



Albemarle
Broadband
Authority

Broadband Status Report

1st Quarter CY2023

March 31, 2023

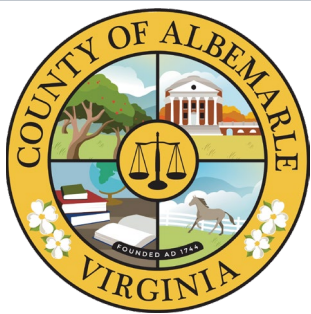
The Albemarle Broadband Authority (ABBA) reviewed and is submitting the Broadband Status Report for the first quarter of calendar year 2023 (January 1, 2023 through March 31, 2023). The report is provided to the County of Albemarle, VA Board of Supervisors as information. This report provides summary level information on all activities completed and underway by ABBA. Here is this quarter's *From the Chair*:

This quarter has had a lot of waiting in it. We are waiting to hear about the BAAO's proposal for VATI funds in 2023 - the awards were scheduled to be made in December but as of this writing are still not released from the Governor's office. We are waiting to learn about the VATI 2024 requirements and budget, and we still await detailed plans for the VATI 2022 build out schedule. There has been some news on that front, with Dominion already commencing some of their middle-mile construction, but the approval for this work may not even be asked of the SCC before Q4 of this year.

The VATI 2021 project is scheduled to complete this quarter, and is definitely getting closer to the goal, but it would seem that work will still be under way after the planned finish date of 31-March. More county residents continued to get connected under that project, however, we have noted with concern that Brightspeed has decided to raise their rates for new connections. This may impact the number of folks who will connect to the new fiber.

The Broadband Office continues to spend a lot of time communicating with County residents about the projects currently under way, trying to help manage folks expectations. It is an endless task. They also continue to support the Authority in our mission, and are due a tip of the hat in recognition for their work.

Bucky Walsh
ABBA Chair



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Virginia Telecommunication Initiative (VATI) 2023 Update

Our office continues to await award decisions by the Virginia Department of Housing and Community Development regarding the Thomas Jefferson Planning District Commission's VATI 2023 application, to which Albemarle County is a party. Unlike the last several VATI projects, this project is being pursued by the Broadband Accessibility and Affordability Office (BAAO) rather than ABBA.

This project, in partnership with Firefly, will address areas adjacent to the VATI 22 project areas that were not included in that award because earlier eligibility criteria precluded areas that received greater than 25/3 Mbps. Receiving this award will ensure that these residents will receive service concurrently with VATI 2022 households rather than consecutively.

The Albemarle portion of the broader application requests \$3.7 million of funding from DHCD on a total budget of \$8.8 million, and a local match not to exceed \$440,000. The total application asks for \$13 million to expand broadband access in 4 other counties.

DHCD completed its review of applications, however, we await continue to await announcements regarding awards.

Virginia Telecommunication Initiative (VATI) 2022 Update

Firefly continues make-ready work in Albemarle County in preparation for construction operations to begin. In the Appalachian Power areas where make-ready work has been completed, some fiber has been deployed, and that work will continue through the Spring. The third quarterly call for VATI 2022 stakeholders was held on March 2nd via Zoom. During the meeting, TJPDC updated stakeholders on the project progress, noting that nearly half of the fiber design has been completed.

For residents in a Dominion Service area, details regarding tranches and project areas have not been shared, and the Office continues to ask Firefly to provide updates on that information as soon as it is available.



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Project Overview

- Firefly was created in 2018 and is a wholly-owned subsidiary of Central Virginia Electric Cooperative
- Regional Internet Service Expansion (RISE) Project will offer universal service covering all unserved and underserved locations
- Dominion Energy, Rappahannock Electric Cooperative and Appalachian Power territories
- Firefly is growing in active accounts – approaching 20,000
- Also growing in employees with 32 full time positions
- Project will bring significant investment into the counties



- ✓ Construction complete by August 2025
- ✓ Universal broadband coverage for unserved areas in 13 central Virginia counties
- ✓ 39,600 business and residential passings
- ✓ Expected take rate of 50% or higher

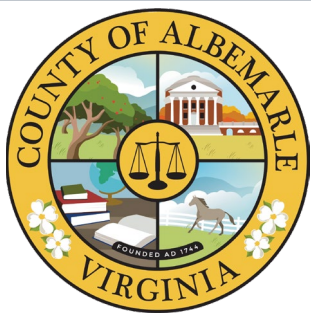
On that same call, Dominion Energy’s representative shared that fiber is being deployed in Albemarle County ahead of the required SCC filing. Firefly continues to provide estimated completion for project areas expected to be completed within a rolling six-month period.

