

Public-Private Partnerships Bring Fiber to Rural New Hampshire

Westmoreland, New Hampshire, is one of many rural towns partnering with Consolidated Communications to provide Gbps FTTH broadband to businesses and residents.

By Sean Buckley / *Broadband Communities*

As a retired medical video business owner, John Snowdon, a resident of Westmoreland, New Hampshire, knows how the lack of broadband affects rural communities. Though he was one of the first people in Westmoreland to get a symmetrical 1 Mbps satellite internet connection at a time when other New Hampshire residents could access only 19 Kbps, it was not enough to support his business.

“When we built our house, we attached a studio to it, but we finally had to move our business into town,” Snowdon says. “Our main client was in Texas, so we had to have an office in Keene, New Hampshire, to be able to access the internet.”

Located in Cheshire County, Westmoreland has a population of 1,700 and 750 addresses. “We’re in the heart of New England – two hours from Boston, two hours from Albany, and four hours from Montreal,” Snowdon says. “The business market in our town is fairly typical in rural New England – home-based businesses, small businesses and farming.”

Increasingly, Westmoreland has become a bedroom community for nearby Keene and Brattleboro, Vermont. The challenges of getting affordable, fiber-based broadband in Westmoreland prompted the town to create a public-private partnership with Consolidated Communications.

The presence of fiber-based broadband could make Westmoreland even more attractive to

people who may want to relocate to rural New Hampshire. In his own house, Snowdon now has Consolidated 1 Gbps service.

“Westmoreland is a great place to live,” Snowdon says. “It has been made a lot better with Consolidated to the point that we now have broadband that rivals major cities.”

THIRST FOR BROADBAND

Westmoreland was spurred to enhance its broadband status by the town’s unofficial Facebook page. Residents and business owners use the page to seek resources, including school-closing announcements, municipal services, child care and other town-related issues.

After seeing a lot of posts complaining about the town’s broadband situation, Snowdon formed a committee with two other residents. He then asked Westmoreland’s board of selectmen to formally recognize the group, and the Westmoreland Broadband Advisory Committee was born.

“This gave us a bit of clout because we represented Westmoreland and had the opportunity to start learning more about broadband,” Snowdon says. “We started interviewing different experts in the field.”

Prior to the agreement with Consolidated, Westmoreland’s residents had three broadband choices: an antiquated copper-based network with DSL Consolidated runs through its acquisition of the former

FairPoint Communications, Argent Communications cable modem service in a few select areas, and mobile hot spots.

Argent's service is available only in parts of Westmoreland, and it likely will lose customers to Consolidated's fiber broadband service. Argent's broadband speeds range from 15 Mbps to a high of 100 Mbps – far slower than the 1 Gbps speeds Westmoreland residents can now get through Consolidated.

Initially, Snowdon did not foresee a broadband partnership with Consolidated. "We anticipated it would be a new vendor coming into town," Snowdon says. "It became such a positive relationship, which was a result of the communications we had with two Consolidated executives. It became a friendly meeting with people trying to make something happen for our community."

STATE LEGISLATURE PAVES THE WAY

For Westmoreland and other New Hampshire towns, the key to moving forward with such partnerships was New Hampshire Senate Bill 170 (SB 170), signed by Governor Chris Sununu in 2018. Sponsored by state Sen. Jay Kahn and state Rep. John Bordenet, the bill allows New Hampshire towns to issue bonds funding broadband infrastructure. It's significant because it represents the state's decision to expand local authority for broadband investment rather than limiting the power of local communities.

The bill sat in committee until November 2017, but when it was amended and picked up again, the final version allowed communities to issue bonds for projects to connect premises that don't have access to broadband as defined by the FCC (25/3 Mbps). In addition, the bill defines "location" as an address rather than using a previous statutory definition of the word as a census tract.

The bill is making it easier for New Hampshire towns to advance public-private initiatives. For instance, in addition to the deal Consolidated

New Hampshire Senate Bill 170 allows towns the authority to issue bonds to fund broadband infrastructure.

signed with Westmoreland, it recently established public-private partnerships with the towns of Walpole, Dublin, Rindge and Harrisville. These new projects, totaling nearly \$13 million, including a \$4 million company investment, will bring fiber-to-the-premises (FTTP) internet directly to all homes and businesses.

New Hampshire law requires a public vote in a town meeting to issue a bond. "If it weren't for having to wait on a town meeting vote, the towns could move faster with their broadband plans," says Rob Koester, Consolidated senior vice president of product management. "A couple of towns we are working with don't need to go to bond because they have available cash to fund projects or a public vote may or may not be required given the way they are set up."

No matter the source of funding, Koester says, "the limiting factor is the availability of fiber and electronics to physically get a project started."

COLLABORATION IS KEY

As Westmoreland's broadband committee interviewed industry experts to help guide its broadband plan, Consolidated signed a public-private partnership with nearby Chesterfield.

In October 2019, Consolidated completed a new FTTP internet network directly to all homes and businesses in Chesterfield, with no associated property tax increase. The first of its kind in the state, Chesterfield's broadband network served as a model for other communities.

When the Westmoreland committee met with Consolidated to see if it could get a deal similar to Chesterfield's, the telco said it was willing to offer only 10 Mbps service. But the committee told the telco the offer "would not work"; it

wanted a deal similar to Chesterfield's to bring 1 Gbps FTTH.

