

Monthly Report
Tompkins County Council of Governments
for August 10, 2022

by Councilperson Robert Lynch
Enfield TCCOG Representative

The Tompkins County Council of Governments (TCCOG) has held no regular meetings since the July 13th report. However, TCCOG did convene one special session July 26th to discuss the Town of Dryden's ambitious initiative to establish a municipal broadband system. TCCOG also invited its municipal representatives to attend a July 14th discussion of Community Choice Aggregation electrical power agreements. I attended both sessions. I'll discuss the Dryden municipal broadband meeting first.

Municipal Broadband: At TCCOG's earlier June 23rd session, several members had requested that representatives from Hunt Engineers, Dryden's project consultant, detail the Dryden broadband initiative, presumably in hopes that it could be replicated by their towns. I found the July 26th session to be only lightly attended, with representatives from the City of Ithaca and the towns of Dryden, Ithaca, Caroline and Enfield (this representative) attending. Ironically, TCCOG's Danby and Lansing representatives, the members who in June had shown the greatest interest in Dryden's efforts, did not attend the hour-long, Hunt Engineers briefing.

The Town of Dryden has the resources to initiate this ambitious undertaking, an endeavor the Town of Enfield likely could not afford. And Dryden seeks to undertake it for reasons far different from those we in Enfield might have. Commercial broadband already reaches nearly every Dryden home. But for Dryden, it's the provider that poses the problem. Dryden's provider is Charter-Spectrum, the same company that supplies Dryden's cable TV. Dryden officials, principally Town Supervisor Jason Leifer, dislike Spectrum. Leifer complains of Spectrum's high prices and poor customer service. The Dryden Town Board launched its initiative to string a competing municipally-owned Internet cable throughout the Town as the result of this dissatisfaction. Its venture will cost Dryden a projected \$15 Million.

"This is something doable for a town our size," Leifer told TCCOG. Leifer believes Tompkins County should do the same thing as his town has chosen to do, but he admits it will not do it. Most famously, former Tompkins County legislator Martha Robertson once proclaimed at a meeting I attended that County government cannot become everybody's Internet provider.

Ryan Garrison of Hunt Engineers led TCCOG members through the PowerPoint presentation of the Dryden broadband project (available for viewing on Tompkins County YouTube channel.)

"To win markets, you must disrupt the market," Garrison told us, meaning, essentially, don't go head-to-head with Spectrum on its own turf. "Service providers don't want to compete unless you can be a disrupter," Garrison said. Garrison's idea of being a "disrupter" is for Dryden's municipal system to offer higher-speed fiber-optic cable to compete with what he maintained was Spectrum's largely copper-based infrastructure. (Spectrum, we were told, might dispute that assertion.)

Garrison cited a survey that found 94 per cent of Dryden Internet customers said they'd be interested in the municipality's service. And if the municipality doesn't do it, he said, "no one else will make it happen." Furthermore, Garrison pointed out that with a municipal service, "there's a lot more control over the situation."

Dryden plans to price its service at just under \$50 per month for basic service. “We will compete with Spectrum,” Garrison insisted. Yet he could not predict how many customers will initially sign up. “It’s a big ‘If,’” he admitted. The Dryden model projects to lose money in Years 1 and 2, since its investment must be made upfront before the revenue comes in. Later in the conversation, Garrison suggested an 800-subscriber break-even point. Garrison projects to complete a full system buildout in 3-4 years.

Notably, here, the Dryden municipal service will provide only broadband Internet, not cable TV or telephone service. Garrison noted that Dryden stayed out of those other services, in part, because to provide them, Dryden would have needed to secure from the New York State Public Service Commission a “Certificate of Public Necessity,” a waiver difficult to obtain.

The Dryden network would cover an estimated maximum 6,000 subscribers over 94 square miles. The fiber technology permits a subscriber to reside within seven miles of an equipment station, meaning the Dryden system, Garrison said, would only need to provide three or four “cabinets,” as he termed them. Dryden officials expressed their willingness to eventually extend their service and subscriber base to those residing in adjacent towns, like Caroline. If they did, they’d need more of those “cabinets.”

The Town of Dryden will utilize bonding and bond anticipation notes to finance the system. Dryden will operate it as a department of the town, “like a recreation department,” Supervisor Leifer said. A firm, identified only as “Ciena” will be involved with the project, under an arrangement that Garrison did not explain clearly. The Town would appoint an “oversight committee” to guide the service.