BAAO will continue to monitor the progress of this project and will provide guidance to residents interested in this project on how to register with Firefly to receive updates.

Virginia Telecommunication Initiative (VATI) 2021 Update

As of this date, Brightspeed has reported that construction in all project areas has been completed but that property restoration work will continue for some time. They have also announced that orders can be placed for all project areas, meeting the March 31st deadline for this project.

Based on reports from community members, the Office remains concerned that the project has not been completed as originally proposed and that construction standards may have suffered in order to complete the project. The Office shared these concerns with DHCD at a meeting on March 30th.



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At the February meeting, ABBA was briefed on the positive results of a site visit by DHCD following the Corrective Action Plan update. DHCD continues to ask for close monitoring of installation activities and the Office has included information on continuing issues in the monthly report.

Project Areas	October				December				January			
	Orders	Pending	Active	Take Rate	Orders	Pending	Active	Take Rate	Orders	Pending	Active	Take Rate
Jones Mill	13	2	11	23%	30	9	21	53%	30	3	27	53%
Old Garth	4	0	4	67%	5	1	4	83%	5	1	4	83%
Tilman	32	7	25	67%	32	4	28	67%	31	3	28	65%
Snow Hill	17	2	15	24%	17	1	16	24%	18	1	17	25%
Gilbert Statio	24	0	24	52%	25	1	24	54%	25	1	24	54%
Advance Mill	41	8	33	34%	44	7	37	36%	42	0	42	34%
Milton Hills	34	23	11	20%	44	20	24	26%	48	11	37	28%
Taylor's Gap					45	33	12	19%	112	34	78	48%
Total	165	42	123	32%	242	76	166	32%	311	54	257	41%

Project Areas	February				March				Current Passings
	Orders	Pending	Active	Take Rate	Orders	Pending	Active	Take Rate	
Jones Mill	31	1	30	54%	31	1	30	54%	57
Old Garth	5	0	5	83%	5	0	5	83%	6
Tilman	31	4	27	65%	32	3	29	67%	48
Snow Hill	18	1	17	25%	18	1	17	25%	71
Gilbert Statio	25	1	24	54%	25	0	25	54%	46
Advance Mill	43	0	43	35%	43	0	43	35%	122
Milton Hills	48	9	39	28%	49	6	43	28%	172
Taylor's Gap	160	37	123	45%	180	13	167	51%	352
Total	361	53	308	41%	383	24	359	44%	874

During recent ABBA regular meetings, the take rate, the percentage of passed locations that are connected, has been a topic of discussion as Brightspeed has not exceeded the requisite 50% threshold. Brightspeed continues to monitor its take rate and reports plans to engage in a marketing effort to advertise the project. DHCD requires projects achieve a 50% take rate, though there is a one-year window once the project is completed to achieve that figure.

Shortly before the final VATI 2021 webinar, Brightspeed announced a new pricing model that would increase the costs for new fiber subscribers. Due to uncertainty regarding how this would impact VATI 2021 customers, the Office delayed the webinar which occurred on March 10th.



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At the webinar, Brightspeed shared that the pricing was in line with market pricing, and that it would only impact new orders. It is uncertain if or when residents that had previously placed orders would transition to the new pricing.

Following repeated requests by BAAO staff, Brightspeed leadership elected to provide a monthly credit for new VATI 2021 orders to bring the price in-line with the earlier pricing. It is unclear how long the discount will be in effect, but it represents a significant monthly savings for VATI 2021 customers. That credit will be available to customers on April 1st and the window for this credit will close in June.

