



# New Industry Partnerships

March 11, 2019

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## Why Do Electric Cooperatives Offer Broadband?

- No one else is providing the service
- Needed for economic development
- Needed to maintain the community at status quo
- Needed for safety
- Diversify revenue streams

# The Seven Cooperative Principles

- 1. Open and Voluntary Membership**
- 2. Democratic Member Control**
- 3. Members' Economic Participation**
- 4. Autonomy and Independence**
- 5. Education, Training, and Information**
- 6. Cooperation Among Cooperatives:**

By working together through local, national, regional, and international structures, cooperatives improve services, bolster local economies, and deal more effectively with social and community needs.

- 7. Concern for Community**

## Choosing a Partner

- Other Electric Cooperatives
- Local Telephone Company
- Cable Companies
- WISP's
- Fiber networks
- Wireless Phone Providers

## MAKING THE MOVE INTO BROADBAND

### Rural Electric Co-ops Detail Their Experiences

SEPTEMBER 2017

With insights from:

UTILITIES TECHNOLOGY COUNCIL • CONEXON • PULSE BROADBAND • OPALCO • CO-MO ELECTRIC • NORTH ALABAMA ELECTRIC • NORTHEAST RURAL SERVICES • ARROWHEAD ELECTRIC • UNITED ELECTRIC •



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**GK:** Most feasibility studies assume take-rates between 30 and 40 percent, but projects are getting to 40 percent pretty quick and going past that.

**JB:** We had 10,000 meters and about 4,000 miles of line. We've had 5,000 subscribers on 1,500 miles of fiber. I want to say, we're getting more bang for our buck on the fiber side right now. This all helps offset some of our sparse areas' high cost.

**GK:** Is there anything else you want to add?

**JB:** When United Electric first got into this, we had the RUS money from the stimulus grant. As far as the rest of the financing, CoBank was with us all the way. When we were having trouble finding funding, CoBank was there to work with us through the tough times. When you get started, you have to understand there's going to be a little pain upfront to get it going. We're on the other side of that now, and we appreciate the help we got from CoBank. We're reaping the benefits and think we'll continue to build on this and become more prosperous as a result.

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**GK:** Thanks for saying that, Jim David, anything you would like

**DG:** The ARRA 70 30 grant was a dunk. It was always going to be a if we just did the ARRA stimulus m money that we've invested into services, building into the communities with about 170 miles of fiber, generates probably close to 50 percent of our revenue. Bang for back, this secondary financing has been extremely beneficial. Don't forget, the ARRA grant was the vehicle and the enabler for secondary builds. ■

**GK:** Thanks for saying that, Jim David, anything you would like to add?

**DG:** The ARRA 70 30 grant was never going to be a slim dunk. It was always going to be a long-term payoff at best if we just did the ARRA stimulus project. The CoBank money that we've invested into services, building into the communities with about 170 miles of fiber, generates probably close to 50 percent of our revenue. Bang for back, this secondary financing has been extremely beneficial. Don't forget, the ARRA grant was the vehicle and the enabler for secondary builds. ■



**JIM BAGLEY** is the chief executive officer of United Electric Cooperative, which provides electricity to 11 counties in northwest Missouri and southwest Iowa. In his current role, he oversees United Electric along with its subsidiary United Fiber, which provides communications services via fiber optic cable and RF along with providing sewer services to rural subdivisions.

Mr. Bagley has worked in the utility industry for more than 25 years. Prior to joining United, he served as the CEO of Racoon Valley Electric Cooperative and Golden Rural Electric Cooperative. He has also worked for Sho-Me Power Electric Cooperative and the U.S. Department of Energy.

A native of Marshfield, Missouri, Mr. Bagley earned a bachelor's degree in business management and a master's in business administration from Drury University in Springfield, Missouri. He is also a veteran of the U.S. Navy, having served aboard a nuclear-powered submarine.



**DAVID GIRVAN** is the chief operating officer for United Electric Cooperative, where he has worked since 2011. He has been responsible for the design, build and management of United Electric's technology assets, with his primary focus revolving around the aggressive deployment of commercial and residential fiber services through the co-op's subsidiary United Fiber. Prior to joining United Electric, he served as a consultant to the co-op on internal network infrastructure for two years, while working for a technology consulting firm in St. Joseph, Missouri.

Mr. Girvan has more than 15 years of experience in the telecommunications industry. Originally from Melbourne, Australia, he moved to the United States in 2008. During his almost two decades working with information technology, he has worked in many different roles including systems engineering, supervisory roles, software packaging and infrastructure builds. With significant international exposure, his career has been filled with project-based assignments for large companies like IBM, HP and other industry leaders.

Mr. Girvan is scheduled to complete his bachelor's degree in business technology at Northwest Missouri State University in fall 2017.

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# More on Partnerships



**Thank You**

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