

PA House of Representatives Republican Policy Committee

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> Rep. Joshua D. Kail Chairman

PA House Republican Policy Committee Hearing

"Advancing Our Rural Connectivity"

January 16, 2024, at Noon

Huntingdon County's Bailey Building Bailey Ballroom 233 Penn St. Huntingdon, PA 16652

12:00 p.m. Welcome and Pledge of Allegiance

Community Connectivity Panel

12:10 p.m. Debra Clark-Loner

Executive Director, Huntingdon County Business & Industry

12:15 p.m. David L. Smead, Jr.

Fire Chief, Shavers Creek Valley Community Volunteer Fire Co.

12:20 p.m. Questions for the Community Connectivity Panel

Broadband Connectivity Panel

12:50 p.m. Rachel Papuga

Project Manager, Alleghenies Broadband, Inc.

Hon. Jeff Thomas

President and Chairman, Alleghenies Broadband, Inc. Board of

Directors, and Huntingdon County Commissioner

12:55 p.m. Dwight Rittenhouse

Board Member, Rural Broadband Cooperative

1:00 p.m. Todd L. Eachus

President, Broadband Communications Association of

Pennsylvania

1:05 p.m. Questions for the Broadband Connectivity Panel

Broadband Deployment Update

1:35 p.m. Brandon Carson

Executive Director, PA Broadband Development Authority

1:40 p.m. Questions for Brandon Carson

2:10 p.m. Closing Comments

REPUBLICATION OCICY

Testifier Biographies

PA House of Representatives Policy Committee Hearing "Advancing Our Rural Connectivity"



Debra Clark-Loner Executive Director, Huntingdon County Business & Industry

Debra Clark-Loner is the Executive Director of Huntingdon County Business and Industry (HCBI). Prior to this role in the organization, she served as the Operations Manager, Director of Business Development and the Startup Alleghenies Entrepreneur Coach.

She is passionate about providing the business community with a variety of services, including start-up guidance, business planning, marketing, financial analysis, funding options and so much more.

Debra enjoys giving her time and energy to the betterment of the community, serving on a multitude of committees and boards for other organizations. She attended the University of Pittsburgh,

DuBois Business College and Central Penn College, studying Business Management.

David L. Smead, Jr. Fire Chief, Shavers Creek Valley Community Volunteer Fire Company

A life member of the Shavers Creek Valley Community Volunteer Fire Company, David has served as the Fire Chief for over 10 years. With numerous certifications from the National Incident Management System, David's previous positions within the fire company include, Financial Secretary, Executive Board Member, Engineer, Lieutenant, Captain, and Assistant Chief.



The Shavers Creek Valley Community Volunteer Fire Company serves approximately 1,000 residents of West and Barree Townships, Huntingdon County, Pennsylvania.

A Navy veteran, David also serves as a Corrections Facility Maintenance Manager for the Pennsylvania Department of Corrections.



Rachel Papuga Project Manager, Alleghenies Broadband, Inc.

Rachel currently serves as the Project Manager at Alleghenies Broadband, Inc. (ABI). ABI is committed to digital equity in the six-county Southern Alleghenies region by partnering with Internet Service Providers (ISPs) and other stakeholders to provide high-speed internet connections and necessary resources to residents and businesses within their community.

In addition to her position with ABI, Rachel also serves as the Director of GIS for Bedford County and holds a masters degree in geo-environmental studies from Shippensburg University.

Hon. Jeff Thomas President and Chairman, Alleghenies Broadband, Inc. Board of Directors, and Huntingdon County Commissioner

Jeff is the current President and Chairman of the Board of Directors for Alleghenies Broadband, Inc. and serves as a Huntingdon County Commissioner.



He also serves on numerous boards and agencies representing his county and region – including chairperson of the Tri County Solid Waste and Recycling Board; member and past president of the Southern Alleghenies Planning and Development Commission; the Juniata Valley Behavioral and Developmental Board; Shirley Home Board of Directors; Tri-County Board of Area Agency on Aging; and Huntingdon County Business and Industry.



