



PINE COUNTY

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Pine County has the 2nd worst broadband in all of Minnesota, according to the 2021 Broadband Profiles created by the Blandin Foundation. Connected Nation reported in October 2021 that of Pine County's 11,373 households approximately 6,140 households (54%) are unserved with a wireline service, usually the most reliable and affordable broadband available.

Pine County is working aggressively to bring broadband internet service to unserved and underserved areas. Pine County has participated in the Blandin Foundation's Community Broadband Resources – Accelerate program, and we received a grant through the Blandin Foundation to conduct a broadband assessment with Hometown Fiber. This assessment provided us information on the existing fiber network and ways to repair, upgrade or activate it to serve the residents homes that it is near. Additionally, we received another award through Blandin's Broadband Communities program to develop and implement community-led technology & broadband initiatives, which will help local businesses and rural areas stay connected.

We have applied for and received a Community Development Block Grant – Coronavirus Grant through the Minnesota Department of Employment & Economic Development to expand broadband to non-Rural Digital Opportunity Fund (RDOF) areas where more than 51% of the households are low-to-moderate income (LMI). This was a requirement of the grant application, and we were "lucky" enough to have non-RDOF areas that met the LMI requirement and have a local internet service provider (ISP) willing to develop a plan in 30 days.

On the attached map of Pine County, you will see areas that were awarded RDOF funding to a Minnesota communications company called LTD Broadband. As you probably know, the Federal Communications Commission (FCC) conducted an "auction" and awarded RDOF funding to various communications companies around the country to bring broadband service to unserved and underserved areas, primarily rural. LTD won the auction for large areas of Minnesota and other states.

Pine County understands that LTD Broadband is essentially a small wireless broadband provider, who is proposing to provide wireline connections throughout Pine County without first understanding the topography, the current infrastructure, or demographics. First, we believe that fiber to the home is the best long-term solution as it offers the best speeds and

consistent service, but we know that in very rural, remote areas it is not feasible. Second, LTD Broadband's small presence and unproven track record in anything approaching a project this large, causes us considerable concern. Third, we understand LTD Broadband could have up to 10 years to fulfill its obligation under the FCC auction, all the while we may not use other federal or state funding in RDOF areas. Many of our residents will be locked out due to federal RDOF rules and despite the historic state and federal investment in broadband. We have recently issued a Request for Proposals to provide ARPA grants to providers so they can begin to work, but providers will not be willing to step into these areas until LTD is no longer in the picture.

Ideally, the RDOF funds could flow into Pine County and be used by a broadband provider to bring fiber to the home. ARPA and RDOF funding could work together and along a similar timeframe to bring broadband service to all our residents. However, the prospects of that occurring seem very small. So, what solutions do we propose?

- Challenge the FCC to require LTD (and all other successful) bidders to tangibly demonstrate the organizational capacity and capital to fulfill their obligations within the RDOF areas
- Give successful bidders an aggressive timeframe (we suggest end of 2022) to establish a viable plan to deliver fiber broadband or else relinquish areas awarded at auction
- Although we do not favor extending timeframes, another option would be to match the ARPA timeframes with RDOF (instead of a 2026 deadline to spend ARPA funding, extend the ARPA funding deadline to match RDOF)
- Thinking "outside the box," one final solution could be to redirect RDOF funding to counties and allow them to bundle those dollars with ARPA funding. Local governments are in a far better position to work with local providers to build a complete broadband network. As our County map shows, RDOF areas are in some cases scattered, creating significant technical challenges for one company to build a coherent broadband network. With the results of our broadband assessment, we will know exactly where funds should be directed to improve access, connectivity and speed.

Thank you for considering our suggestions. We look forward to continued conversations and invite you to speak to the County Board at any time.

Figure 1 - Pine County RDOF Award Map

LTD Areas show in Orange

