# Goals

The ConnectMaine Authority is directed to prepare a detailed, triennial strategic plan for broadband service to carry out its statutory duties, goals and policies. While the vision of universal broadband in the state hasn't changed overtime, the goals and actions to realize that vision evolve overtime as circumstances change.

With the recently established Maine Connectivity Authority, ConnectMaine adopted guiding principles for future joint work in achieving statewide broadband:

- Sustain the community of broadband advocates that support local broadband investment and engagement
- Protect and sustain the revenue streams of ConnectMaine, which support ongoing work of expanding broadband availability
- Avoid disrupting the marketplace and ongoing grants programs, and ensure clear, joint communications to the industry, state partners, existing staff and Maine communities about future plans
- Ensure consistency in process and messages, and minimize the potential for confusion, ambiguity and additional overhead related to the existence of two state broadband entities
- Be ambitious, bold and innovative, and build from our shared work and knowledge, and avoid encumbering the Maine Connectivity Authority with statutory limitations or rulemaking obligations on the ConnectMaine Authority

Additionally, ConnectMaine will also be guided by the following principles to deliver on statutorily required reports and for future efforts to expand the availability of broadband service:

- Keep digital equity central to all efforts, which includes affordability of broadband service
- Continue to build a common understanding among stakeholders of role of broadband in economic development, education, telehealth, civic engagement and equality
- Further influence the deployment of federal funds in ways that work for Maine

## Grants

One of the statutory duties of the ConnectMaine Authority is developing grant programs that support broadband investment. To expand the availability of broadband service to residential and small business customers in unserved or underserved areas, funds are identified, developed and provided for broadband investments in unserved and underserved communities. Such investments may include infrastructure that is used by a single provider or by multiple providers. This last-mile strategy is set in the context of: "There are lots of federal funds arriving soon in Maine. Top priority is getting people connected."

By the end of 2021, over 250 communities in Maine had benefited from planning grants for conducting the community-driven broadband planning process. Looking to meet the current and future broadband needs of the community, and ensure equitable access, most plans call for broadband service that is universally available. These substantial projects seek to expand infrastructure that brings affordable and reliable connectivity. Many of these communities are actively seeking enough funds to implement projects. To demonstrate capability of building and operating the broadband network, these projects involve public-private partnerships between communities and communications service providers.

Currently, about \$6.5 million remains of that first \$15 million bond. A short-term option for the Last-Mile Strategy would be increasing the amount of funds available for infrastructure grants, which will likely be oversubscribed by threefold. This increased investment <u>should occur before the next</u> application window is opened:

- 1. Ensuring access to funds before the application window is opened would allow potential applicants to have a better idea of the size and potential competitiveness upfront. More information should be known about federal funds before the application window is opened as well, allowing the state broadband entities to invest and applicants to stack funds wisely.
- 2. <u>Allowing the federal Capital Projects Fund (CPF) to be part of the equation could be</u> <u>achieved by grouping proposed projects that would be community-owned separately. Many</u> potential applicants decide whether or not to apply based on the amount of funds available.

Another option for increasing the amount of funds available for infrastructure grants would be to implement a grants program of the Maine Connectivity Authority, which could either mirror ConnectMaine programs or involve more significant changes:

- Such a grants program could be announced as early as March, if the Maine Connectivity Authority adopts something close to the ConnectMaine Broadband Infrastructure Grants Program. Implementing such a program, and opening an application window in March, would result in awards near or within summer; these infrastructure projects take a year and half to get built and get people connected.
- Significant changes in the grantmaking process will require more organization and preparations, delaying the application window, the awards and the builds. This delay would be unfortunate, because people would continue to lack broadband service through 2023, despite the promise of more federal funds coming to connect people. With increasing demand across the country as a result of the impending federal funds, challenges in the supply chain and workforce shortages would be further exacerbated by delaying deployment of federal funds in Maine.

Following extensive stakeholder engagement, in its refinement of the infrastructure grants program, ConnectMaine set minimum amounts of financial commitments from applicants. Previously, these minimums were a percentage of total project cost, identified in the State of Maine Broadband Action Plan, which also encourages local governments to secure remaining commitments needed to match state funds from other sources, including private donations, foundations, taxes, bonds or other investments. ConnectMaine shifted to a minimum dollar amount per potential subscriber location in a proposed project area, rather than the percentage of total project cost. Providing smaller grants to less expensive projects reserves funds for more expensive projects, such as those with increased costs due to expanding broadband into lower density areas for example.