Todd L. Eachus President, Broadband Communications Association of Pennsylvania

Todd currently serves as the President of the Broadband Communications Association of Pennsylvania (BCAP). Prior to joining BCAP, he spent 25 years with several cable and broadband providers in various government and external affairs roles throughout Pennsylvania, Delaware, West Virginia, and Ohio.

Prior to joining the cable industry, Todd served as a press secretary and legislative aide in the U.S House of

Representatives. He also spent 10 years in the U.S. Navy, flying in S-3 Viking aircraft and served in the Red Sea and Persian Gulf during Operation Desert Shield and Desert Storm.

Todd holds a Bachelor of Arts degree in Political Communication from The George Washington University and is a graduate of the Program on Negotiation at Harvard Law School. He served on the Marple Newtown School Board for eight years (two years as President), is on the Board of Directors of the Spanish American Civic Association in Lancaster, The Pennsylvania Press Club, and is the Commodore of the Ocean City Marlin and Tuna Club in New Jersey.

Dwight Rittenhouse Board Member, Rural Broadband Cooperative

A successful local businessman, Dwight also serves as a board member for the Rural Broadband Cooperative (RBC).

RBC is a non-profit cooperative comprised of dedicated residents who are working to provide an alternative, reliable and affordable "fixed wireless" broadband internet service for Pennsylvania's rural areas. Their solution is to facilitate internet

access using radio signals rather than cables or satellites to provide better internet access one community at a time.





Brandon Carson Executive Director, PA Broadband Development Authority

Brandon Carson has more than 15 years of experience working in non-profit and local government management advancing community and economic development projects and initiatives across Pennsylvania.

Most recently, he has focused his efforts on increasing access to affordable broadband services in unserved and underserved areas.

In his current role as Executive Director of the Pennsylvania Broadband Development Authority, Brandon is working to develop and implement the state's broadband mission, to foster and create equitable, affordable, and robust high-speed broadband services connecting Pennsylvania for the 21st century and beyond. He is responsible for the day-to-day administration of the Broadband Office and leads an outstanding team dedicated to closing the Digital Divide in Pennsylvania.



Advancing our Rural Connectivity (Broadband)

David L Smead Jr

I would like to discuss the need for broad band in the rural community. Currently in my district northern Huntingdon County, there are few options.

Cellular coverage has expanded in the past year but is still very patchy service. Members of my company have had to switch carries just to have some cell service.

Occasionally we need to communicate with other emergency services or the 911 center using a cellular device due to confidential information and that isn't always possible because of this spotty coverage.

There are many services available for us to use in the apparatus, to assist during emergency calls, however we can't take advantage of them. The use of iPad or similar devise for marking up maps to assist in search for a lost person are great tools but without broadband connection to load maps are not worth the investment. The use apps for the EV vehicles to assist in extricating a PT due to poor coverage or the HAZMAT Emergency response guide are all great tools but need connectivity to ensure the latest updates.

Internet access in the rural community is often only available as DSL service, since this uses telephone lines that are extremally old, it isn't very reliable and primarily available from just a single provider. The speeds offered by DSL are one step above dial-up at whopping 3Mbs download if....... you pay extra, and it seems like the phone company doesn't want to upgrade an antiquated technology, make repairs to degrading copper telephone lines to provide a reliable service. Unfortunately, its most people's only option.

As the fire chief I have a need to access software from my home. This is cloud-based software and I have struggled to secure, reasonable priced, reliable, and high speed at my residence. I have the option of DSL at 3Mbs or cellular at not much faster, depending on the weather.

I believe there's a need to deploy different technologies in the area, like cable internet. Its fast and reliable. It gives residence different options.

Like the fire department, other small businesses also need options for broadband, they need things like a static IP, which is important if you need a VoIP service. Most software is now cloud based and needs higher speeds to be efficient. We need security systems now which are impossible to view from the DSL. As recent break-ins to fire stations have increased.

