

## **Broadband Position Statement**

- REC has, and will continue to be, an advocate for broadband service being available to all of our members. We recognize this is very important to the well-being of the communities we serve, impacting everything from education to medical care to economic development.
- REC continues construction of its 820-mile, 130 end-point fiber utility network that began in September 2019. The fiber utility network will provide numerous advancements and capabilities for REC in the areas of grid modernization, disaster recovery, cyber and physical security, and data analytics. REC will utilize its existing infrastructure to deploy the fiber utility network capable of detecting outages faster, thus reducing restoration times and improving reliability.
- REC is actively seeking solutions to bring broadband to our member-owners who do not currently have access to reliable and affordable broadband internet service. We are doing this by continuing to make the Cooperative's aerial assets, maintained right-of-ways, and infrastructure available for third-party providers seeking to expand by attaching telecommunications infrastructure and implementing creative solutions that are appropriate. To connect with REC and become a broadband partner, please contact Mark Ponton, Director of Broadband and Fiber Services at <a href="majoriton@myrec.coop">mponton@myrec.coop</a> or (540) 891-5874.
- To help achieve the goal of broadband access across REC's service area, the Cooperative took the following actions:
  - In March 2020, REC contacted each of the localities it serves by sending two separate letters seeking commitments for partnerships in each community to develop a broadband solution.
  - In October 2020, REC's Board of Directors enthusiastically made a major decision approving and committing to an investment project expected to cost up to \$600 million and a plan to move forward with a large-scale fiber installation project and plans for entering the broadband business.
  - REC entered the Federal Communications Commission (FCC) Rural Digital
    Opportunity Fund (RDOF) auction due to the potential ability to offset the
    cost of the project with federal dollars. In addition, REC sought to proactively
    partner with localities to bring broadband to their communities.

- Unfortunately, in November 2020, REC was forced to exit the RDOF Auction due to a federal lawsuit filed against the Cooperative by a landowner in Culpeper County.
- The lawsuit challenges the constitutionality of a state law passed in 2020 (Virginia code 55.1-306.1) authorizing the use of existing electric easements for the installation of fiber necessary to expand broadband access. The inability for REC to use its existing rights-of-way (easements) would dramatically impact the planned broadband project's financial feasibility and REC's ability to complete a fiber buildout within the FCC's required timeframe.
- This federal lawsuit illustrates the need for policymakers and courts to
  provide clarification of the laws and policies needed in order for cooperatives
  and others to be able to facilitate solutions that will bridge the digital divide.
- Although REC did not continue its participation in the FCC RDOF auction, other organizations that participated were awarded funding in 21 of REC's 22-county service area. Based on the published awards, it is anticipated that broadband will be available in those communities in the future. <u>Click here</u> to view the counties and organizations that were awarded funds. RDOF recipients within REC's service area are required to make broadband access available to communities for which they receive funding within six years after funding begins, with a possible two-year extension for location growth.
- The lawsuit presented a setback to REC's plans, but our commitment to bringing broadband to our rural communities remains strong. Following REC's community correspondence in early 2020, some counties responded positively, pledging financial support in bringing broadband access to their communities. While REC is committed to assisting with broadband access to all of its unserved or underserved members, current efforts to partner with broadband providers are focused on the communities where there is demonstrated local support.
- REC's Board of Directors is disappointed by the setback to REC's broadband goals presented by the lawsuit. Although we are unable to provide retail broadband services directly as initially planned because of the uncertainty created by the lawsuit, we are now accelerating our efforts to partner with third parties and localities, as well as to prepare our system for the expansion of rural broadband through our fiber utility network. To connect with REC and become a broadband partner, please contact Mark Ponton, Director of Broadband and Fiber Services at <a href="majoriton@myrec.coop">mponton@myrec.coop</a> or (540) 891-5874.