

PIERCE PEPIN COOPERATIVE SERVICES





Nate Boettcher, President and CEO

STATE OF BROADBAND

ver 5,500 of our members lack access to high-speed internet, also referred to as broadband. If you have a high-speed connection to your business or home, consider yourself one of the lucky ones. For members who lack broadband, the opportunities

for working from home, doing virtual classrooms, participating in video conferences, or using telemedicine are non-existent. Today broadband is defined as 25Mbps download and 3Mbps upload. While this will allow most people the basic functions of connecting to the internet, it's a minimum standard. An average home has 10 connected devices; in the future this will easily be 20 to 30 connected devices. These devices will continue to need bandwidth. Connectivity is no longer a nicety, it's a necessity.

Over the past 12 months, PPCS has surveyed, researched, investigated, campaigned, and explored the feasibility of providing this essential service. In many ways, the ability to bring

high-speed internet access through fiber optic cables is no different than our electric charter from the 1930s. While some scoff at the idea that everyone needs internet service, there were those in the 1930s who also scoffed about electricity. Stories of farmers cutting down power poles or being resistant to "appliances" shaped the formation of the rural electric cooperative. Today you would be hard pressed to find indi-

viduals who do not use electricity. In 20 or 30 years, it's my belief all of us will have a broadband connection and it will be part and parcel to life just as electricity is today.

To connect every member who lacks fiber to their home would cost PPCS about \$32 million using our existing infrastructure. This would allow Pierce and Pepin to be one of first few counties in Wisconsin to have 100% fiber access. To accomplish this, PPCS participated in the FCC Rural Development Opportunity Fund which concluded on November 25, 2020. This reverse auction made \$28 million over 10 years available in our service area across 26 census block groups. By participating in this auction, PPCS agreed to provide Gigabit-level speeds, delivered by fiber, at rates competitive with more populated areas. The FCC required service to be available to 40% of locations in the first three years and up to an additional 20% each year after. After participating in the auction, PPCS submitted final bids at less than 50% of the \$28 million and was outbid by another entity that is not based in Wisconsin. At the time of writing this, the winning entity must complete a long form application where they must demonstrate a technology plan for the 528,000 customers across 15 states they bid on and won, along with securing a line of credit for a portion of the \$1.32 billion. I'll reserve comment on this additional entity, other than to say there is skepticism in the market about their ability to deliver.

So where do we go from here? At the start of the auction, I told our board and staff if we lose the auction to one of our partners, such as BEVCOMM, Baldwin Lightstream, or Ntec, we will work closely with them to bring broadband to our area. Mission accomplished! Since this did not happen, we are working towards an alternative path. Our goal in building out fiber was to build quickly, to build 800 miles of fiber and reach 5,500 customers in two years. Without federal or other funding, the business case is less attractive, but not impossible. We have asked our consultant to help us re-evaluate a smaller opportunity. We are exploring partnerships and we are pursuing grant opportunities, such as the Wisconsin Public Service Commission Broadband Expansion grants. We have been in contact with our members, some of whom are lead-

ing the charge through social media to bring awareness to this issue. This group is helping to secure Broadband Forward! certifications for many of our townships. I've had various correspondences with Sen. Jeff Smith, Rep. Warren Petryk, and Rep. Shannon Zimmerman. Our state legislators recognize this need but have limited capabilities to provide funding above the current grant program. Through the Pierce County Economic Development

Corporation, we contributed to a white paper to illustrate the economic impact and shared this with Pierce County supervisors. These efforts are paving the way for a connected future.

There is significant momentum behind bringing broadband to our service area. We believe this challenge is the same challenge of the 1930s. In the near future, we may ask our members to help support this effort through legislative channels and to reach out to their elected officials to support this investment. Broadband is a competitive business, and the market can change quickly; however, we believe the future will require connectivity and while today 100 Mbps might seem like enough bandwidth, in the future the minimum standard is likely to be Gigabit. In some areas, companies are already offering 10 Gigabit service and a group of telecoms have already called on the FCC to raise the minimum standard definition of broadband to Gigabit-level speeds. We need to solve this challenge for the long-term, not short-term or stop-gap solutions such as fixed wireless, satellite, or low earth orbiting satellites that will inevitably be affected by weather and our terrain. Follow www.pcedc.com/broadband to join the conversation.

