

# La Plata Electric Association (LPEA) Broadband Feasibility Study Overview

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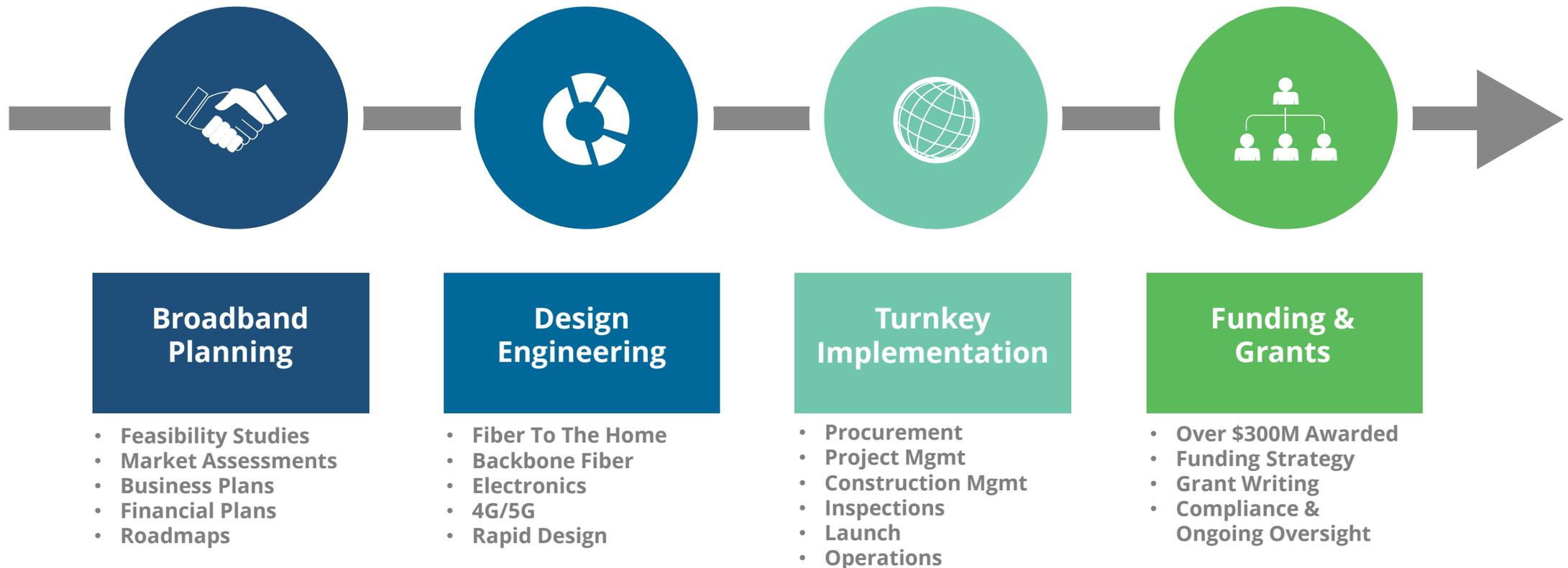
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[www.magellan-advisors.com](http://www.magellan-advisors.com)

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# Magellan Advisors

Turnkey planning, engineering, implementation & funding



# COOP BROADBAND SOLUTIONS



## Broadband Planning

Fiber master plans, business plans and implementation roadmaps that give you real-world guidance and results you can count on when deploying fiber and broadband.

[Learn more →](#)



## Feasibility Studies

Honest, unbiased and independent advice from the firm that has more experience implementing fiber and broadband networks.

[Learn more →](#)



## Grants & Funding

Funding strategy, grant writing and compliance for all major federal and state fiber and broadband grant programs.

[Learn more →](#)



## Design Engineering

Cutting edge fiber and broadband engineering to connect more sites, more devices and more customers at the speed of light.

[Learn more →](#)



## Turnkey Implementation

A single, trusted partner to manage your entire network implementation, with over 50 fiber and broadband deployed networks across the US.

[Learn more →](#)



## Construction Management

We manage the entire construction process to ensure your fiber and broadband networks are built to specification and your construction standards are followed, while minimizing impact to the community.

