

QAC Broadband Advisory Committee Meeting

September 19, 2019

4 – 6 pm

Attendees:

BAC/QAC

Megan Delgaudio Mary Ellen Sheffield

Commissioner Steve Wilson

Ben Schaffle

Joyce Jones

Allison Davis

Ed Cummins

Adam Weinstein

Choptank Electric Cooperative

Valerie Connelly

Matthew Tefteau

Ben made motion to begin meeting at 4:05pm 2nd by Joyce.

Meeting began with an introduction by Matthew to provide information on Choptank Electric and their goal to assist with providing broadband internet service to the Eastern Shore of Maryland.

This information was provided to the QAC Commissioners at their meeting on August 27th.

Choptank Electric provides electric to all 9 counties on the Eastern Shore of Maryland with 54,150 members. It is a non-profit, member owned and is governed by a democratically elected board of directors. Choptank Electric Cooperative is a public service company regulated by the Maryland Public Service Commission. There are 2,934 Choptank customers in Queen Anne's County.

Megan asked if they could provide a GIS layer of their Service Area. Valerie will provide.

Valerie began by explaining that the current CEO of Choptank was the CEO of Prince George Virginia Electric Coop and that he started a successful company in that area to bring Broadband to rural areas. He is focusing his efforts on bringing the same idea to Maryland's Eastern Shore.

Choptank Electric has been successful in getting a law through the General Assembly that allows electric rights-of-way to be used for broadband as well as electric, which had previously been allowed for electric use only – 2019 SB 634.

Choptank is currently seeking a waiver request from the Public Service Commission (PSC) to be allowed to use the resources they are currently using for electric for Broadband as well. I.e.: poles, staff, equipment, installers. Because they are a member owned entity they are different than the majority of other electric companies that are publicly traded and for profit. The co-op would not raise electric rates to off-set cost of adding broadband as any overages of revenue are returned to the members in the form of a rebate. Their challenge is going to be differentiating their two businesses - electric and broadband to customers and the PSC.

Choptank services only 2% of the entire State of Maryland. Public Service Commission oversight is not necessary and not required of Cooperatives in many other states.

Choptank is currently drafting legislation to bring to the January Sessions. They will be briefing members of the Eastern Shore Delegation to gain support. Choptank is asking for citizens to come and testify if possible when this bill is heard. Letters of support are welcomed and be sent to Matt Tefteau at matthewt@choptankelectric.coop.

Suggestions were made that Matt reach out to the Maryland Association Board of Education (MABE), Farming Community – (Valerie used to work for the Maryland Farm Bureau until this July so she is very familiar with that community) and local Volunteer Fire Departments.

Choptank is interested in any interesting stories from citizens who do not have internet to present to the legislature. (Ben can't use any of his smart home devices he was given as wedding presents due to no internet access.)

Alison suggested an article in the paper. Megan offered to share any information for support with the Public Information office to put online.

Adam asked if any other co-ops in Maryland are pursuing this expansion. Valerie responded There is only one other member owned electric coop in Maryland – SMECO – and they are not pursuing this. They are also located on the southwestern shore and would offer little opportunity to share resources. Also, someone on the SMECO board wants SMECO to continue to be regulated.

Megan advised that if there was interest in becoming a cable tv provider there would be a requirement of a franchise agreement. Programing has not been discussed just Internet services. They are only interested in putting in fiber.

ABB serves areas with 20 or more homes people per linear mile. It has been difficult to get an accurate map of where there is "no internet" on the Shore.

Mary Ellen will scan the handouts provided by Choptank and include them in the email of the minutes.

Next meeting is scheduled for October 17th at 4:00 pm in the IT Department conference room.

Ben motioned to adjourn at 5:14. Joyce seconded.