



**BEACON
BROADBAND**

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Submitted to the Senate Labor and Business Committee by Paul Recanzone, General Manager, Beacon Broadband. In support of SB 943.

Paul Recanzone has 30 years of experience as a network professional. He has spent the last 20 years helping communities plan, implement, and manage fiber to the premises networks.

Chair Taylor, Vice-Chair Bonham and Members of the Committee:

Beacon Broadband is a small fiber-to-the-home provider in Coos and Curry Counties on the south coast. We are a wholly owned subsidiary of Coos-Curry Electric Cooperative or CCEC. Around 2017, CCEC began studying new ways to help its members thrive. The cooperative found that while most of its members had access to reasonably good internet services, more than 20% were unserved or underserved. This creates disparities in access to education, health care, business opportunities, and other services that the cooperative found untenable and detrimental to the vitality of the region as a whole. The negative aspects of poor broadband access were brought into stark relief as the COVID-19 pandemic began to force people out of their real-world gathering places and into virtual spaces. Nothing spoke more loudly about the need for better broadband access for all more clearly than school buses fitted with mobile hot spots parked in fields so children could access their classes. Such scenes echoing through all its members lives convinced CCEC to pursue broadband development. Soon the cooperative had a business plan that showed with a reasonable level of state and federal assistance it could bring the high-speed fiber experience where no one else would go. CCEC created Beacon Broadband and cooperated with other electric cooperatives to secure funding through the FCC's Rural Development Opportunity Fund in November of 2020. Unfortunately, the FCC funding was short of the funding CCEC's business plan suggested was required to bring high-speed broadband up the Wild Rivers and out to Bridge, Remote, Sitkum, Dora, and Agness.

Nevertheless, we saw the need and we determined to press forward. We needed – and need – additional funding. We saw hope in that the state had created the Broadband Fund in 2020. We saw additional hope when the American Rescue Plan Act passed in early 2021. Even more funding opportunities were promised with the passage of the Infrastructure Investment and Jobs Act late in 2021. We rolled up our sleeves and went to work assuming those funding opportunities were imminent. One, two, even three years later, we continue to work and we continue to assume those funding opportunities are imminent.

Senator David Brock Smith has taken the time to understand what is happening in southwest Oregon and throughout the state. We are indeed grateful that he has noticed our work and seen our needs. More than only seeing our work and needs, Senator Brock Smith has been able to see clearly how our work and needs extend to service providers throughout the state. If

passed, the work Senator Brock Smith has done on this bill will extend tremendous benefit throughout the entire state.

Senate Bill 943 does four things we feel are critical to supporting our efforts:

First, the bill instructs the proposed Broadband Service Infrastructure Program to allow grants or loans awarded under the program to be used to cover the costs for planning and development of broadband service infrastructure that an eligible applicant incurred on or after March 15, 2021 – the date the American Rescue Plan allows for funding. This provision is important to Beacon Broadband and all the many courageous service providers in the state who chose not to hold their communities hostage to the bureaucracy of rule-making. We have been building high-speed broadband networks through the pandemic and we continue to build and we should not be penalized for doing so. Our efforts have helped spur local economies and provide critical infrastructure. Just as one example, Beacon Broadband was able to secure local contractors to build our network and place our service drops. Just yesterday, I was looking over a list of nearly 90 people from Coos and Curry Counties working full time at living wage jobs to build this network. While we have waited for funding, we have rescued and we have invested in infrastructure and we have provided local jobs to local people. Those of us who have already been doing the work should be eligible for funding allocated for the work.

Next, the bill sets a hard deadline of no later than December 31, 2023 to adopt the initial rules and standards to carry out the Broadband Service Infrastructure Program. I am very much aware of how difficult it is to develop a funding program that is fair. The Oregon Broadband Office has done significant work in this area. But in looking at their website this week, I noted that in the Fall/Winter of 2022 they were going to “Submit ARPA CPF Application; release draft rules & handbooks, solicit feedback & comments; revisions following receipt of comments; adopt BTAP rules and handbook.” I am made to understand the Office has accomplished all but adoption of the rules and handbook. It is now two years past the passage of the American Rescue Plan Act and we hope to see rules and a program any time now. A hard, legislatively mandated deadline is an incredibly valuable tool to cause action.

