

Cincinnati Bell, Three Kentucky Counties Collaborate on FTTN Plan

Cincinnati Bell's pact with the counties will increase digital equity in Northern Kentucky.

By Sean Buckley / *Broadband Communities*

Steve Pendery, judge/executive of Campbell County, has seen firsthand how collaboration can drive new broadband opportunities in Northern Kentucky cities and towns.

Campbell, Boone and Kenton counties jointly established an agreement with Cincinnati Bell to expand its fiber network. In the next 24 to 36 months, the telco will provide all 207,000 consumer and business addresses in the three counties with fiber-based, gigabit internet.

"It has been a long-time ambition to try to provide coverage in the south end of our county," Pendery says, noting that the three counties have worked together productively in the past on other projects, resulting in "better prices and a better product in the end."

Bringing fiber to these areas makes sense as they continue to grow. The counties are part of the Northern Kentucky metro area and the Cincinnati-Middletown, OH-KY-IN metropolitan statistical area (MSA). Upon completion, 95,000 new addresses in the three counties will access fiber-to-the-premises gigabit internet from Cincinnati Bell, which currently offers fiber-based gigabit internet to 112,000 addresses there.

A financial commitment from each county will fund the projects.



Steve Pendery

- **Campbell County:** After being approved on July 21, Cincinnati Bell reached an agreement to expand its fiber network and offer fiber-based gigabit internet to 17,600 currently unserved or underserved addresses. Campbell County is committing up to \$4.5 million.
- **Kenton County:** This agreement, finalized on July 27, calls for Cincinnati Bell to expand its fiber network and offer fiber-based gigabit internet to 37,000 currently unserved or underserved addresses. Kenton County is committing up to \$10.8 million.
- **Boone County:** Cincinnati Bell will offer fiber-based gigabit internet to 40,000 currently unserved or underserved addresses in the county. The Boone County Fiscal Court is committing up to \$13.6 million.

"Cincinnati Bell in the past has been one of the companies we talked about over the course of 15 to 20 years," Pendery says. "The price has been coming down as its network expands and as technology improves, but it remained out of reach."

What finally allowed for network expansion was the CARES (Coronavirus Aid, Relief, and Economic Security) Act, a \$2.2 trillion economic stimulus bill passed in March 2020 in response to the economic fallout of the COVID-19 pandemic. It established the Coronavirus Relief Fund (CRF) to reimburse local governments for expenses incurred in response to the public health emergency



In the next 24 to 36 months, the regional telco Cincinnati Bell will provide all 207,000 consumer and business addresses in Campbell, Kenton and Boone counties in Northern Kentucky with fiber-based, gigabit internet.

COVID-19 caused. In December 2020, Kentucky Gov. Andy Beshear announced a \$300 million award to city and county governments as part of the CARES Act.

“We’re getting government money and one of the obvious areas to spend it to get a significant return is broadband,” Pendery says. What helped provide a bridge for Cincinnati Bell was that the telco was already an established provider in the three counties.

Boone County judge/executive Gary Moore’s office reached out to the telco to develop a fiber-to-the-home (FTTH) partnership. “Because we already provide service to these counties, they approached us about how we solve the issue of bringing fiber everywhere from a connectivity standpoint,” says Jason Praeter, Cincinnati Bell president and general manager. “The three counties approached us, and Boone took



Jason Praeter

the lead. Once Boone was able to make that happen, Kenton and Campbell both followed.”

IMPROVING THE BROADBAND SITUATION

The \$181 million investment in Northern Kentucky continues Cincinnati Bell’s ongoing commitment to increase digital equity in Northern Kentucky and ensure that all residents have access to education, health care and employment opportunities. Ultimately, Cincinnati Bell will provide the three counties with a broadband network that can flexibly change with user demand. Though the network can reliably deliver 1 or 2 Gbps today, having an FTTH network in place means upgrading it to take advantage of emerging 10, 25 and even 50 Gbps standards.

“Cincinnati Bell provides fiber to the premises, so there’s the promise of being future-proofed,” Pendery says. “We could go from a gig to 50 gigs or even more than that with fiber.”

Until now, the options in Northern Kentucky were limited mainly to

Cincinnati Bell, which offered fiber and copper-based services, and Charter Spectrum. “We put out an RFP and heard from Spectrum, Cincinnati Bell, and a few others, but Cincinnati Bell was the obvious choice,” Pendery says. “The [others] would have offered wireless connections.”

With a fiber broadband network in place, the county can provide service to people with no other option and people who want the higher speeds and reliability that only fiber can provide. “We want to have the coverage for people without, but also improvements for those who have most of what they need but don’t have the bandwidth they like,” Pendery says.

CLOSING THE BROADBAND GAP

If there’s one thing that the COVID-19 pandemic highlighted, it was the disparity in homes connected to broadband service. This was certainly true in Kentucky.

According to independent broadband research firm BroadbandNow, Kentucky ranks 40th in state broadband access. The research firm attributes this to the

fact that a handful of counties have minimal high-speed coverage, and most state residents do not have access to what is considered an affordable internet plan.

What's more, the average statewide download speed of 95.7 Mbps is low compared with many other states. Still, 29.1 percent of Kentuckians have access to fiber optic service.

Cincinnati Bell already serves 112,000 homes in the three counties, but it wanted to close the broadband gap and sought to determine which technology could achieve that goal.

