



## Public vs Private Ownership of Broadband Infrastructure The Chebeague Island Broadband Committee



Because of the low density and number of island homes, Chebeague is not an attractive market on its own. Public ownership models of fiber infrastructure have been successfully implemented in smaller communities including several island communities. Below is a list of factors for Chebeague Island residents to consider in deciding future broadband services.

TOWN OWNED	COMPANY OWNED
Future rate increases are approved by the Town.	Rate increases are at the Company's discretion.
Town debt service is paid by subscribers, not Town taxpayers; no increase in taxes.	Town taxpayers are responsible for paying debt services with increased taxes.
No data cap.	Data caps at the Company's discretion.
Installation is free of charge for every home during initial rollout. After system rollout, new installations will be at customer expense.	Install fee varies by company but ranges from \$150 - ?? and may not be offered to those far from main roads.
Low income subsidy at Town's discretion or via private philanthropy.	Low income subsidy via private philanthropy.
Off-season rate of \$20 per month for up to 6 months each year.	Off-season rate may be available.
Because the cables are Town owned, the Town may change providers for better service, speed, price or other reason. Competition among providers will likely be greater.	Customers may change providers <b>only if</b> other companies enter our small market. Given the distance between homes and the low number of homes, it is unlikely multiple companies will invest and compete here (and divide an already small audience).
The Town's fiber asset can produce a budget surplus in later years for any use the Select Board chooses.	Town may be able to charge a franchise fee if it sets up a Town law permitting it.
Bond financing at municipal rates are lower than the private market.	Self or bank financed at higher interest rates. Cost passed on to customers.
Installation is on a schedule the Town can contractually control.	Installation is on the Company's schedule and discretion.
If the system becomes obsolete in 20 years, the bond will have been paid off by users, not taxpayers, and the system is still owned by the Town.	If the system becomes unprofitable, provider can pull out, leaving the Island un-served with cables still owned by the provider.
Local labor trained to install and repair on-island (including bucket truck on-island).	Company personnel responsible for installation and repair at Company's cost.
Current users have option to maintain current low speed at current rate	No "grandfathered" options