I had many questions. Some were answered. Other explanations left me less than satisfied:

1. Question: Was this project based on a true “market survey,” and not just a questionnaire?

Answer: Ryan Garrison put confidence in the survey, noting it was sent to 6,000 homes, and the Town received 2,000 responses.

2. Question: Don’t many people still want to subscribe to cable TV, and won’t they still have to contract with Spectrum to do so, resulting in multiple bills, potentially at a higher total cost?

Answer: Garrison acknowledged that as many as 25% of those surveyed in the community did mention the need for paired service. “That has become an issue for us,” the engineer admitted. However, he also alluded to Spectrum’s purportedly toying with alternate subscription plans whereby Spectrum subscribers would access TV service via the Internet.

3. Question: Might politics invade the process? Democrats control Dryden government now. What if Republicans win a future election, label municipal broadband as “socialism,” and demand the Town offload it to private parties?

Answer: Dryden Councilperson Dan Lamb dodged the question to an extent. “The dissatisfaction with cable and Internet is bipartisan,” Lamb maintained. “The Republicans and Independents hate their cable provider as much as Democrats (do). It’s like potholes.” Lamb acknowledged that “a couple free market people” in Dryden had opposed the investment, but they’re “a minority, an extreme minority,” he claimed.

“It’s gone through several election cycles,” Lamb said of the project’s political exposure. “We’ve had referenda on our agenda. I believe we’ve put that one to rest.”

Pressed further by me, Lamb conceded there’s been no real “referendum” on the Dryden project, just multiple elections where supporters of municipal broadband won.

4. Question: And what, I asked, if the optimistic expectations fail? What if plans don't work out, if taxpayers need to subsidize the system and the political winds change?

Answer: "That's a risk you take in government," Dan Lamb answered. "We had the same argument about the Dryden Rail Trail (a controversial pathway using an abandoned railroad bed.) We found the funding and built the trail."

"If we worry about the failure of projects," said Lamb, "we won't start building or doing anything. Our town supports this."

Engineer Ryan Garrison offered perhaps a more persuasive answer: the private market's potential reaction: "The minute you show that (it) provides service, that network triples in value," Garrison claimed. "Private equity would be drooling over an investment like this."

Ithaca City TCCOG representative Cynthia Brock voiced support for the Dryden project. "I would love at some future point for the City to fold into it," Brock said.

Community Choice Aggregation: TCCOG's July 14th presentation concerning Community Choice Aggregation (CCA) is far more complex to explain; complexity aggravated by the fact that I was left not truly understanding all aspects of the initiative myself.

Nick Goldsmith, Sustainability Planner for the Town of Ithaca, aided by Paul Fenn, led the discussion. Supervisor Redmond, Councilpersons Lemke and I attended the online meeting, representing Enfield. Representatives from the Towns of Ithaca and Dryden also attended. I recall no one else did.

In its simplest form, as I sought to glean nuggets of fact from the presentation's leaders, Community Choice Aggregation involves municipal governments themselves choosing the electrical and natural gas energy suppliers (the ESCO's) for customers who default to the ESCO NYSEG now chooses for them. Municipalities opt into a designated entity that advances green-friendly energy initiatives.

Locally, the City and Town of Ithaca are poised to adopt local laws that would advance Community Choice Aggregation. Other municipalities, including Enfield, could then opt to participate in the Ithaca-centric initiatives. The discussion's presenters could not effectively explain those local laws.

Discussion leaders talked of this initiative's tie-in with the City of Ithaca's Green New Deal and its 2030 climate goals. They talked of "distributed energy resources," and the efficiency benefits of putting electrical generation—presumably, primarily solar energy generation—as close to the consumer as possible. (On-site; then on-block; then in-neighborhood; then in-municipality was a theme they emphasized.) To advance this, we were told, energy customers could under a CCA, should they choose, purchase "shares" of a CCA. The CCA would then advance climate-friendly initiatives, again, not totally or effectively explained. As assured us, under a CCA, electricity and natural gas rates would fall, while the CCA would enhance climate goals.

At a future meeting, we will invite Paul Fenn to explain CCA to our Enfield Town Board. When he does, I hope he provides more clarity and a simpler explanation than he offered us at the TCCOG-sponsored meeting that day. One can too easily become lost with the multiple moving parts of this program.

Robert Lynch
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