

MINUTES
MIFFLIN COUNTY INTERNET ADVISORY COMMITTEE
NOVEMBER 20, 2019
MIFFLIN COUNTY COURTHOUSE, MEETING ROOM B – 3:30 P.M.

ATTENDANCE:

MEMBERS:

Clint Aurand, Armagh Township
Doug Cunningham, Mifflin County School District via teleconference
Michael Hain, Nittany Media
John Rhone, Wayne Township
Kristen Ritchey, Comcast via teleconference
Kay Semler, Mifflin County Planning Commission
Gene Wolfkill, Geisinger via teleconference

OTHERS:

Bill Gomes, Mifflin County Planning and Development Department
Tiffany Brought, Mifflin County Planning and Development Department
Kevin Kodish, Mifflin County Commissioner
Robert Postal, Mifflin County Commissioner
Brad Kerstetter, Juniata County Planning
Mark Long, Representative Benninghoff's Office
Liz Lose, Centre County Planning via teleconference
Scott Kramer, SEDA-COG via teleconference
Colton Fogleman, Representative Hershey's Office
Jeremy Smith, CenturyLink
Jim Smith, Granville Township
David Screven, PA Public Utility Commission
Lucas Lenze, Lewistown Sentinel

Call to Order: Bill Gomes called the meeting to order at 3:32 p.m. and reminded everyone to sign the attendance sheet. Everyone introduced themselves.

Approval of Minutes: Kay Semler motioned to approve the June and September meeting minutes. Clint Aurand seconded the motion. All members voted aye.

SEDA-COG Rural Broadband RLF Pilot Project Update: Scott Kramer provided an update on the Rural Broadband Revolving Loan Fund Pilot Project they have established that will impact Mifflin, Juniata and Perry Counties. Since April of 2019, SEDA-COG has been engaged with Juniata, Mifflin, and Perry Counties by facilitating a round of meetings between local leadership, planning directors, emergency communications directors, and the local ISP's to address the lack of adequate broadband in the rural regions of each county.

What SEDA-COG has proposed, in addition to making the publicly owned vertical assets (towers) available to ISP's, is to also establish a low interest (1%) Revolving Loan Fund (RLF) for the purpose of incentivizing ISP's to provide a minimum of 25mb down and 3mb up service in the selected pilot project areas through a competitive process.

Since the funding was allocated in the state budget under the Keystone Communities Program, SEDA-COG has coordinated with the three (3) counties to evaluate and complete the publicly owned vertical assets to be used in the Pilot Project. Vertical assets have been mapped and build specifications have been provided by the county. ISPs will need to perform their own engineering study for load capacity and collaborate with the counties to establish a lease agreement. They have also created loan guidelines and eligibility requirements for the Revolving Loan Fund, created a draft RFP (Request for Proposals) for each county pilot project and coordinated with the local ISPs and counties to identify one (1) unserved/underserved pilot project area per county. *

Mr. Kramer stated that there is only one major item pending before we can finalize the RFP and that's access to towers that either have lease or right-of-way restrictions. We are working with DCNR in Juniata County and a private tower owner in Mifflin County on what is needed to gain access to the tower sites in proximity to Juniata County and Mifflin County pilot areas. The tower site that is in proximity to the Pilot area in Perry County is maintained by Crown Castle. We've been speaking with Crown Castle and have been encouraged by their willingness to participate. They have a WISP program that now make it a lot easier and quicker to get on air with pricing that is friendlier to WISPs. Once SEDA-COG has the Mifflin County and Juniata County tower sites nailed down, the RFP will be ready to be published and the project can enter the next phase.

*A copy of the draft guidelines and requests for proposals were emailed prior to the meeting.

Connect America Fund (CAF) Program: David Screven, Acting Deputy Chief Counsel with the PA Public Utility Commission, provided an overview of the CAF Program and its impact to date, particularly on Rural PA and Mifflin County. Mr. Screven started by explaining universal service. Universal service is the principal that all Americans should have access to telecommunications services. The Federal Communications Commission (FCC) and the states have always supported and promoted the principal of universal service which ensures that all Americans have access to affordable communications. In order to fulfill the goal of promoting universal services at the federal level, FCC established the Universal Services Fund and the fund has helped make telephone voice service ubiquitous, even in remote rural areas. The FCC established the Federal Universal High-Cost Support Program for rural areas. At the time of the implementation of universal service principles in 1934, the FCC's High-Cost Program was primarily focused on landline voice telephone service that was delivered through a pair of copper wires to the home. For years, this was the dominant mode of telecommunications service that consumers relied upon to connect with other people and emergency services and to access information.

Mr. Screven said that despite the great strides in providing ubiquitous voice service, it was noted that millions of Americans, specifically, many residing in rural area and other mostly low-income Americans, did not have sufficient access to high-speed broadband, internet service, which has evolved into the essential communications medium of the digital economy for the 21st century. The United States Congress and the FCC recognized that the universal service challenge of the present time is to ensure that all Americans are served by networks that support high-speed internet access, in addition to basic voice service where they live, work and travel. To further address the "digital divide", in November 2010, the Federal-State Joint

Board on Universal Service recommended that the FCC “specifically find that universal service support should be directed where possible to networks that provide advanced services, as well as voice services.