"Fiber is what closed the gap," Praeter says. "We participated in the Citizens Band Radio Spectrum auctions and intended to use fixed wireless for our rural customers in those counties, but once the three counties approached us, we came up with the funding to get fiber to each one of those homes and businesses."

All three counties worked to secure additional needed funding. "By the

counties making up the difference, we can build out fiber versus some hybrid technology," Praeter says.

At this point, Cincinnati Bell is halfway done building out the new FTTH infrastructure. Cincinnati Bell has provided service to the counties for the last decade and the counties are coming up with complementary funds, which should accelerate the buildout process, Praeter says. "As the counties move forward with the funds, the shift and focus to those areas will be fiber."

ENABLING BUSINESSES, REMOTE WORK

By installing an FTTH network across the three counties, Cincinnati Bell will be more attractive for businesses and people who want to work remotely. During the COVID-19 pandemic, homes with no broadband connectivity were at a disadvantage, particularly those with school-age children who needed to participate

in remote learning. According to the Pew Research Center, 93 percent of parents with children in grades K–12 say their children have had some online instruction since the beginning of the coronavirus outbreak in February 2020.

However, the research organization reported that 34 percent of parents who say they often or sometimes experience internet problems also have difficulty helping their children with technology and the internet for online instruction. This figure is compared with 22 percent of parents who never or rarely have internet problems.

Pendery agrees the COVID-19 pandemic enlightened people about the importance of broadband. "The pandemic provided an object lesson on what happens when you have kids at home and parents trying working at home," he says. "If you don't have a pretty good-sized pipe into the household, you are at a standstill."

He adds that the lessons learned the hard way during COVID-19 can be avoided with a fiber network. "We haven't had anyone suggest fiber is a technology that's going to be eclipsed anytime soon," Pendery says. "It does look like we have a future-proof network."

Upon completing the FTTH network build, Cincinnati Bell will potentially make the rural part of Kentucky more enticing to more people who might consider moving to the state. "We talked to Boone County judge/executive Gary Moore about how folks will buy rural area farms because they can run businesses from those farms," Praeter says. "Now that so many people are working remotely, the counties will be able to drive up property values." He adds that the presence of fiber in these communities will make it more attractive for businesses "because that's where people want to live, so it's a snowball effect."

Cincinnati Bell sees its movement to provide fiber in these counties as a stepping stone to solidify its broadband position. For fiber deployment, the Cincinnati region is No. 3 out of the top 50 MSAs.

KENTUCKY SETS FOCUS ON UNSERVED AREAS

Kentucky Gov. Andy Beshear is calling on broadband providers to make broadband available to unserved areas across the state. Through two bills – House Bill 320 and House Bill 382 – bipartisan agreements signed into law by Gov. Beshear, Kentucky's Broadband Deployment Fund will assist private-sector entities and governmental agencies in covering the cost of constructing the last mile of broadband access to unserved and underserved households and businesses.

The governor's office began a request for proposals process in August. The state will solicit bids from broadband networks owned, operated or affiliated with local governments, nonprofit organizations, cooperatives, and private providers with a focus on serving entire communities.

The fund includes \$300 million earmarked to address the connectivity needs of these communities, including \$250 million for the construction of broadband infrastructure to connect unserved and underserved areas – no more than \$50 million of which would be awarded before April 1, 2022. Another \$50 million is earmarked for economic development opportunities.

When combined with the 50 percent required matching federal investments, a minimum of \$600 million will support broadband expansion in Kentucky, creating more than 10,000 direct and indirect jobs. The governor and the Kentucky General Assembly agreed to allocate \$300 million of the State Fiscal Recovery Fund portion of the American Rescue Plan Act money to expanding broadband. The first \$50 million of the broadband deployment funds are available to award by April 2022.

As of the end of the second quarter, Cincinnati Bell had a total of 259,700 FTTP customers. It passed 502,700 units in the Cincinnati area, signaling potential growth opportunities for the fiber broadband business. “Our goal is to get fiber everywhere,” Praeter says. “We have talked about equipping 90 percent of our footprint, and we want to get as close to 100 percent, and those three counties are a great way to get there.”

SMART-CITY POSSIBILITIES

Besides expanding its fiber network, Cincinnati Bell, through its UniCity division, will invest a total of \$1.1 million to support smart-city initiatives in the three counties to enhance the quality of life for residents and businesses.

It also will allow local governments to provide more value-added services to constituents. Because every city and town is different, UniCity uses

a consultative approach to support the development of public-private partnerships, longer-term strategic plans and sustainable financial models.

A big part of the Cincinnati Bell plan is developing communitywide Wi-Fi and fiber services, which the telco provides to large public and private venues. In 2005, it expanded its deployment to restaurants and quick-stop convenience store locations.

Later in 2014, Cincinnati Bell launched its public Wi-Fi initiative, providing high-speed, fiber-fed Wi-Fi to citizens throughout Cincinnati and Northern Kentucky. As of today, UniCity has deployed technology in both the public and private sectors.

Alongside the Cincinnati Bell FTTH network, the telco will deploy smart-city technology in some areas of each county. It is going to donate some equipment, including Wi-Fi platforms, to make it happen.

“There are a few pre-set places each county has already discussed, but they will use some funds at their discretion,” Praeter says. “A key focus will be related to public Wi-Fi for parks and other venues, but we’ll let them prioritize where they want us to go.” ❖



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