Alleghenies Broadband, Inc. Background

Alleghenies Broadband, Inc. (ABI) is a 501(c)(3) non-profit organization with the sole purpose of supporting the development of broadband infrastructure to ensure residents and businesses have access to reliable, high-speed internet service. ABI's primary region of focus is the Southern Alleghenies region, consisting of Bedford, Blair, Cambria, Fulton, Huntingdon, and Somerset Counties. ABI places a strong emphasis on public-private partnerships with local Internet Service Providers (ISPs), rural electric cooperatives, local governments, and other stakeholders. ABI leverages available local, state, and federal resources to prioritize bringing broadband access to unserved and underserved areas, particularly rural communities.

Challenges of deployment

- Aging Population and Low Broadband Adoption Rates
- Construction Obstacles
 - Permitting
 - Public Lands Access

The Southern Alleghenies region's aging demographics present a unique obstacle regarding broadband. According to data compiled by the Pew Research Center, there exists a notable difference in tech use and adoption of key technologies between adults under 30 and those 65 and older. Only 8% of adults over 65 said they used the internet on a regular basis. While the rates of technology use are increasing in older populations, there is still need for digital skills education. Closing the broadband adoption gap should be a priority for community leaders to ensure residents gain access to reliable internet service and telehealth services and can stay connected with family and loved ones, which is essential for social well-being. This is especially true for older residents, but also increases the overall health and prosperity of the community.

When Foresite Group (on behalf of ABI) analyzed available connectivity data from the FCC and broadband subscription estimates from the U.S. Census Bureau, there appeared to be a gap in available broadband coverage and the community's broadband adoption. ABI should consider obstacles for broadband adoption outside of access. Pew Research reports that 71% of unconnected adults say they are not interested in home internet service, and 37% cite device cost as one reason they do not subscribe, while the Digital Skills Coalition found that one in three U.S. adults lack basic digital skills.

Internet Service Providers currently have numerous permitting entities to navigate, apply to, and manage across the large with multiple jurisdictional boundaries. Providers voiced obstacles with pole attachment applications for aerial construction adding both cost and time obstacles as well as costly permits for antenna attachments on existing towers.

Another challenge that we have experienced is the difficulty accessing public lands for the construction of additional infrastructure, such as telecommunications towers. The challenges range from point of contacts for inquiries and permitting for use of public lands for telecommunications to the cost of leases for the use of the public lands to construct telecommunications towers. We do understand that the mission of the various types of public lands in the Commonwealth of Pennsylvania is to preserve, conserve, and manage our natural resources but the Commonwealth has also invested significant amounts of time and resources into bridging the digital divide as well.

How can the State Legislature help?

- Community Broadband Education
- Digital Equity Planning
- Infrastructure Policies and Planning

Currently, the residents' recreational Internet use, like streaming television, gaming, and online shopping outweigh Internet usage for more practical applications like work, school, and telehealth use. This could be attributed to the lack of reliable, higher bandwidth to support those useful applications. A better understanding of how high-speed Internet can improve residents' quality of life beyond entertainment purposes would positively affect adoption rates once affordable, reliable Internet is made available. Education through community outreach on federal programs, such as the Affordable Connectivity Program, telehealth benefits, like remote patient monitoring and virtual doctor appointments, and agricultural opportunities like prevision agriculture would enable residents to take advantage of the upgrades in technology to help improve their day-to-day operations.

ABI has an opportunity to coordinate with boroughs, townships, and county governments on their planned infrastructure projects such as road improvements and water projects. By notifying local ISPs of upcoming infrastructure projects and coordinating with the various communities to allow a window for ISPs to complete broadband construction, this can reduce the construction costs that local ISPs encounter when expanding or improving their network. Lower construction costs will allow local ISPs to expand their network farther while consistent permit application processes can increase "speed to market".

