

# MAINE STATE LEGISLATURE

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January 14, 2022

TO: EUT Chairs Senator Lawrence and Representative Berry  
Joint Standing Committee for Energy Utilities and Technology

FROM: Andrew Butcher, President - Maine Connectivity Authority

CC'd: Peggy Schaffer, Executive Director - ConnectMaine  
Jason Allarding, Committee Clerk

RE: 2021-2022 Annual Report

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Greetings Senator Lawrence, Representative Berry and members of the EUT Committee,

Please see the attached legislative report as required by statute in addition to the following appendices.

1. **Appendix A:** 2022 Maine Connectivity Authority Strategic Summary
2. **Appendix B:** Memorandum of Understanding between Maine COnnectivity Authority and Connect Maine.

Thank you as always and I welcome the opportunity to present before the committee at your convenience.

In Service,

A handwritten signature in blue ink, appearing to read 'Andrew Butcher', is positioned above the typed name.

Andrew Butcher  
abutcher@maineconnectivity.org



Greetings Senator Lawrence, Representative Berry and members of the EUT Committee,

It is my pleasure to present to you the first annual report for the Maine Connectivity Authority (MCA) as the newly confirmed and sworn in President of the MCA. As you know the work of the MCA right now is a combination of formative yet rapid organizational development as well as deployment of federal funding to accelerate the State's broadband goals and strategy.

To that extent we are making significant progress in a short period of time and I am pleased to share several critical updates outline below

1. MCA has distilled and honed over six months of stakeholder engagement into a cohesive **Strategic Summary** which will serve as a baseline for our action plan through the year.
2. The agency has successfully submitted the State's funding application for the \$129M of funding through the American Rescue Plan's **Capital Projects Fund** which necessitated completion of critical organizational development tasks.
3. Simultaneously, the business cases through the Governor's Maine Jobs and Recovery Program (\$10M in FY22 and \$11M in FY23) have been approved and will result in a MOU with the Office of the State Controller to access funds in February 2022.
4. **A Memorandum of Understanding with ConnectMaine** has been collaboratively developed through June 2022 to ensure continuous support to communities and partners for expanding broadband availability through a consistent and transparent process and public offerings. (A copy is included in the attachment to this report.)
5. As a function of the MOU with ConnectMaine, The MCA has agreed to **deploy \$10M of funding to ConnectMaine for the Spring 2022 Grant programs** as Phase 1 of a Last Mile Grant Program. Phase 2 will be administered by MCA and launched by June 2022.
6. In addition to onboarding myself as the first staff, a **Chief Financial Officer** position has been developed and we have entered into a **shared services agreement** with Maine Department of Transportation to accelerate investigation of potential shared assets.
7. Further, MCA will be **contracting with the Finance Authority of Maine (FAME)** for assistance with accounting and financial management until such time as adequate staff can be hired and onboarded.

As referenced there are numerous critical functions to be addressed in parallel for the MCA as a fledgling organization with a mandate for rapidly scaling activities. Partnerships with numerous organizations will help advance priorities, increase efficiencies and maximize impact. Due to the



multiple streams of funding made available through the American Rescue Plan and Infrastructure Investment and Jobs Act the MCA will be crafting programming and partnerships in alignment with funding parameters as quickly as possible.

As the organization is just getting started and we are awaiting transfer of funds in alignment with State and Federal allocations, a detailed budget of expenses, uses or investments is not available at this time. While the full allocation of funds through the Maine Jobs Recovery Program and The Capital Projects fund total approximately \$150M, access to the funding will occur in stages as specific Program Plans are submitted to the US Treasury for review and approval. Program Plans will be designed to align with The MCA Strategy addressing the State's Connectivity needs and goals as well as adhere to federal parameters and requirements.

An analysis of the State's communications services and advanced communications technology infrastructure will be incorporated into the MCA Master Broadband Plan later in 2022 utilizing both the Broadband Intelligence Platform in development by ConnectMaine as well as data, participation and input from additional technical expertise and stakeholders throughout the State.

As of Friday January 14th, 2022 The MCA has launched a new website which will serve as the primary portal for information updates, data aggregation and dissemination.