Third, the bill corrects certain definitions and parameters established in sections 4 and 5 chapter 17, Oregon Laws 2020 (first special session) that could limit the amount of funding available to Oregon through the Infrastructure Investment and Jobs Act.

Finally, the bill establishes a framework for ensuring all residents of Oregon have a fair chance of broadband development reaching them. Senate Bill 943 calls for the proposed Broadband Service Infrastructure Program to identify areas of need, offer those areas to service providers for development funding, and enforce minimum development requirements. Most state and federal programs offer no similar mechanism for providing funding to the most difficult to reach areas. Rather, most state and federal programs allow service providers to identify the unserved and underserved areas for which they want to seek funding. In these models, we as service providers carefully craft applications that provide us the best return for the lowest investment. For example, CCEC has four or five metered addresses just across the County border in Douglas

County. Those four or five metered addresses are about 8 miles of rocky underground construction from their nearest neighbors. It is literally cheaper for me to buy their houses AND buy them new houses than it is for me to build to them. Even if we can get a 60% match on funding to build to them, we could never recover the cost of doing so. So, we leave those four addresses off of our grant applications. The model proposed in Senate Bill 943 would not allow me to do so.

These four critical measures included in Senate Bill 943 are needed now. The bill proposes an emergency declaration. I promise you that broadband development was an emergency in 2020 when the Broadband Fund was established. It was an emergency in 2021 when the American Rescue Plan Act and Infrastructure Investment and Jobs Act were passed. Service providers building networks today to meet the emergencies identified up to three years ago have yet to see funds from these acts – the emergency only grows in intensity.

Testimonials from Community Members

I was encouraged by one of my neighbors to contact you regarding how significant it is to me for Beacon Broadband to bring service to the area in which I live.

Before I continue, I think it is pertinent to be clear that I am not an employee of Beacon Broadband or Coos-Curry Electric Co-Op, nor do I have any family connection to either organization.

My agenda: To improve my ability to teach college-level courses with reliable high-speed internet.

I live in an area between Brookings and Gold Beach. However, none of the major internet services are available where I live (I check constantly). I started with HughesNet satellite services, who promoted their service at 25 mbps. It never materialized and I was left with 2 mbps during the day and approximately 8-10 mbps between 2:00 and 6:00 a.m. Imagine trying to work between those hours downloading student papers –I had to turn down work because there were some courses I literally could not teach because the service was so inadequate. When I heard about Starlink (another satellite service) I switched to them, invested in their equipment, and have variable speeds to work with. It is a step up from HughesNet, absolutely. It is still not sufficient to use Zoom, since it is intermittent and bumps me off Zoom conferencing.

I have registered for Beacon Broadband's internet service and await consistent and high-speed internet. It will allow me to download student papers and also allow me to hold Zoom conferences. As of today, I spend at least double the standard class time making sure that my students get the support that they need to be successful. It is not an optimal situation. I anxiously look forward to that day when the service is available.

Since I am a business instructor, I would like to add that if you are a member of CCEC, you are also a co-owner of Beacon Broadband. It would be important to realize that Beacon Broadband's mission to bring high-speed internet to all CCEC customers will be a tremendous benefit, and an asset, to all of those residents who have been searching for adequate connectivity.

Respectfully submitted,
Gayle Goldstone

"We are thrilled to be able to connect our home to Beacon Broadband. With a busy family, not a day goes by with many technology needs at the house. We currently have three teenagers at home so that means school work, online chats, movies, and music not to mention Zoom meetings and phone calls for my job as an investment and insurance advisor. Once Beacon service was an option for us, we jumped on it and have been enjoying the increased speeds the fiber service provides. I also have to mention that the install teams are incredibly professional and made sure everything was 100% before turning us loose. Beyond exciting to support Beacon and in turn Coos-Curry Electric."

Thanks!