ABI has an opportunity to aid local ISPs in reducing cost and schedule barriers with challenging entities and pole owners. ISPs often face months of costly and time-consuming permitting efforts in order to expand their networks. Aerial construction, which is both cheaper and faster to construct than underground construction, is often not an option due to obstacles with pole owners such as timely make ready applications and costly pole replacements. By understanding these permitting obstacles and requirements, ABI can aid in mitigating current barriers for ISPs that prevent them from expanding their current networks. Establishing partnerships with pole owners could help reduce cost and provide consistency on applications for the region.

A dig-once or open-trench policy could reduce the cost of network construction, while also ensuring efficient, non-duplicative street cuts because street excavation to install underground infrastructure typically represents 65% to 75% of the cost of a fiber network buildout. Going forward, each county should consider implementing a dig-once policy for all public construction projects that involve breaking ground in the public Right-of-Way. This would include the installation of conduits and handholes for fiber purposes. These conduit runs should be for the entirety of the impacted Right-of-Way and should, at a minimum, include dedicated conduits for each county's own use, conduits available for leasing purposes and spare conduit. Southern Alleghenies counties could incorporate a construction moratorium for a reasonable amount of time to minimize any additional construction that might impact county-maintained streets. In turn, each county would make the installed conduit available to any service provider in a non-discriminatory way, for use in installing telecommunication service to residents and businesses to help with any perceived burden the construction moratorium might cause.

As a variation of the dig-once policy, Southern Alleghenies counties could consider incorporating opentrench policies. Along with requiring county-owned and leasable conduit to be installed on all public projects, each county could invite existing and prospective telecom providers to participate and take advantage of ongoing construction to install their privately-owned conduits in the same trench. Interested providers would need to contribute to the effort which would help reduce some of the costs that the project would undertake. This option would give incumbents an opportunity to enhance their infrastructure but keep it under their management. At the same time, the county-owned infrastructure would provide an opportunity to newcomers and help bolster a more competitive broadband market.

Alleghenies Broadband, Inc. has also had conversations with a variety of partners regarding the option of open-access networks. On this framework, multiple ISPs would share access to the same broadband infrastructure while also allowing each Provider to offer their services in a competitive market. Typically, a third-party entity, such as a municipality or a non-profit organization, would own the network infrastructure and allow wholesale access to service providers. The Open Access Model is often compared to that of our public road systems, as our roads are built and maintained using public funds and are open for all to use. The benefits of this arrangement are many, including lowering the cost of entry among service providers, lowering the cost for subscribers, and promoting greater competition among various ISPs. ABI will continue to discuss this option with our partners moving forward.

In addition to the implementation of these policies, Southern Alleghenies counties should consider planning broadband expansion with other capital improvement projects. This would allow each county to deploy conduit infrastructure while saving on the cost of a separate conduit installation project. An asset would be developed that each county could use to either lease out to incumbent ISPs to reach high priority areas with fiber or for their own purposes.

It would be helpful for the state to create a broadband infrastructure policy that will honor the mission of our public lands but still provide more accessible access for the construction of telecommunications infrastructure on some of the most ideal locations within the Commonwealth.

References

Regional Fiber Optic Network Assessment and Design for Alleghenies Broadband, Inc. By Foresite Group

Advancing Our Rural Connectivity

Dwight Rittenhouse, Rural Boardband Cooperative
January 16, 2024

- Rural Broadband Cooperative (RBC) is a non-profit cooperative comprised of dedicated residents
 of the area, who are working to provide an alternative, reliable and affordable "fixed wireless"
 broadband internet service for our rural areas.
- Rural Pennsylvania faces unique challenges when it comes to expanding broadband access, mainly stemming from our topography. Rural Pennsylvania and areas like Huntingdon County face many mountains and valleys, dense forests, and considerable distances between homes.
- Our solution is to facilitate internet access using radio signals rather than cables (dsl) or satellites
 to provide better internet access one community at a time. We will provide broadband internet
 access via a radio tower that can beam the connection straight to your location. Our towers that
 deliver the internet connection are fed from fiber. Fiber allows us to have access to a fast
 internet connection which is shared with all of our members.
- Our internet is delivered to homes through radio waves, similar to how cell phone receives its signal. Homes have an antenna aimed at our tower and that will create the wireless connection needed to access the internet.
- Again, with our topography, just because there is a big tower on top of a mountain, does not
 mean it can reach everyone. We overcome this obstacle by using repeaters, on top of homes and
 businesses to reach the areas that cannot be covered by a tower alone.
- Our process is cost efficient and delivers effective internet connect to our most rural homes and businesses.
- At the Rural Broadband Cooperative, our goal is to ensure any grant money that comes into our state and area is used efficiently and effectively so broadband coverage can be expanded to the most underserved and unserved areas possible.



