

CONNECTING THE COMMONWEALTH

March 6, 2017

Mr. Stan Moss, Chair
Town of Princeton
Board of Selectmen
6 Town Hall Drive
Princeton, MA 01541

RE: Qualification of Charter to Receive an MBI Grant to Serve Princeton

Dear Mr. Moss:

I write to inform you that the Massachusetts Broadband Institute (“MBI”) has qualified Charter Communications to receive a grant to design, build, operate, manage and maintain a broadband network service to the residents of Princeton. With this grant the town now faces an extremely important decision about how it will close the digital divide and secure broadband access for its residents.

MBI’s ‘Last Mile’ funds would be made available through this grant to Charter Communications, because of its significant experience in building and operating residential broadband networks. Under this proposal, **the broadband network would be built at no cost to Princeton taxpayers, allowing the town to forego any long-term debt, and the resulting property tax increase, to provide broadband services to its residents.** In addition to broadband, Charter’s network would also offer voice and cable television service at no cost to the taxpayer beyond the usual subscription and installation charges that Charter would ask of any customer in the Commonwealth. Additionally, if the town elects to choose this option, MBI is in a position to begin final grant agreement negotiations immediately.

During our conversations with your town’s officials, we have heard some concerns about the Charter proposal and the cable franchising process. We understand that ensuring 100% coverage to all residents of Princeton is a crucial goal for the town. As a response to those concerns, we offer to negotiate a provision into our grant agreement with Charter that allows the town to officially request a formal proposal with pricing from Charter to provide service to the remaining 4% of residents in Princeton. Further, MBI has explored options for a town to provide this funding to a broadband provider and would work with the town and your local elected representatives to facilitate this opportunity. While the cost to provide service to that 4% is unknown, we estimate that it would be significantly less expensive than a full network build in your town.

We have also heard some concerns about the potential for delay as a franchise agreement is negotiated. The Department of Telecommunications and Cable (“DTC”), the state regulatory authority with oversight of the cable franchising process, has offered to be a resource to towns. Additionally, DTC can inform towns about actions available to expedite the franchising process to avoid unnecessary delay. We will help facilitate this collaboration between any town and the DTC, if requested.

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In order to formally determine the Town of Princeton's chosen pathway forward, we respectfully request that the Selectboard take this issue up at a public meeting of the Selectboard to collect input from residents and then hold a formal vote on whether to accept the offer from Charter. Given MBI's desire to move this process forward as quickly as possible, **we would request that your town make its determination by Friday, March 24th**, which would allow for an immediate review of your decision at the MBI's Board Meeting, scheduled to take place on March 28th. If you anticipate difficulty meeting this deadline, please let me know.

MBI continues to perform its due diligence on other respondents to the RFP and will continue to qualify vendors on a "rolling" basis. For those towns that have received multiple responses, MBI will continue to alert towns as those vendors are qualified to allow towns to move forward as quickly as possible if they so choose.

In the interim, should you have any questions please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter J. Larkin". The signature is fluid and cursive, with the first name "Peter" and last name "Larkin" clearly distinguishable.

Peter J. Larkin
Chair, MBI Board of Directors
Special Advisor
Executive Office of Housing and Economic
Development