Alan Nidiffer

“We may be in the 21st century but 7 miles up the Winchuck River it still feels like the early 90s. No cell phone reception, Netflix doesn't exist and while we may not have ding pings and dial tones to connect to the internet, the sloth-like speeds feel like old school dial up. We don't live "off-grid" - we have Coos-Curry Electric and many modern conveniences - except High-Speed Internet, and ... it's a challenge. Our ONLY option for internet, just as it is for many others in this county, is satellite internet. It's not as cool as it sounds. Remember the original data cell phone plans? Where it was slow even if you were standing just so and only had a small number of GB to use which would be gobbled up with the simplest of things? Yeah, we still live with those tough restrictions for internet that costs more than Spectrum. Something goes wrong... It's a minimum one-hour phone call with tech support based out of call centers in other countries. Once you are able to communicate your issue it's several days or a week before someone can make it to your property because there are no techs in the area. And our neighbors down the road that are able to get "high-speed internet" don't have it much better. Due to the distance from the switch boxes and the topography of our area they often have issues if more than one device is trying to stream or use the services.

We've been anxiously awaiting Beacon Broadband in our area - not only will their fiber optic internet services bring us into the current century but will propel us into the future as well as support our local economy with new jobs.

Coos-Curry Electric Coop - which is bringing Beacon Broadband to us - is exceptionally reliable. Let's face it. We literally live in, or for some only near, the forest. More importantly, CCEC's lines run through those forests. And trees fall. So do branches - heavy ones, even. Yet, in the 15 years we've lived here, there have only been a handful of outages that were more than a few hours. More significantly, a lot of those outages are the result of things beyond CCEC's control. But no matter what, their crews get out there and fix it - fast. I expect we'll have the same prompt friendly service from the Beacon Broadband division.

Our family loves living here. We love the forest, love the beauty, the peace, and the rural environment. But just because we live in a rural area doesn't mean we should be cut off from the best that technology has to offer. Beacon Broadband will level the playing field for us and our family, for one, is grateful.”

Jenn Sudeta & Family

Recently after a storm that had high winds for a few days we found that we were without internet. I called Beacon Broadband and was told that technicians would be sent out soon. Within a couple of minutes, I was called back to say that could dispatch the technicians immediately. Within a few minutes further I got a call from Gavin saying he was on his way. He and Waylon determined that the wire from the pole to our house needed replacing. There was another issue that needed to be corrected further up

the line as well but in less than 24 hours from my call our internet was up and running! Gavin and Waylon kept communication going with the other teams involved and with my husband and me. I felt sure that a company formed from Coos Curry Electric would be responsive to our needs and they exceeded our expectations. Every person from the initial installers of our service and the people at the other end of the phone call, to the experts who handled this situation were so professional and friendly. It is so nice to put in a call and talk to someone a few miles from our home instead of halfway around the world. We will be Beacon Broadband customers for life! Good-bye Spectrum – Hello Beacon Broadband. Thanks to all of you at Beacon Broadband.

Marie Gardner

I had gotten tired of the kids complaining that my cable ISP was lagging and couldn't handle the bandwidth they were using. I was paying over a hundred dollars a month for the internet. I remember getting a call a few years ago with a survey about would I be interested in Internet provided by the local electric company. At the time I didn't think much about it. Well flash forward and the need for super-fast internet had become a reality. I didn't tell the kids until I had already scheduled the install. Kids being kids, they went yeah ok mom this is going to fix everything internet. Well day of the install comes. Everything was going fine, UNTIL the installer left. The internet dropped out. Kids started complaining. I jumped on the phone with customer service. I can't remember the young ladies name, but she was the sweetest person. She first calmed me down telling me we could get this fixed. She then looked at the situation and determined that we were having to download software and apologized that the contractor who installed didn't explain that. I have a feeling he told the kids, and I just didn't hear him. But she was so sweet. Stayed on the phone until with me until everything was up and running smoothly. I feel really happy with the customer service and support that I was provided. We are lucky to have such a great local team.

Faith Saunderds

Internet is kinda a big deal in our house. At first I had no plans to switch & we weren't very thrilled about the work that was planned on our property. My son was not pleased that I was changing providers; that soon changed when he noticed an immediate improvement in our internet service. We haven't had any interruptions at all! My other, who is in online school no longer calls me panicking cuz the internet failed & he got booted out of class. No more bored Grandma cuz the streaming services can't connect to the network. No more spending weeks trying to complete online trainings for my work that should take only minutes. **My son is all caught up on his school work now, Grandma watches her shows every day, other son experiences fluid online gaming, & I just finished a whole training course & the exam today!**