House Republican Policy Committee
Testimony Offered By
Todd L. Eachus President, BCAP
January 16, 2024

Chairman Kail, Representative Irvin, and members of the Policy Committee:

Thank you for the opportunity to testify today.

Many have said the influx of \$1.16 billion in federal broadband dollars is a once in a generation opportunity. I disagree. It is a "once" opportunity. Never again will Pennsylvania be provided the resources and chance to connect every Pennsylvanian.

The Congressional intent for the IIJA bill that provided those dollars was to address that digital divide. The pandemic showed us how important broadband connectivity is to people, when we went home to work, school, worship and stay connected to family.

We understand that economics has played a major role in why broadband hasn't yet reached these locations.

BCAP has said since the beginning of this journey that it will take a laser focus to achieve the goal of universal access to reliable, fast, secure internet. We said at the outset, that any loss of focus on that mission, and any distraction, would place in jeopardy the opportunity to serve every Pennsylvanian. In order to succeed, every effort must be taken to deploy these federal tax dollars as efficiently and judiciously as possible.

Unfortunately, that loss of focus has occurred. What was intended to be a broadband expansion program, designed to bring service to unserved residents and that are by definition, uneconomic to reach, has become what some see as an opportunity to exploit these dollars and divert them for other purposes. The stated purpose of ensuring broadband access has been diluted...it is not part broadband access; it has become a jobs program, and a temporary jobs program at that. We agree that many areas still need good jobs. But this program isn't it.

And this lack of focus places that goal of access to every Pennsylvanian at risk. Let me explain... The Pennsylvania Broadband Development Authority has worked diligently to develop robust plans for the federal BEAD program. Unfortunately, a considerable amount of misdirected attention has been given to affordability plans and labor-related issues.

 PBDA has proposed a specific dollar amount as part of the program's middle class affordability guidelines. The very existence of a specific rate is counter to the federal legislation. Rate regulation is explicitly prohibited by the law, and it's there for a very good reason. Setting a specific monthly rate for service is especially troublesome considering that the operators who are applying for these funds and who would be beholden to the rate, must also invest hundreds of millions of their own capital into these sparsely populated and uneconomic areas. And they must plan to maintain these networks in the future with their own private capital. The imposition of mandated affordability requirements further discourages deployment into areas that have highly risky return on investment. Our operators are not looking for windfalls here. They want to do business with a fair and reasonable rate for their customers.

We have been told repeatedly by the federal government that the rate is merely being "suggested" and that applicants should submit a reasonable middle-class rate that follows their business plan. So, why even have it in the guidelines at all?

• Labor costs. Pennsylvania has elected to impose a very high wage rate for this work, somewhere in the range of \$90/hr. The reason is because our own state Department of Labor and Industry has declined to create job classifications and wage determinations for the specific type of work that is required. In early 2023, BCAP asked L&I to create job classifications and attendant wages for Teledata Linemen and fiber splicers, which exist at the Federal Bureau of Labor. They declined, telling us that Pennsylvania will use the established, very general and very expensive Electric Lineman rate. That rate is designed for the worker who works in the dangerous high-voltage space, far off the ground. This not only drives up the cost of the projects by at least 30 percent, but will also drive up the local match by just as much. This alone places Pennsylvania at risk of not providing broadband access to every corner of our Commonwealth.