[Learn more →](#)



## Network Management

We take the heavy lift out of managing fiber and broadband networks by providing centralized resources to provide monitoring, tech support and emergency repairs.

[Learn more →](#)



## Retail ISP Services

LightSpeed, powered by Magellan Advisors serves your community with fast, reliable and affordable internet services, built on a culture of delivering superior service.

[Learn more →](#)

# Experience & Qualifications

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- Turnkey partner for project lifecycle, planning, engineering and implementation
- 17 Years in business providing turnkey broadband services
- Over 400 municipal fiber projects nationwide
- Over 100 Electric Utilities requiring mission critical hardened fiber and wireless networks, connecting more than 2 million electric customers
- The most community networks planned and built with over 50 active networks, including Public-Private-Partnerships with ISP's
- Over \$300 million in grant funds secured and managed for our municipal clients

# Magellan Senior Team

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## Supporting LPEA



- Founder and CEO of Magellan
- 20-year veteran of the broadband engineering, construction and electric utility sector.
- Former head of Internet Services for Columbus Networks, now part of the Liberty Global Holdings



- Vice President, Rural Broadband Strategy
- Former Deputy Administrator, RUS,
- Former Senior Advisor, Strategic Partnerships, USAC
- FCC Precision Agriculture Task Force member
- National Association of Counties Broadband Task Force member

# Extensive Relationships

## Broadband and electric coop sectors

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### Close working relationships with officials at:

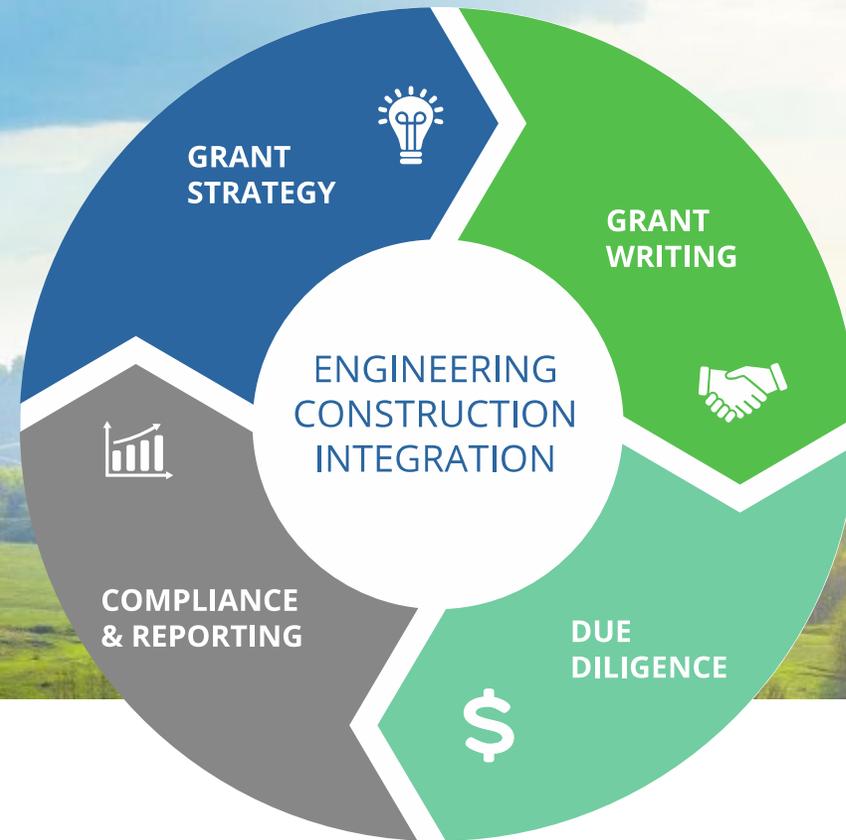
- FCC
- USDA RUS
- USDA Rural Development State Offices
- NTIA (Dept of Commerce)
- BIA (Dept of Interior)
- Economic Development Administration
- Colorado Broadband Office
- Congress and the White House

### Strong contacts with stakeholders at the following associations:

- NRECA
- National Telecom Coop Association
- Fiber Broadband Association
- Cellular Telecom Industry Association
- National Association of Counties
- National Congress of American Indians
- Tribal Telecommunications Association
- American Public Power Association

# BROADBAND GRANT STRATEGIES

Turnkey grant development services to identify, apply for, engineer and build your networks using available funding programs.