RE: Annual legislative report

Thank you as always for the opportunity to update and share activities of the Maine Connectivity Authority. I welcome any opportunity to speak with the committee.

In Service,  
Andrew Butcher



## APPENDIX A: 2022 Strategic Summary

Purpose: The purpose of the Maine Connectivity Authority (MCA) is to be proactive and strategic in deploying an unprecedented infusion of state and federal broadband funding in support of the following statutory goals:

- **High-speed connectivity should be universally available in the State**, including to all residents, businesses and community anchor institutions;
- There should be secure, affordable, reliable, competitive and sustainable forward-looking **advanced communications technology infrastructure to meet current and future needs**;
- All residents, businesses and institutions in the State should be able to **take full advantage of the economic, health, educational and other opportunities** available through connectivity services; and
- **Existing public and private infrastructure will be used effectively and efficiently** in the public interest to provide communications technology infrastructure in all areas of the State

Vision: High speed internet access is essential to participation in modern society, and has the potential to dramatically improve Mainers' quality of life. Private investment alone is insufficient to ensure that the above goals are met and to enable all Mainers to access these benefits. For these reasons, the Maine Connectivity Authority was conceived, legislated and created to not just light up all dark pockets but to remove barriers and accelerate growth. The MCA is designed to be more proactive in decision making, explore public private partnerships, deploy a range of financial tools, and enable a strategic network of digital infrastructure for Maine's future.

### Principles

- Be proactive
- Invest for the long term
- Collaborate to achieve scale and impact
- Make data driven decisions
- Get money working to maximize (and sustain) value and impact

Strategic Objectives: organized into 3 focus areas

1. **Projects:** Optimize broadband deployment
2. **Places:** Reach the last mile
3. **People:** Advance digital equity for all



## Priority Strategies and Activities

To be effective in addressing the State's connectivity needs there needs to be continuous interaction between the **Projects** and mechanisms that enable impact; **Place**-based investments that enable last mile connectivity through a clear and constant process, and an ongoing focus on how funding, process, and priorities link to and leverage the **People** in most need. As a result the three organizing objectives for the Authority will manifest into activities within three primary focus areas. Within each focus area are issue specific Impact targets relative to health, education, and economic opportunity outcomes.

### **FOCUS AREA: PROJECTS**

#### Strategic Objective #1: **Optimize broadband deployment** - *Decrease barriers to deliver broadband*

1. Support strategic middle mile investments and partnerships
  - a. Leverage Maine Broadband Intelligence Platform to identify potential routes and facilities for new middle mile broadband infrastructure to maximize service delivery.
  - b. Own or co-invest in assets to secure and maintain public benefit of shared infrastructure
    - i. Own or co-invest in middle mile fiber infrastructure to support planned last mile deployments in Strategic Objective #2
    - ii. Explore investment in state-owned Internet Exchange Points and similar peering infrastructure, extending NNENIX model
2. Convene stakeholders to develop solutions to reduce costs, delays, and obstacles to broadband deployment to ensure access and affordability of services and risk mitigation.
  - a. Advocate to support reductions in the cost and expense of the pole attachment process and other obstacles to increase pass through affordability to service subscribers.
  - b. Convene relevant stakeholders to identify broadband workforce needs and identify and support initiatives to reduce or eliminate any identified gaps.
  - c. Convene ISPs and other stakeholders to identify barriers such as cost-effective peering
3. Aggregate data, demand and resources to guide and direct collaboration and investment by communities, regions and private sector partners.
  - a. Facilitate an updated Broadband Master Plan for the state through regional partnerships to collect data and prioritize projects through a standardized approach.
  - b. Use the Broadband Intelligence Platform developed by ConnectME to identify and communicate locations that are eligible for support and identify and scope potential deployments.
4. Develop and deploy financing mechanisms to extend the Authority's financial resources and leverage public & private sector capital to support broadband investment.
  - a. Establish investment policy and partnerships
  - b. Craft lending program
  - c. Evaluate bonding strategy and approach



