



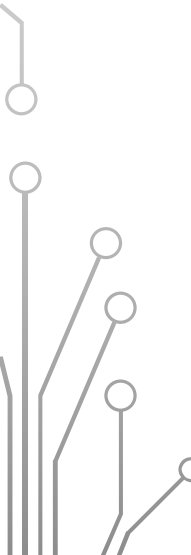
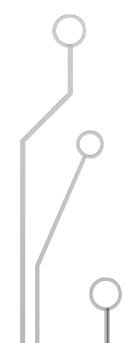
# BROADBAND INTERNET EXPANSION UPDATE

TOWN OF PRESQUE ISLE TOWN BOARD MEETING

JULY 15, 2021

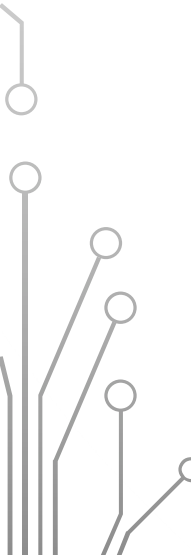

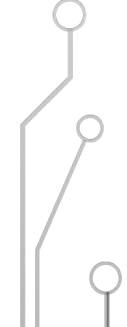


## WHY ARE WE TALKING ABOUT BROADBAND INTERNET EXPANSION?

- In 2019, the Town of Presque Isle committed to investigating options for expanding broadband internet service to increase economic development and improve services for all the residents
    - In part, this was driven by the broadband expansion project in Boulder Junction
  - The Broadband Working Group, headed by Paul Specht, was formed to drive this commitment
  - This is an education and progress update from the Working Group
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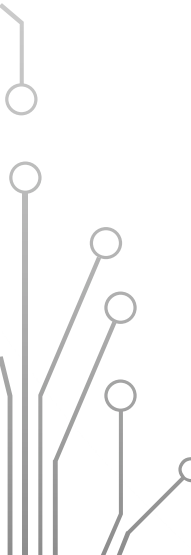
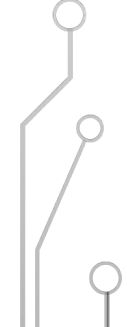


## TODAY'S GOALS

- Understand the current broadband internet situation in Presque Isle
  - Understand the options that the Town has for broadband internet expansion
  - Provide information to the Town on the progress of the Working Group to date
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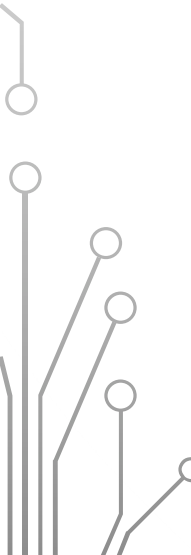
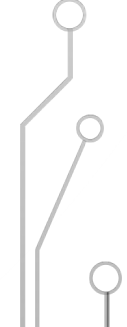


# WHAT IS BROADBAND INTERNET SERVICE?

- Broadband is a generic term for high-speed internet access delivered over many technologies
    - Copper wire (traditional phone service)
    - Co-axial cable (cable TV)
    - Fiber optic cable
    - Wireless (mobile or fixed point)
    - Satellite (low orbit or geosynchronous)
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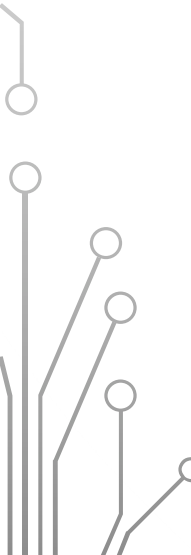
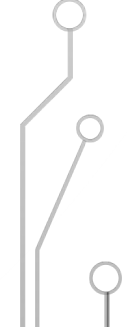


## WHAT KIND OF BROADBAND INTERNET SERVICE IS IN PRESQUE ISLE TODAY?

- All residential connections are over legacy copper wires; the same wires that provide land line phone service
  - Internet speeds vary throughout the township
    - 1.5Mb to 25 Mb guaranteed download speed
    - Upload speeds are generally 1.5 Mb or less
    - A few locations are higher due to short distance from a fiber node and bonded service
    - Of the approximately 1,460 living units in the Town, about 580 have less than 10Mb download speed
  - The federal standard for a service to be considered broadband is 25Mb download and 3Mb upload
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# WHO PROVIDES BROADBAND INTERNET SERVICE TO PRESQUE ISLE?

- Current broadband internet service is from CenturyLink/LUMEN
    - CenturyLink is the consumer business
    - LUMEN is the infrastructure business
  - A future provider will be Charter Communications
    - In December 2020, Charter won an FCC auction to provide service in our area
    - Charter's winning bid does not cover all of Presque Isle Township
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## CURRENT FACTS

- Federal and State funding for broadband expansion projects is almost exclusively for installation of fiber to the home (FTTH)
  - Satellite based broadband projects are not eligible for federal or state funding
- Neither LUMEN nor Charter will expand broadband internet service over the existing copper lines in Presque Isle; there is no path to better service over the existing copper lines
- To even be considered for Federal, State, or service provider funding, any project undertaken by the Town would have to commit to broadband internet service levels of at least the federal standard