Unfortunately, these imposed high labor costs to build, coupled with suggested affordability prices that are not sustainable, creates a disincentive for Pennsylvania's broadband providers. Right now they are each deciding whether it is worth even participating in the BEAD program. PBDA's submission to NTIA on our state plans does not strike a fair balance and gives too much weight to labor matters and pricing over speed to deployment.

Repeatedly, we have heard from regulators that they don't want to drive our operators out of business. We're glad to hear that. And our operators aren't looking to take advantage. They, too, are engaged and active citizens in their communities. They want to get these areas connected as much as you do.

However, these mixed messages and hurdles to deployment make us question the overall intent of the program and whether they really want to close the digital divide. We fear that rural Pennsylvania – communities like the one we're sitting in today and the ones you call home – will continue to get left behind. We don't want that, and we know you don't either.

Thank you. I'm happy to address any questions you may have.

House Republican Policy Committee: Advancing Our Rural Connectivity

Good afternoon. Thank you to the members of the Policy Committee for inviting me today. As many of you know, the Pennsylvania Broadband Development Authority (PBDA) was established in 2021 with a mission of closing the digital divide and connecting all Pennsylvanians with affordable, high-speed internet service.

<u>The Problem:</u> The most recent data from the Federal Communications Commission identifies more than 290,000 locations across the Commonwealth as lacking access to reliable, high-speed internet service. After more than a year of planning, we now have a better understanding of where those locations are. We know that rural communities are disproportionately impacted by a lack of connectivity. While only 26% of Pennsylvania's residents live in rural areas, more than 81% of the locations that lack access to high-speed internet can be found in those rural parts of the state.

<u>The Opportunity:</u> We have an opportunity to connect these communities with the nearly \$1.5 billion in federal funding that Pennsylvania has been allocated through the American Rescue Plan Act and the Infrastructure Investment and Jobs Act. While these federal dollars will primarily fund infrastructure to deploy affordable, high-speed internet throughout the state, we anticipate receiving additional funding for digital equity initiatives, to equip Pennsylvanians with the skills, capacity, and knowledge needed to fully participate in the digital economy.

It's important to note that these federal funds must be used for fixed terrestrial broadband services through technologies like fiber-optic, coaxial cable, and fixed wireless connections to homes, businesses, and community anchor institutions.

What challenges do we face as we work to invest the available funding? The federal funds will be distributed through competitive grant programs over the next two years. As infrastructure construction begins, one of PBDA's functions will be to help local and county governments successfully prepare for implementation. We anticipate some obstacles and we're collaborating closely with various state agencies to better understand potential issues. Along those same lines, we're in the process of developing a "Broadband Ready Communities" strategy to help local governments reduce procedural, policy, and permitting barriers to broadband deployment.

Additionally, we know that Pennsylvania will experience a deficit in the number of skilled workers necessary to successfully carry out this level of construction over the next several years. To help address this, we're partnering with the Commonwealth's Department of Labor & Industry, which recently announced nearly \$800,000 in grant funding for apprenticeship programs to help train more workers to build broadband infrastructure. Additionally, through public-private partnerships, PBDA will encourage employer-focused engagement, apprenticeships, and on-the-job training opportunities.

Potential supply chain shortages for construction materials and equipment could also present a challenge. We're exploring this as well and working with industry partners and other stakeholders to ensure access to the right equipment and materials.

Our plan acknowledges these obstacles and establishes a path forward to address them in the coming months and years. We identified and outlined these potential obstacles not because they are insurmountable, but as a roadmap for action. We do this work in close collaboration with local and federal partners, along with industry, labor, and other key stakeholders across the Commonwealth.

<u>To close</u>, our team has traveled throughout the Commonwealth to meet with residents, local elected officials, and community leaders to better understand the specific needs and concerns related to expanding broadband and digital literacy. This outreach and engagement included more than 30 community conversation events, roundtables, and focus group meetings in the last year. We're in the process of finalizing our strategies and federal funding proposals to prepare for implementation of these projects. In the coming months, you'll hear more about grant awards and funding opportunities for broadband expansion in the communities you serve. Thank you again for this opportunity and I'm happy to take any questions.