5. Facilitate and manage partnerships and collaborations to maximize impact.
  - a. Identify other state entities, municipalities and the private sector for potential collaboration and standardize mechanisms for collaboration to share resources and coordinate efforts.
  - b. Establish an innovation advisory committee to outline priorities for research, development and experimentation.
  - c. Engage the Maine Telehealth / Telemonitoring Advisory Group to collaborate towards development of a Digital Health Strategy including
    - i. Evaluate cost sharing for health systems telehealth initiatives
    - ii. Evaluate cost reduction of telehealth services
    - iii. Develop a digital healthcare workforce needs assessment and gap analysis

## **FOCUS AREA: PLACES**

Strategic Objective #2: Reach the last mile - Make quality broadband available to all

1. Streamline, standardize and scale support for last mile project planning, development and deployment to un- and underserved locations
  - a. Allocate FY2022 ARP funding to expand the most recent iteration of CME grant programs in support of a pipeline of projects for Spring 2022.
    - i. Refine auditing approach to match anticipated federal requirements
  - b. Prioritize funding to maximize impact and co-benefits especially in rural unserved areas
  - c. Serve as a centralized source for public funding and financing to enable community-driven solutions at a regional scale
    - i. Enter into MOU to leverage ConnectMaine expertise, capacity and process
    - ii. Assemble a menu of financing options to support projects, partnerships and deals
    - iii. Leverage ConnectMaine support for community broadband planning processes
  - d. Evaluate dedicated funding streams to support public ownership and open access models.
  - e. Develop and implement program to support line extensions in areas adjacent to existing service territories
2. Keep communities, providers, and the public at large informed of the Authority's work and opportunities for funding or collaboration
  - a. Establish central hub of information sharing through online portal (integrate with Salesforce and platform)
    - i. Ramp up Speedtesting campaign
  - b. Establish, maintain and communicate verification and audit expectations and results
  - c. Refine and adopt shared staging / pipeline of projects with ConnectMaine.
3. Evaluate "alternatives" strategy to provide connectivity for targeted locations
  - a. Establish methodology for identifying "extremely remote"
  - b. Identify projects and partnerships to evaluate lifetime costs, deployment time
4. Establish a resource bank of providers of technical assistance and shared services to advance community efforts



- a. Services include general technical assistance (data analysis, network design, legal and financial consulting, grant procurement and management.)
- b. Engage and equip local partners and support technical assistance through a Community of Practice and network of Connectivity Boosters effort via Maine Broadband Coalition

### **FOCUS AREA: PEOPLE**

Strategic Objective #3: **Advance digital equity for all** - *ensure that all Mainers, especially the most disadvantaged, have access to and are able to use information and communications technologies*

1. Facilitate development of Maine Digital Equity Plan.
  - a. Establish a multi-criteria decision making framework to prioritize geographic areas for investment, partnerships and resource deployment including an affordability standard.
  - b. Leverage support for development of digital equity plans in the INVEST Act
  - c. Work with partners to support publicly owned networks and infrastructure and open access operating models to maximize affordability and access in strategic locations.
2. Enable maximum participation and utilization of available affordability programs such as Emergency Broadband Benefit / Affordable Connectivity Program / Lifeline Program
  - a. Use data for eligibility to inform and prioritize places for investments and partnerships.
  - b. Evaluate shared service offerings to streamline access to subsidies to ensure subscriber affordability.
3. Engage disadvantaged and marginalized communities, issue experts, and existing cross-sector networks to integrate broadband planning and deployment into other strategies to meet these communities' needs (i.e., Affordable housing, priority development zones, new Mainers)
4. Establish Inclusive Innovation / Research & Development fund to maximize use of broadband infrastructure in communities that are already served or anticipated to be served.
5. Prioritize Impact Targets for healthcare, education and economic development
  - a. Identify specific, sector-focused benchmarks to measure impact of expanded access and digital equity measures
  - b. Establish a device and equipment lending partnership with sector based partners
  - c. Facilitate place-based analysis to identify priority community facilities to serve as connectivity hubs.