#### Support

The program also includes technical assistance through Connectivity Boosters and analytical tools from consultant partners, and the evolution of more digital inclusion work. Maine's Climate Action Plan recognized the underrepresentation of those without broadband and the added effort associated with ensuring future participation of these Mainers. In addition to local and historically disconnected representation, this program aims to address multiple layers of support that are needed to advance a community process and regional collaborations that become central to meeting state broadband goals. Without dedicated capacity to fuel local processes and technical assistance to inform decision-making that drives implementation, broadband planning stalls or fails.

Given the unprecedented opportunity to maximize federal, state and local funds, now is the time to invest in the people and processes that ensure deployment of universal broadband and enable the maximum return on broadband investments. Connectivity Boosters are trained volunteers with the dedicated and explicit role of providing flexible support to local and regional planning efforts. This technical assistance supports community organizing, helps assemble financing and establishes public-private partnerships. The Connectivity Boosters and other broadband leaders are part of a community of practice, which involves shared learning, resource sharing and technical assistance for these volunteers. The community of practice is also a centralized place for expanding educational and training offerings, and for accessing community broadband mapping and other analytical tools.

One of the most effective ways of making make infrastructure projects more feasible is to extend or eliminate the need for the monetary return on investment to expand broadband infrastructure. Maine law allows local and regional governments to form Broadband Utility Districts (BUDs) that could own broadband infrastructure. These BUDs don't need to profit from the infrastructure, reducing the capital cost of projects. This can help ensure that broadband service is universal in the community and that subscriptions are affordable. Specific technical assistance to be developed would include translating broadband feasibility studies into business plans, legal structuring and partnership agreements, and ensuring adequate funds for infrastructure projects are available.

In addition to this community broadband planning support program, there's an additional way to support the Community Engagement Strategy. One of strengths of ConnectMaine has been trying new things, changing old things, learning along the way and adapting. ConnectMaine has been, and the state should continue to be, a partner in these efforts to innovate and fund the expansion of broadband. Committing the first dollars on new ideas, to get communities productively engaged is critical. Budgets should reflect the ability to add new approaches or to change course quickly, in partnership with communities and community organizations that are central to state broadband goals.

#### Inclusion

Digital inclusion and equity should remain central to all efforts. Beyond infrastructure, realizing the economic benefits of broadband requires overcoming other challenges of the digital divide. Broadband performance includes affordability of service and equipment necessary to access the internet. Many Mainers face other access and digital education needs in order to take full advantage of the economic and social opportunities made available from broadband service.

With regard to the transportation strategies of Maine's Climate Action Plan, reducing the need for driving requires expanding broadband to bring online services and opportunities to more people. Universal broadband also makes it possible to ensure information, such as energy efficiency programs, is available to all Mainers, as described in the Equity Assessment. The equity benefits of expanding broadband availability statewide are recognized throughout the Climate Action Plan.

Having access to broadband isn't the only barrier to internet use; the cost of service can also be a hinderance to many Maine residents and businesses. As part of its grants program, the ConnectMaine Authority considers the retail cost of service to the potential subscriber, including whether or not any data usage limits unreasonably hinder current internet uses. Service provided from funded projects must be equal to or less than the price per subscriber offered elsewhere in the state.

The digital equity and inclusion plans developed under the community broadband planning support program can contain community commitments and strategies to increase the subscription rate and maximize the use of the proposed broadband infrastructure. These may include addressing affordability and access to service, computers, mobile devices and expanded digital literacy training for historically underserved individuals and communities.

Extending broadband work into digital inclusion is a logical next step as more communities get connected. The need to address digital inequalities in more urban areas of Maine is looming. Both eligibility criteria and sources of funds would need to be strategized in order to address urban digital inclusion, e.g., changing the designation of underserved areas but also dedicating portions of federal funds to those areas. Digital inclusion activities should align with the Maine Economic Development Strategy around workforce readiness, education and telehealth. Data collection on affordability of prices and devices requires capacity not yet dedicated.

### Staffing

Achieving the goals and implementing the strategies identified will require maintaining and increasing staff capacity. The Staffing Strategy is two-fold:

- 1. Maintain essential, existing staff
- 2. Address long-standing capacity challenges by increasing staff headcount

The last triennial strategic plan, the State of Maine Broadband Action Plan, as well as the ERC, identified two ConnectMaine staff positions as insufficient to achieve the state's plans or goals. Bond funds being limited to only capital expenses means that administrative and compliance activities of ConnectMaine must be otherwise funded. With the additional activities made possible by the Maine Connectivity Authority statute, additional staff could be necessary. There is plenty of work to support the transitional activities currently underway and the upcoming activities of the Maine Connectivity Authority.