

Chance in a lifetime for Mercer to get very high-speed internet service at a low cost

The Somerset Economic Development Corporation (SEDC) has put together a plan to bundle private, federal, state, county, and town funds to provide very high-speed internet to almost everyone in the county. *Of the almost \$2 million needed to install Mercer's network, Mercer would need to contribute only \$64 thousand – only 3%! This note explains how the plan works and what could be in it for you.*

What would be built? New fiber optic cable would be strung along every road in Mercer, allowing every resident access to very high-speed internet. Just like for electricity and telephone, nobody has to sign up for service, but anyone could if they wanted to.

How fast would it be? Fiber optic internet speed will be 100 Mbps for both download and upload, 10 – 200 times faster than typically available in Mercer - plenty fast to stream TV without a satellite dish.

What will it cost to subscribe? SEDC is in competitive negotiations with 3 companies to build and operate the network, with subscription costs part of the bidding competition. Current bids are \$65 - \$95 per month. SEDC expects the final bid to be \$60 per month.

What are the economic benefits for Mercer residents? TDS typically charges \$100/month for telephone and internet. DISH costs another \$100/mo, for a total cost of \$200/month. By replacing DISH with a streaming service, the expected cost per month for very high-speed internet plus TV is expected to be in the range \$100 - \$120/month. This means each subscriber could save \$80 - \$100/month. If 320 people in Mercer save \$100/month, the \$64,000 investment would be recovered in only two months! After that, each customer would save \$1,000/year or more for internet plus TV.

Where will the rest of the money come from? The federal infrastructure bill and MaineConnect provide large amounts of money to install very high-speed internet in underserved communities. Because government funds will now pay for more than half what is needed for installation, private companies are competing for the chance to build and operate them.

How fast is "very-fast?" Internet speeds are measured in millions of bits per second (Mbps). Speeds to download data are often different than upload speeds. Streaming standard video needs 3 – 4 Mbps download speed; high definition needs 5 – 8 Mbps. Video conferencing needs 1 – 4 Mbps download and 1 Mbps upload. Frequent uploads and downloads of large files takes 50 Mbps (<https://www.nerdwallet.com/article/finance/how-to-decide-what-internet-speed-you-need>). For comparison, TDS DSL internet provides 1 – 10 Mbps download and 0.5 – 3 Mbps upload speed, depending on distance from the TDS substation, weather and how busy the network is. 4G cell hotspot speeds are similar, depending on cell tower visibility. At 100 Mbps for both download and upload, the new internet would be > 10 times faster than what we have now!

How can I help make this happen? Come to Town Meeting March 5 and vote to allocate \$64,000 from Mercer's assigned allotment of American Rescue Plan funds. It is urgent that the funds be allocated now – if not, the private and government funds will probably be spent elsewhere by next year.

Mercer Broadband Internet Committee (Brian Breton, Mary Burr, Brad Hager)