ABBA Public Meetings

The public had in-person and real time audio-visual access to the January, February and March ABBA public meeting at the County Office Building and over Zoom and real time audio access over telephone.

ABBA welcomed public comment at its meetings and invited and still invites the public to send questions, comments, and suggestions through email at broadband@albemarle.org. All public meetings held this quarter were recorded and are available for viewing through links on the County's website.

Among the topics discussed by the Authority during its meetings, but not otherwise covered in this document:

- Updates from the recent Broadband Advisory Council Meeting
 - DHCD expects to align VATI 24 guidelines with BEAD and has received \$5M of Digital Equity Act funding to begin planning activities
 - Legislation before the General Assembly was approved to limit the cost of and expedite the processing of applications for broadband providers to cross rail lines
- BAAO presented on its efforts and future plans before the School Board on February 9th



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- A change to the bylaws was enacted to introduce a consent agenda to the ABBA regular meeting

BAAO Updates

The BAAO continues to serve as administrators of ABBA, while also developing and engaging programs to meet the County's digital inclusion goals. In this quarter, BAAO continued to foster a coalition of community partners to develop a digital equity plan for the area. These activities will include demographic and statistical analysis of broadband trends and focus groups exploring barriers to digital access. That work will be done in partnership with students from the University of Virginia's School of Architecture.

Also as part of coalition activities, the Office applied to the FCC for an ACP Outreach Grant. As of this writing, the Notice of Award has not been received, however, the County's application was included in a public listing of awardees. This funding will be an opportunity to increase Affordable Connectivity Program enrollment, removing cost barriers for thousands of households and establishing a paradigm for digital inclusion outreach.

The Office also began preparations for the VATI 2024 process by evaluating FCC and administrative data regarding planned or existing broadband access.

In March, BAAO Program Manager Jason Inofuentes was able to attend the National Digital Inclusion Alliance's Net Inclusion 2023 conference in San Antonio, TX. The conference featured sessions with Commerce Secretary Gina Raimondo, New Mexico Senator Ray Lujan, and officials from the National Telecommunications and Information Administration. Mr. Inofuentes was able to attend numerous sessions on coalition building, equity planning, and digital navigating.

Plans for Next Quarter

BAAO will begin the closeout process for VATI 2021, while continuing to monitor VATI 2022, and preparing for the VATI 2023 project. BAAO will also continue its work as public liaison for all publicly funded broadband expansion projects. Monthly reports to DHCD and ABBA on all of these projects will continue until completion of the projects.

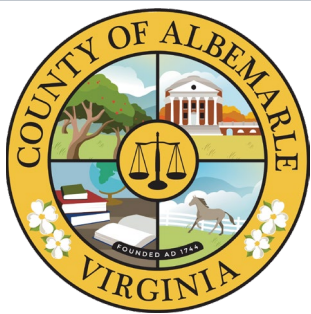


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ABBA and BAAO will continue to monitor the completion of the VATI 2021 project and the continued connections for residents. The Office will also continue its coalition building work to develop a Regional Digital Equity Plan and prepare to implement the ACP Outreach Grant that was recently announced.



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Appendix A – ABBA Summary Budget Report

Update: 03/14/2023

4-4300-91097-491097-950030-9999 (EXPENSE CODE) + ARPA 5301 Fund

BROADBAND INCENTIVES>ALBEMARLE BROADBAND AUTHORITY + ARPA Funding

	Fund Balance	Commitment/ Projected Expenses	Paid Expenses	Remaining Project Funds
Current FY23 Balance (includes \$4.5mil in ARPA Appropriation, \$4.37mil of that for VATI 2022)	\$5,099,325.90			
VATI 2021 Project Commitment Brightspeed: Payment on Hold		\$640,000.00	\$0.00	
VATI 2022 Project Commitment TJPDC/Firefly: First payment for \$121,863.50 PAID		\$4,368,000.00	\$121,863.50	
	\$91,325.90	\$5,008,000.00	\$121,863.50	\$91,325.90
<i>Note: Remaining Project Funds unless noted otherwise are subject to ARPA Guidelines and Rules.</i>				