



To: Joint Committee on Ways and Means

Fr: Steven Johnston, OpenCape Corporation

Dt: September 8, 2021

Thank you all for your ongoing support of broadband initiatives in Massachusetts and efforts on behalf of the Commonwealth and its citizens who experience the negative impact of the digital divide daily.

Not-for-profit OpenCape is a 2009 Broadband Technology Opportunities Program (BTOP) recipient which utilized that grant to build over 350 miles of fiber on the Cape, Islands and Southeastern MA, reaching more than 50 towns. Since that time, we have ensured that OpenCape remains strong and sustainable and have grown our 100% fiber network to over 550 miles, serving municipalities, businesses, hospitals, schools, public safety facilities, and residents. The fact that we have grown is a testament to the concept that fiscal stability and mission can co-exist and be a model for the future.

As our region's only 100% fiber network, we want to share some key points that we hope will serve as useful guidance for specific broadband policies that will be evaluated during upcoming infrastructure rule-making and allocations.

We understand there are numerous challenges and considerations as the ARPA and Infrastructure funding comes to fruition. We hope you will consider these **three (3) recommendations** as you discuss and debate the impact federal and state funds can have on communities in the Commonwealth.

- While the Governor's current proposed budget has suggested allocating \$100 million for broadband expansion, **OpenCape strongly feels the Commonwealth needs to invest a minimum of \$400 million for broadband expansion.** Other states, including Maine, Maryland, California, and Virginia, have made significant investments in broadband infrastructure and initiatives that commit consequential dollars towards residential Internet. Virginia, with a population of 8.5 million, has recently allocated over \$700 million for broadband, which equates to \$82.30 per resident, while Massachusetts is currently proposing

spending only \$14.70 per resident. It is also notable that while the Commonwealth has already invested more than \$100 million in Western Mass to support connectivity efforts over the past five years, other areas of the state have received no such investment.

- **OpenCape supports 100/100 minimums (100mbps download and 100mbps upload).** The current 25/3 Mbps standard is unacceptably low and was insufficient even a decade ago. We must set metrics and measures that are both realistic for our current needs and progressive enough for future Internet usage. Massachusetts, as a center of innovation and technology, must lead the nation in this arena; and that investing precious resources in outdated connectivity standards is pointless. OpenCape currently delivers service where the minimum level is 250mbps down and 125mbps up. (And, for informational purposes, our maximum is 400GBPS!)
- Lastly, but very importantly, **competition is key to improving consumer choice and closing the digital divide.** Providing affordable, robust, and reliable service is the only way to ensure that every resident—regardless of income, race, ethnicity, or any other demographic category—can access future-focused connectivity, affordably and easily.

We realize that allocating funds and setting appropriate measures and thresholds is only one part of the process. To better illustrate how broadband dollars could best serve the residents of the Commonwealth, OpenCape has identified solutions as to how funds could be allocated and utilized immediately in our region. OpenCape's service footprint (Barnstable, Bristol, Plymouth, Dukes and Nantucket counties) represents approximately 20% of the Commonwealth's population, so if we worked with a statewide allocation of \$400 million that would mean a 20% allocation directs \$80 million to the region. This amount could be effectively implemented to provide significant connections that support economic development and improved quality of life for our residents:

- Connect 100 Medical Facilities/Offices across Cape, Islands and Southeaster MA **\$6M**
- Extend Service to unserved or underserved areas (Gateway Cities, Outer Cape, etc) **\$15M**
- Connect 15 Main Streets for small business growth **\$4.8 M**
- Build new undersea fiber to Nantucket and Martha's Vineyard. **\$25 M**
- The average cost to connect a home: **\$2,500**. Cape & Islands have @198,675 homes
- Connect 15-20 most visited beaches on Cape Cod **\$3M**
- Expand robust connections to Public Safety, Police, Fire, EMS **\$1.4 M**
- Fiber coverage to remaining unconnected schools in our service footprint **\$1.5 M**
- Ensure robust connections for hospitality businesses **\$1M**
- Connect blue economy businesses & research orgs **\$1.5M**
- Support/Connect mission, cultural & non-profit orgs **\$2M**

Thank you again for your consideration of these suggestions as you move into discussions on how much money to allocate toward broadband expansion in Massachusetts, and for your continued support of solutions and strategies to help end the digital divide in the Commonwealth. I encourage you to reach out to me personally with any questions you may have at sjohnston@opencape.org