***The Working Group believes that to meet the goal of increasing economic development and improving services for all the residents, doing nothing is not an option***

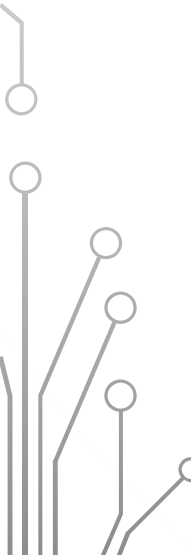




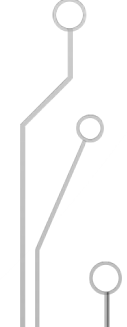
# OPTIONS



- Broadband as infrastructure for the Town of Presque Isle
  - Treat broadband like roads, public landings, etc. – available to all PI residents
  - Fiber to the home (FTTH) would be the technology of choice
  - Funding would come from Federal, State, service provider, municipal, and donation sources
    - Municipal funding would require loans or bond issues, with repayment through tax levy
  - This is the primary option the Working Group has been pursuing
- Broadband as individual choice
  - Use what is currently available
  - Use satellite (HughesNet, ViaSat, Starlink, etc.)



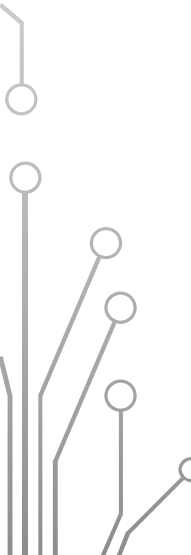
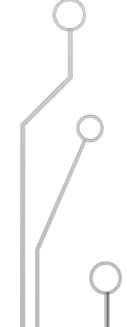
***The Working Group believes that broadband as individual choice does not meet the the goal of increasing economic development and improving services for all the residents***







# PRIMARY FUNDING SOURCES FOR ANY BROADBAND EXPANSION PROJECT

- **Federal**
    - American Rescue Plan (ARP)
    - Rural Digital Opportunity Fund (RDOF)
  - **State**
    - Public Service Commission (PSC) grants
  - **Municipal**
    - Loans or bond issues
  - **Service Provider**
    - Funds for infrastructure design and installation
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## WHO TYPICALLY SHARES BROADBAND EXPANSION PROJECT FUNDING?

- Service provider (LUMEN/Charter) contribution (typically less than 10%)
- Public Service Commission (PSC) of Wisconsin grant (50% to 70%)
- The Town of Presque Isle (20% to 40%)



***The direct cost to the Town is dependent upon successful grants from the PSC or other potential sources***



# HOW MUCH MONEY ARE WE TALKING ABOUT?

- An extremely rough estimate of the total project cost to provide fiber to the home for all of Presque Isle township is \$10.5M
  - From the ISP: \$1M
  - From the PSC: \$4.5M to \$6.6M
  - From the Town: \$2.9M to \$5M

***HOWEVER, the Rural Digital Opportunity Fund (RDOF) changes the equation***





## THE IMPACT OF RDOF


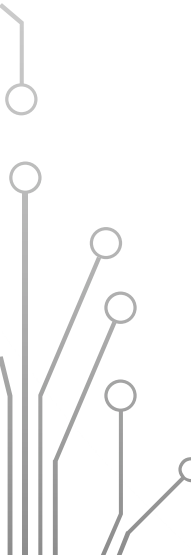
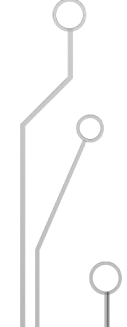
- When the Working Group began our efforts, the Rural Digital Opportunity Fund (RDOF) was not on the table
- The RDOF auction awarded Charter 500 living units out of the total 1,460 living units in Presque Isle for broadband expansion
- Charter has 6 years from January 1, 2022, to complete installation in the RDOF areas

***Broadband expansion to these living units comes at no cost to the Town of Presque Isle***





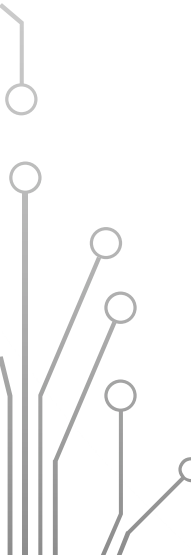
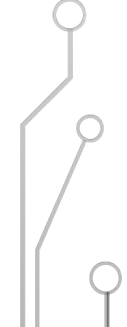
## SO WHERE ARE WE NOW?

- The Working Group recommends that we pursue broadband as infrastructure for the Town of Presque Isle
  - We are working with both LUMEN and Charter to understand their strategy for Vilas County and the Town of Presque Isle
    - This includes project phasing options, cost models, and, should LUMEN be selected as our service provider, preparing to submit a grant application to the PSC for consideration in December 2021
  - Planning for community outreach and information gathering from the residents
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# CONCLUSION



- The Working Group requests the Town Board to endorse the recommendation of the Working Group to pursue broadband as infrastructure for the Town of Presque Isle
    - This option will require the Town to help fund the projects through loans or bond issues
  - The Working Group requests a special Town Meeting to discuss the details of the various potential project options and gather community feedback
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# QUESTIONS?



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