\$300 MILLION IN GRANT FUNDING UNDER MANAGEMENT

5,000 MILES OF FIBER & WIRELESS DEPLOYMENTS

500,000 HOMES & BUSINESSES SERVED



# Evaluate Best Options for LPEA Members

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- Partner exclusively with Rural Digital Opportunity Fund (RDOF) auction winners to deploy retail services to LPEA's members.
- Pursue federal and state grant funds to finance the build out costs of constructing LPEA's own middle mile fiber backbone network.
- Partner exclusively with ISP subsidiary, FastTrack Communications, to obtain federal and state grant and ARP funds to build a middle mile fiber backbone network to enable FastTrack to be the predominant last mile fiber provider to LPEA members.
- Maintain status quo: LPEA would continue to build communications infrastructure to harden its existing substation and distribution resources while leasing a portion of its fiber facilities to competitive entrants.

# Feasibility Study Approach

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# Identifying Potential Stakeholders

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- Broadband providers
- County and regional economic development organizations
- LPEA members
- Southwest Colorado Council of Governments (SWCCOG),
- County leaders from La Plata, Archuleta, Hinsdale, Mineral, San Juan and Rio Arriba counties.
- Southern Ute

# Review of Current Environmental Factors

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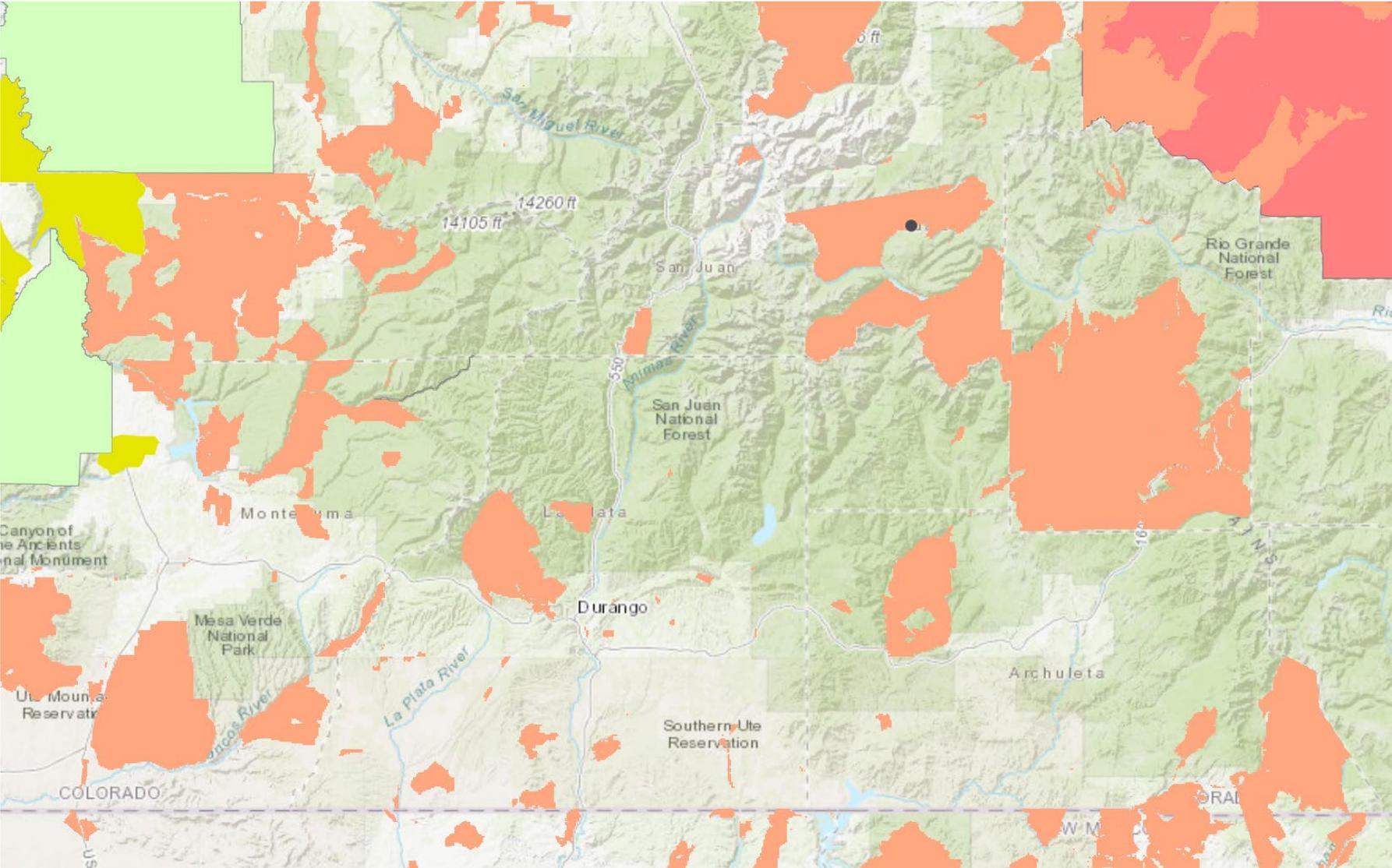
- Market Demand & Competitive Analysis
- Community Benefit
- Existing Infrastructure
- Grant and Loan Opportunities
- Strategic Partnerships
- Cost of New Infrastructure Deployment
- Operational Capacity
- Legislative Barriers
- Incumbent Providers and New Entrants
- Appropriate Business Model

