

# HB 3065 Rural Fact Slides

OPUC session

May 14, 2020

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# Rural carrier COLR facts

- The purpose of these COLR slides is to reply to the Chair's Feb. 18 request to Brant Wolf and to comply with the ground rules summarized in the March 12 email from Kandi to present issues and facts related to industry trends and technologies in the rural broadband carrier portion of Oregon. The focus on trends and technologies is appropriate and we appreciate the chance to contribute to this important policy debate.
- We also discuss the foundational policy driver for rural carriers throughout the presentation.

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# PUC metrics

- Service Quality measurements are high
- Historical performance of rural carriers has removed certain reporting requirements
- The following facts tell the story of the privately owned and cooperative carriers in Oregon. **As the PUC travels the state for their HB 3065 meetings, subject to current and future virus-related travel constraints, we invite the Commissioners to arrange their schedules in order to see some of the facts for themselves.**

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# COLR policy drivers . . .

- The operational definition of COLR is to require service in areas of a state challenged by factors including, but not limited to: scale, scope, distance, density, and climate.
- Rural broadband carriers have invested for decades to develop their current capacity to serve rural customers.
- Let's see what the facts are with respect to industry trends and technologies for rural carriers in the state of Oregon.

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# Carrier Fiber facts

- Colton Telephone Company serves 62 square miles in west central Clackamas County in rough tree-covered mountainous terrain, providing service to about 1,000 customers.
- In 2017, Colton completed a five-year NETWORK project that provides a fiber connection to every member.
- The project was funded by company resources of \$1.38 million and RUS loan funds of approximately \$6.71 million.
- The policy driver that influenced Colton was that networks are the foundation that must be built to meet customer current and future needs.

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# Carrier Fiber facts

- Monitor Cooperative Telephone Company serves just under 500 customers over approximately 43 square miles of rural farmland property in the Willamette Valley.
- In 2018, Monitor completed a network-wide project that offers a fiber connection to every member in the company exchange.
- Project consumed a seven year timeframe and cost \$3.4 Million. The project lasted seven years due to the fact that all but \$400k was from internally-generated company funds.
- Monitor's policy driver was to utilize resources in a cost-effective manner to upgrade to a state-of-the art technology. Monitor was determined to achieve a robust, high-speed network geared to current and future needs.

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# Carrier Fact on compliance

- Monroe Telephone serves all available customers in its territory in the southern Willamette Valley between Corvallis and Junction City.
- Monroe has been both a REA and a RUS borrower, and has fully complied with those contract provisions that require ubiquitous service, under a theme of “service to one, service to all.”

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# Carrier Density Fact

- Oregon-Idaho Utilities (OIU) serves 11,300 square miles of territory in the states of Oregon, Nevada and Idaho, with 4,400 square miles in Oregon. OIU has deployed 1,900 route miles of cable facilities with 662 route miles located in Oregon. In the state of Oregon, OIU has 480 residential and business access lines.
- As a result, OIU has a customer density of 0.11 customers per square mile.
- OIU's policy driver is to invest in network facilities that meet current and future needs.

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# Carrier Coverage Area Fact

- Pioneer Connect provides carrier grade local phone and high speed internet service in a 1,300 square mile area ranging from the Mid-Valley (Philomath) to the central Oregon coast.
- Pioneer's policy driver is to build a network that efficiently covers its relatively large service territory.

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# Carrier customer size Fact

- Trans-Cascades serves one of the smallest customer bases in the state in central Oregon (Antelope – 170 lines), and provides carrier grade quality service through a policy focus of building an efficient network.

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# COLR for network provider

- Rural carriers have been successful with COLR because they construct and maintain the backbone infrastructure **NETWORK** that supports both wireline and wireless services in rural Oregon.

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