On February 9, 2011, based on the recommendations set forth in the National Broadband Plan to deploy a ubiquitous broadband infrastructure, the FCC released a Notice Proposed Rulemaking seeking comment on proposals to fundamentally modernize the Commission’s Universal Service Fund and intercarrier compensation system.

Mr. Screven said that on November 18, 2011, the Commission released the USF/ICC Transformation Order and FNPRM, which comprehensively reformed and modernized the federal universal service high-cost program and ICC systems. One of the primary components of the high-cost universal service support reform was the creation of the Connect America Fund to ensure that consumers in rural, insular, and high-cost areas have access to modern communications networks capable of providing voice and broadband service, both fixed and mobile, at rates that are reasonably comparable to those in urban areas. By creating the Connect American Fund (CAF), the FCC sought to preserve and advance voice and robust broadband services, both fixed and mobile. The CAF ultimately replaced all existing high-cost support mechanisms for price cap carriers and rate of return carriers and became the sole federal universal service program to expand access to voice and broadband services for areas where they are unavailable.

Mr. Screven talked about the Connect America Fund price cap territories and rate of return carriers. In price cap territories, the CAF will rely on incentive-based, market driven policies, including competitive bidding, to distribute universal service funds as efficiently and effectively as possible. CAF phase I began the process of transitioning all federal high-cost support to price cap carriers to supporting modern communications networks capable of supporting voice and broadband in areas without an unsubsidized competitor. For CAF Phase II, Part 1, the FCC concluded that support in price cap areas would be provided through a combination of “a new forward looking model of the cost of constructing modern multi-purposes networks” and a competitive bidding process. The forward-looking cost model would be used to estimate the support necessary to serve census blocks in price cap areas where costs are above a specified funding benchmark, but below a second “extremely high-cost” threshold (ECHT).

In terms of eligibility of areas for CAF Phase II, Part 1, each price cap carrier would be offered a model-derived support amount in exchange for a commitment to serve locations in eligible census blocks that fall within high-cost benchmark range and are not served by a competing, unsubsidized provider in its service territory. An area was classified as “eligible” if the average monthly cost-per-location for that census block, as calculated by the cost model, is above the \$52.50 funding benchmark, but below the \$198.60 ECHT, and is not served by an unsubsidized competitor, subsidized wireline competitor, or was not subject to specific types of bids in the rural broadband experiments. Carriers accepting a state-level commitment received funding for six years, with an option for a seventh year in certain circumstances. In areas where the price cap carrier declined the state-level commitment, support would be determined through a competitive bidding process. In Pennsylvania, the offer of model-based support was targeted to census blocks lacking unsubsidized competitors offering service speeds of less than 4 Mbps downstream/1 Mbps upstream, where the cost of providing service exceeds \$52.50 but less than \$198.60. **In Mifflin County price cap providers were CenturyLink had 982 eligible locations and Verizon had 941 eligible locations.**

On April 29, 2015, the Wireline Competition Bureau announced the final details of the offer of Phase ii model-based support to price cap carriers, setting an August 27, 2015 deadline to accept or decline the offer. Ten carriers accepted over 1.5 billion in annual support to provide broadband to nearly 7.3 million

consumers in 45 states and the Commonwealth of the Northern Mariana Islands. CenturyLink accepted the offer of CAF Phase II model-based support in the amount of \$341,559 that was supposed to be used to deploy broadband service for the benefit of 982 eligible locations in Mifflin County. Verizon Pennsylvania LLC, declined to accept the offer of model-based support for the rural, unserved high-cost eligible census blocks in its service territory in Pennsylvania.

In the Connect America Fund, Phase II, part 2, the FCC had determined that it would distribute the remaining CAF Phase II support, including the funding declined by Verizon via a competitive bidding reverse auction process. Mr. Screven explained that the auction seeks to expand service to census blocks unserved by broadband delivering speeds of 10 Mbps downloads/1 mbps uploads in 20 states where the price cap carriers declined the CAF offer. Also included in the auction are locations across the country with extremely high deployment costs. The auction would not be on a statewide basis, but rather on a nationwide basis. In areas of the states where the incumbent price cap carrier declined model-based support, the FCC decided to award that support through a competitive bidding process. The auction became Auction 903 and concluded in August 2018. There were 84,551 locations eligible for CAF funding throughout Pennsylvania via Auction 903, 970 of these locations were in Mifflin County.

In August 2019, the FCC has indicated that it will establish the Rural Digital Opportunity Fund, which would direct \$20.4 billion to expand broadband to the remaining unserved rural areas throughout the country by 2020.

Other Business: William Gomes announced that he will be retiring on December 31, 2019. As of right now, he is unsure what the future of the committee will be and did not schedule a meeting for January 2020.

Next Meeting: TBD

Adjournment: The meeting adjourned at 4:41 p.m.