# Review of Market Conditions

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- Map and quantify the number of residential premises without 25/3 broadband (FCC data is very overstated)
- Evaluate the number of providers in the area, who they are, type of service (wireless, fixed wire, both), and cost of available services
- Survey members to gain accurate information
- Provide updated maps that portray more accurate broadband access

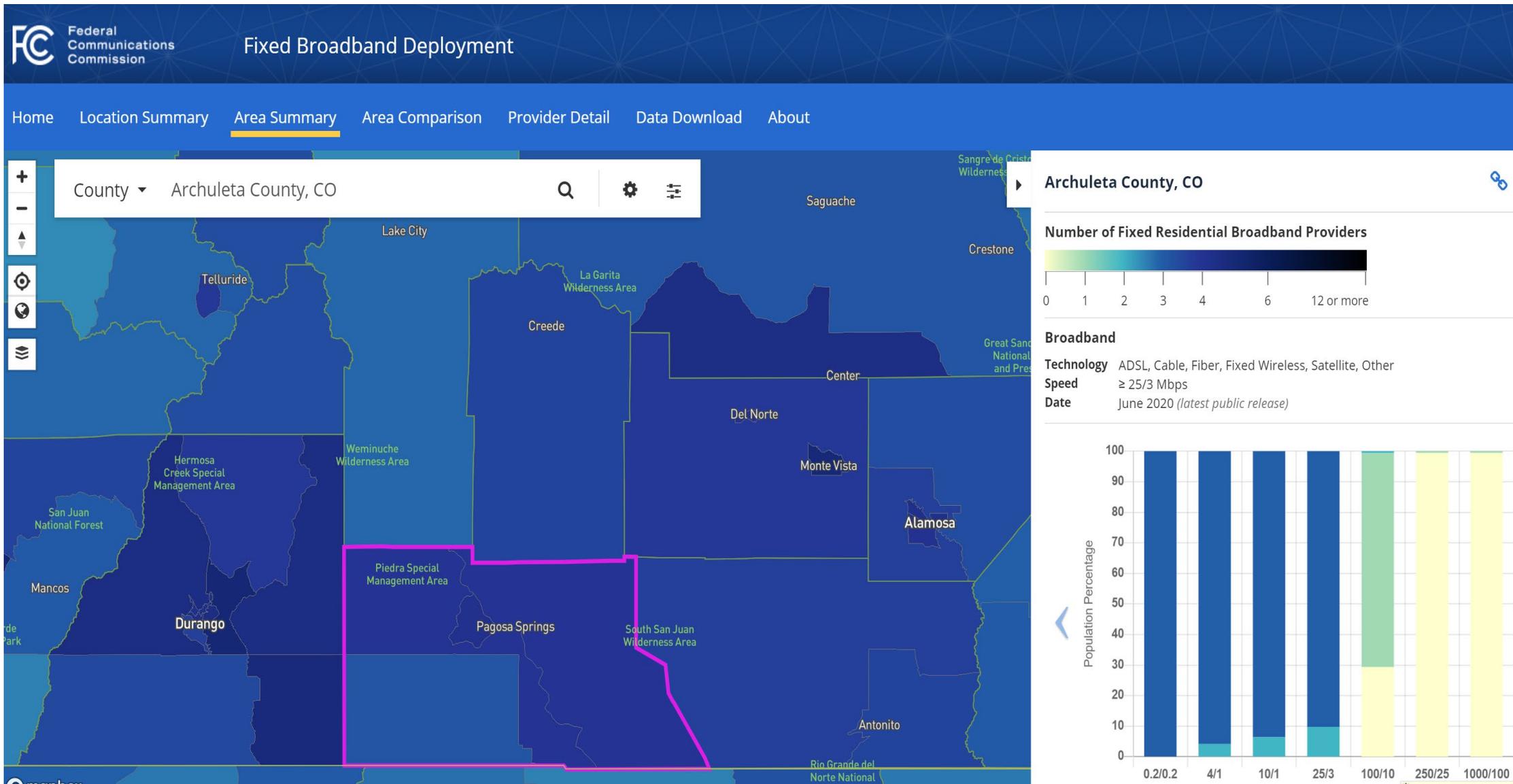
# RUS Broadband Mapping Data



## Legend

- ReConnect Program
- Community Connect (CC)
- Broadband Initiatives Program
- Farm Bill - Broadband Borrowers
- Telecommunications Infrastructure Borrowers
- CAF2 Auction Winners Census Blocks
- Persistent Poverty Counties

# FCC Broadband Mapping Data



# Review of Funding Opportunities

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- **\$3 Billion** for the Economic Development Administration (EDA) to continue funding infrastructure projects including middle mile broadband networks. Funds must be **spent by 2022**.
- **\$10 Billion** in Coronavirus Capital Project funds to states, counties and tribal nations to support critical infrastructure projects involving broadband, water and sewer investments. Funds must be **spent by Dec, 2024**

# ARPA Funds

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## Broadband investments in LPEA's Service Area

Estimated Treasury funds will be distributed to the following on or after May 10th:

| Counties     | ARP Funds       |
|--------------|-----------------|
| La Plata     | \$11 M          |
| Archuleta    | \$2.7M          |
| Hinsdale     | \$159K          |
| Mineral      | \$149K          |
| San Juan     | \$141K          |
| Rio Arriba   | \$7.5M          |
| <b>TOTAL</b> | <b>\$21.25M</b> |

50% of the funds will be disbursed on or soon after May 10<sup>th</sup>.

The remaining 50% will be disbursed 12 months from the first disbursement date.

All funds must be spent by Dec 31, 2024

# Review of Funding Opportunities

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- RUS Smart Utility Loan program
- RUS Community Connect program
- RUS ReConnect Loan and Grant Program
- USDA Rural Development Community Facilities loan and grant program.
- Grant funds administered by the Colorado Dept of Local Affairs (DOLA)

# Review Most Favorable Options

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- Magellan will assist LPEA in vetting the risks, costs and benefits of feasible broadband options
- As LPEA leadership and Board members consider proposals from potential offerors and strategic partners, Magellan will serve as the Cooperative's broadband advisor and will help its leadership team determine the best course
- Magellan will assist LPEA in reviewing the various options pending before its leadership

Thank You

