- 1,100 miles of Fiber
- 4000 miles of Copper plant
- 13,000 Internet customers

Broadband is a Journey

- Destinations are important but the journey is the mission...DSL was a destination
- Gigabit FTTH is a destination
- 10Gig FTTH is a destination
- A Roadmap and travel plan are essential
 - Know where you are going
 - Check your heading often
 - Make course corrections quickly

Three Legs of the Stool: Availability, Affordability, and Adoption

- Success depends on availability and affordability
- Supplemental funding is essential to affordable broadband
- Availability does not guarantee adoption

Secrets of Success

- Understand the market you plan to serve
- Cultivate local political and community support
- Educate community leaders and set realistic expectations
- Communicate frequently and clearly with customers
- Actively seek funding opportunities
- Broadband is a service; fiber is just glass
- Success depends on availability and affordability
- Supplemental funding is essential to affordable broadband
- Availability does not guarantee adoption

Closing Observations

- TEC has witnessed a remarkable evolution of technology since its humble beginnings in 1923.
- Each new technology seemed so advanced, promising and limitless that we naively assumed that our final destination had arrived.
- Broadband is more expensive than you think.
- Customer satisfaction is more difficult than you think.
- Markets dictate retail pricing, cost and margin must follow
- Keep an eye on the horizon for the next big wave



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Thank you, James!

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BroadbandUSA

Thank you for attending.

Tune in for the next Practical Conversations Webinar

Transforming Regions Through the Use of Smart Technology

May 20, 2020

2:00 pm ET

Registration is required for each webinar:

<https://broadbandusa.ntia.doc.gov/event>

BroadbandUSA is available to help communities with their broadband access and digital inclusion efforts

For General Information:



202-482-2048



broadbandusa@ntia.gov



<https://broadbandusa.ntia.doc.gov/resources>

To Request Technical Assistance (TA):



Broadband TA Request Form -
<https://broadbandusa.ntia.doc.gov/ntia-common-content/how-we-can-help>

BBUSA Resources

- [Implementing a Broadband Network Vision: A Toolkit for Local and Tribal Governments](#)
- [Community Broadband Roadmap Toolkit](#)
- [Guide to Federal Funding of Broadband Projects](#)
- [Using Partnerships to Power Smart Cities](#)