

Broadband Committee

Voting Members:

Chair, Director Kirsten Skeehan
Director Holly Metzler
Director, Tim Wheeler
CEO, Jessica Matlock
Grid Solutions, Staff Engineer, Ryne Waggoner

(VP, Grid Solutions, Dan Harms -supporting staff)

Intro:

Access to reliable broadband internet service is an ongoing concern for rural communities in Colorado. The private sector has had little incentive to invest, as sparse population densities and the high cost of construction does not provide a favorable return on investment to shareholders. Colorado cities, counties, and cooperatives, through the assistance of State and Federal grants and low-interest loans, have had to step-up to meet the broadband needs of their citizens and members.

Over 120 cities and counties have produced ballot measures and successfully overridden SB05-152, which prohibits local governments from providing broadband services. In addition, eight Colorado cooperatives already provide or are building fiber-optic based broadband networks. Six provide broadband internet to members with two providing service providers access to a middle-mile network.

In the La Plata Electric service territory, La Plata County, Archuleta County, City of Pagosa Springs, City of Durango, Bayfield and the Southwest Colorado Council of Governments (SWCCOG) are all working to improve broadband access. La Plata, San Juan and Archuleta counties have successfully overridden SB05-152.

Internally, La Plata Electric utilizes a mixture of technologies including broadband, wireless, microwave and leased connectivity. While wireless, microwave and leased connectivity have been cost effective, they are insufficient and cannot provide adequate capacity or security required for the grid of the future. LPEA has installed approximately 125 miles of fiber optic cable that typically contains 72 to 144 individual fibers. 52 miles of fiber cable is owned and operated by LPEA and 73 miles is owned by LPEA but leased exclusively to Fast Track under a Fiber Optic Network Agreement (FONA). LPEA maintains the use of at least 4 fibers within the cables that are leased under FONA. Most of this fiber is leveraged to interconnect LPEA's substations, but LPEA's network currently does not extend past the substations. LPEA's 5 year Construction Work Plan reflects adding an additional 125 miles of fiber the stretch beyond the substation and into the distribution system at 25 miles per year.

As La Plata Electric invests in a robust communication network, the potential for La Plata Electric to partner with other providers and improve broadband access to our members also increases.

Charter:

1. The Committee will meet as determined to be necessary until the committee submits their findings and/or recommendations to the full LPEA board at the 2021 April Board Meeting
2. The Committee will be responsible for (a) ensuring that the LPEA board is educated about the basics of broadband, (b) drafting an overall broadband strategy recommendation for the LPEA Board, (c) ensuring that the strategy defines how broadband will be utilized to enable the utility of the future (d) clarify how LPEA will utilize its resources to help enable broadband access to our membership, and (e) clarifying the expectations of the LPEA Board for LPEA's relationship with its broadband subsidiary.
3. The Committee will have an operating budget of not greater than \$5,000 and will report on its progress at the monthly meeting of the LPEA board of directors.
4. Directors who serve on the committee will be paid per-diem and receive reimbursement of any approved expenses up to the budgeted amount.

Proposed process:

- Provide an organized, neutral process to determine best options for LPEA and broadband.
- Develop goals and parameters around each task:
 1. ensuring that the LPEA board is educated about the basics of broadband,
 2. drafting an overall broadband strategy recommendation for the LPEA Board,
 - ensuring that the strategy defines how broadband will be utilized to enable the utility of the future
 - clarify how LPEA will utilize its resources to help enable broadband access to our membership,
 - clarify the expectations of the LPEA Board for LPEA's relationship with its broadband subsidiary.
- Adopt a framework, what we need to know as a committee, and why we would have a recommendation.

1) Ensuring that the LPEA board is educated about the basics of broadband

- What is broadband and what does it mean?
- What does LPEA current have?
- What will the network look like in 2030? What are LPEA's needs in 2030?
- What is the problem we are trying to address? What areas are struggling with broadband?
 - Should LPEA be involved in supplying broadband to the community?
 - If yes, what should that look like?
 - How do operations goals fit into this?

Assist Community

- Following coop principle #7 - Concern for Community
- Member Engagement - Strategic Goal
- Local Economic Development - Strategic Goal
- Bring all LPEA residential customers BB access to affordable 25/3 at minimum
- Ensure highly competitive business BB speeds and costs
- Ensure BB affordability for the community

Community First

- *Achieve within next 5-10 years*
- *Ensure minimum 25/25 BB coverage available for all members in LPEA service territory within lower 50% of competitive costs*
- *Ensure LPEA service territory businesses achieve a competitive advantage in terms of available BB speeds and costs*
- *Ensure LPEA Operations BB needs are completely met*
- *Ensure BB investments achieve long-term (i.e. 20-25 year) breakeven ROI*

- Assist LPEA Operations

- Help meet LPEA's Strategic Goal, especially lowering carbon footprint
- Distribution Utility of the Future - Strategic Goal
- Leadership and Organizational Development - Strategic Goal
- Operational Excellence - Strategic Goal
- Increase operational efficiencies, response time, and safety
- Build toward utility of future i.e. improve opportunities for beneficial electrification
- Leverage current assets? What is out there un-used and how can they be leveraged?

LPEA Operations First

- *Achieve within next 5-7 years*
- *Effort directed towards meeting LPEA Strategic Goal*
- *Ensure LPEA Operations BB needs are completely met*
- *Limit LPEA investment to LPEA operational use*
- *Provide open access to local BB providers whenever possible and as requested, first come - first served*
- *Ensure open access use is made available on a long-term (20 year or more) ROI*

- Assist LPEA Finances

- Help meet LPEA's Strategic Goal, especially keeping rates within strategic goal boundaries
- Power Supply and Delivery - Strategic Goal
- Increase member electricity usage & sales
- Bring broadband profits back to LPEA bottom line
- Lower LPEA operations costs
- Lower member costs i.e. lowering peak charges via better use scheduling

LPEA Finances First

- *Achieve within 5 years*
- *Ensure & prioritize profitable LPEA BB business effort*
- *Ensure LPEA Operations BB needs are completely met*

- Utilize BB investments towards lowering coop and members costs
- Utilize BB business profits to subsidize electric usage members
- Open access use is allowed on a limited and short (5-10 year) ROI

- What are the questions we need to answer?
 - Who are the current players in the broadband field and their role?
 - What are their methods?
 - What are these entities doing in this space?
 - What are the gaps that these companies do not provide?
 - What needs for LPEA, the community, and internet providers are being met and unmet?
- How can LPEA help?
 - Financial contributions?
 - Resource contributions?
 - USDA Reconnect grants?
 - FastTrack's role? Expand?
 - Network Operator?
 - Do it ourselves?

2) Overall broadband strategy recommendation for the LPEA Board

- Conduct a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis regarding what is missing with current broadband. What do our communities want and need?
 - We are already involved. Do we expand? Should we continue to be involved? (opportunity?)
- What other resources do we need to help answer these questions?
 - Surveys?
 - Leverage FastTrack relationship and outlook
 - Potential grant opportunities and requirements
 - SB-107 understanding and impact
 - Meeting with local groups? We need to be strategic about this and not necessarily have them present at the committee, but we can develop a report out at the committee
 - State of Colorado Broadband office can be our partner
 - Potential strategic partners, i.e. Southern-Ute Tribe?
 - Internet feasibility study?

3) Once we propose a recommendation...

- What are the parameters of participation?
- What are the costs?
- Are there partners? Other entities?