## APPENDIX B: MOU between Connect Maine and Maine Connectivity Authority

### MEMORANDUM OF UNDERSTANDING The ConnectMaine Authority and The Maine Connectivity Authority January 2022—June 2022

This memorandum of understanding (MOU) is made by and between the ConnectMaine Authority (ConnectMaine) and the Maine Connectivity Authority (MCA) of the state of Maine.

Whereas ConnectMaine administers the ConnectME Fund, and contracts for licensures to data collection tools and other assets, in accordance with 35-A M.R.S.A. Ch. 93.

Whereas the State of Maine distributed State Fiscal Recovery Funds from the American Rescue Plan to MCA in accordance with Ch. 483 public law; whereas MCA would be applicant to and administrator of the Capital Projects Fund from the US Department of Treasury in accordance with the Guidance for the Coronavirus Capital Projects Fund; and whereas MCA carries out the purposes and duties of 35-A M.R.S.A. Ch. 94-A.

Now, therefore, for the purposes of sharing assets in achieving shared statutory goals, ConnectMaine and MCA (the Parties) hereby agree as follows:

- A. Share data and tools to build on shared knowledge:
  - a. ConnectMaine will make a licensure to the FiberMap element of the Broadband Intelligence Platform available to staff of MCA, which includes training on the use of FiberMap from VETRO, at least through the end of that contract with ConnectMaine;
  - b. MCA will negotiate with VETRO to create a new public viewer of broadband service availability in the state, due to the current Broadband Availability Map expiring at the end of June 2022;
  - c. To the extent it deems necessary, MCA may purchase additional datasets toward the Broadband Intelligence Platform.
  
- B. Sustain the community of broadband advocates that support local broadband investment and engagement:
  - a. ConnectMaine will continue to build local engagement and create a pipeline of potential projects by getting communities ready for broadband expansion, by continuing the ConnectMaine Community Broadband Planning Support Program, which includes supporting the development and implementation of Broadband Utility Districts, through June 2022;
  - b. MCA, with the support and input of ConnectMaine, will develop a Broadband Master Plan and Regional Capacity Building Plan, which will address the continued funds toward Community Broadband Planning Support, to meet federal requirements and to engage communities and community organizations.



- C. Provide continuous support for expanding broadband availability through a consistent and transparent process and public offerings:
  - a. MCA will provide additional funds for the ConnectMaine Broadband Infrastructure Grants anticipated to be awarded in April 2022;
  - b. MCA will refine and adapt the Broadband Infrastructure Grants Program for successor plans for implementation with funds administered by MCA in the first half of state fiscal year 2023;
  - c. MCA will use the ConnectMaine designations of broadband service, unserved areas and underserved areas, unless incompatible with federal funds;
  - d. MCA will be designated the recipient (or equivalent) for all federal funds with the exception of the 2021 NTIA Grant program;
  - e. If ConnectMaine is awarded an NTIA Grant, ConnectMaine will administer those funds in coordination with MCA, and the Parties will develop and implement a plan to transition program oversight and report to MCA with NTIA approval.
  
- D. Offer clear and consistent communications to avoid disrupting the marketplace:
  - a. In preparing for public engagement on strategic planning, the Parties will review and provide feedback on one another's strategic plans and legislative reports;
  - b. ConnectMaine will continue communications with the industry and public about the broadband infrastructure grants program for and through the next application window in early 2022;
  - c. The Parties will develop a joint plan to reassess the statutory duties of the Parties to develop recommendations for any necessary statutory changes.
  
- E. Maximize funds used to directly support the Parties' shared goals and minimize unnecessary or duplicative expenditures:
  - a. Staff of the Parties will meet weekly;
  - b. MCA will develop its staffing plan with the support and input of ConnectMaine;
  - c. The Parties will evaluate the transition of ConnectMaine staff into MCA roles, if desired, as ConnectMaine duties are reduced or realigned, e.g., grants programs, federally funded broadband planning.
  
- F. This document may be modified so long as both Parties agree in writing
  
- G. Signatures

For the ConnectMaine Authority:

\_\_\_\_\_  
Nick Battista, Chair

\_\_\_\_\_  
Date

For the Maine Connectivity Authority:

\_\_\_\_\_  
Tim Schneider, Chair

\_\_\_\_\_  
Date