The committee did not give up. After much collaboration and negotiation with Consolidated executives and state lawmakers, it ended up signing a deal similar to Chesterfield's.

Koester says SB 170 was a "conduit" to make the agreement with Westmoreland happen but that public-private partnerships also require a collective commitment by citizens to improve a town's broadband situation.

"Each town we work with is unique, but a common theme is that there has to be a group of residents concerned about the problem that drives [a broadband plan] to conclusion," he says. "The towns we have seen be the most successful have had that."

Consolidated has taken a collaborative approach to broadband with other towns. Koester says that over the past year and a half, the telco has received inquiries from town administrators and has developed a turnkey process to approach working with them.

"Town administrators say, 'We're seeing other towns be successful, so how can we get in?'" he says. "We've perfected the process and the model to be proactive to say, 'This will work for you.'"

A RAPID TURNAROUND

Consolidated's turnkey process for working with towns enabled the Westmoreland project to happen quickly. Seven days before the state shut down in March 2020 because of COVID-19, Westmoreland passed its bond. The vote in favor was overwhelming: town residents voted 753 to 6 in favor.

Recent partnerships between rural towns and Consolidated mean southwestern New Hampshire could soon be one of the most wired places in the country.

In July, the bond sale occurred, and Westmoreland received \$1.9 million for the project. On August 14, Westmoreland paid Consolidated the deposit, and two weeks later, the telco started hanging fiber on poles. Westmoreland made the final payment to Consolidated in April.

“All of this occurred during a pandemic and a New Hampshire winter,” Snowdon says. “It’s astounding how quickly this happened given those circumstances.”

Snowdon got his own gigabit connection installed February 9, and though he can’t reveal how many homes Consolidated connected to FTTH, he says “the number of folks on the town’s Facebook page are so happy.”

BUSINESSES SEE BENEFITS

Residents are major benefactors of the new FTTH network, in part because people can now work from home. Local business owners are seeing benefits, too.

For example, before Consolidated installed fiber, one business owner had to go to a restaurant in nearby Keene to access Wi-Fi so he could run credit card receipts.

“Now he can run his business from his office in Westmoreland,” Snowdon says. “He does not have to drive 10 miles into town and buy lunch so he can access internet service. That’s the type of difference this is making in rural America.”

That business owner is not alone. “We had people who were unable to go into work because of COVID-19 but were barely able to work from home because of the copper network crashing,” Snowdon says. “If it was raining and there was a break in the line, the service went down, but none of that happens now.”

ENHANCING REAL ESTATE VALUES

To get buy-in from Westmoreland’s town leaders and residents to issue the bond, Snowdon and his committee had to show how broadband would serve various community needs. In particular, they needed to demonstrate how broadband could boost real estate values and economic development.

A recent New Hampshire Public Radio report revealed that state real estate prices have gone up 12 percent. Real estate experts attribute this to two factors: COVID-19, which made many city dwellers flee to more rural locales, and the rollout of broadband across much of New Hampshire.

“One of the things we kept pushing was that you may not need broadband in your life,” Snowdon says. “However, the day either you or your kids sell your house, your legacy is going to depend on whether or not the town has broadband because people are starting to refuse to buy houses in areas that don’t have it.”

Two high-end houses sold after the town passed the bond. “These houses, which the owners were having trouble selling, sold because broadband was going to be available,” Snowdon says.

Fiber was key. “It would have been a lot harder to sell and a much tighter vote if we had to self-fund or reach a lesser agreement with another provider than what we did with Consolidated,” Snowdon says.

PUBLIC-PRIVATE PARTNERSHIPS KEY

Public-private partnerships are a key component of Consolidated’s commitment to expand rural broadband access. Customers pay a subscriber fee, which helps offset the cost of the operating agreement, resulting in no tax

increases for residents. In addition to Westmoreland, the service provider has established private-public partnerships with various towns throughout Maine, New Hampshire, and, more recently, Vermont. Several more towns in New Hampshire are scheduled to vote on partnering with Consolidated in the coming months.

Last August, Consolidated announced plans to partner with the state of New Hampshire and local towns to invest an additional \$18 million to expand and enhance broadband to more than 2,500 residents and businesses in the towns of Danbury, Springfield, Mason and Errol.

In the next town meeting cycle, other New Hampshire towns, including Fitzwilliam, Marlboro, Greenfield, Langdon, Marlowe, Temple, Goshen, Gilson, Jaffrey, Peterborough, Troy and Unity will vote on moving forward with FTTH agreements with Consolidated.

“By this time next year, the southwest corner of New Hampshire is going to be one of the best-wired regions in the country,” Koester says. “When you look at the rural geography and how broad the base is, there’s going to be fiber everywhere.”

Consolidated also struck an agreement with Keene, which is centered between Chesterfield and Westmoreland. The public-private model Consolidated used in Westmoreland and Chesterfield did not work for Keene, but it found a way to get an FTTH network built with private investment.

Southwestern New Hampshire often is considered one of the forgotten parts of the state, far removed from the eastern side, a hub for business and commerce given its proximity to the Boston, Portsmouth and Portland corridor. Robust broadband makes the southwestern region relevant and desirable. “The only way this region rises is if we all do this [broadband plan] together,” Snowdon says. “It has to be every town.” ❖

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