

# PUBLIC-PRIVATE PARTNERSHIPS HELP COMMUNITIES ACHIEVE THEIR DIGITAL INCLUSION GOALS

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**A**s governments and communities work to bridge the digital divide, expanding access to broadband connectivity has become a priority. State governments have many resources at their disposal to reach their goals of delivering connectivity to unserved and underserved areas. One option is to use the resources and expertise of the private sector by working with industry partners to build a robust middle-mile network infrastructure. Public-private partnerships between states and industry enable creative core connectivity solutions to fulfill public policy goals and accelerate digital inclusion.

## **Barriers to Middle-Mile Expansion**

While reliable internet access was once a

luxury, today it is a necessity. With education, businesses, healthcare, and communities moving online, the lack of reliable and fast internet prevents millions of Americans from accessing basic resources. In 2023, the U.S. Department of Commerce announced its 'Enabling Middle Mile Broadband Infrastructure Program' to expand middle mile network infrastructure across 35 states and Puerto Rico. The program pledged more than \$900 million to connect communities and lower the cost of access to high-speed internet. Projects funded by these grants will deploy over 12,000 miles of new fiber to increase capacity to local networks, boost network resiliency, and lower the cost of connecting households.

Despite the amount of funding available for the expansion of middle-mile infrastructure, states, communities, and local organizations still need to be efficient with their use of resources. Building out new infrastructure is costly. It takes time, resources, and labor across multiple phases of deployment – from conceiving the project to building the infrastructure, and finally managing and maintaining a commercial-grade network. In addition, with many projects under strict time limits -- for example, California's middle-mile broadband initiative is funded by Senate Bill 156, which requires completion of the project by 2026 – states need to reserve funds for incentives or additional manpower.

### **How Public-Private Partnerships Empower States**

Public-private partnerships enable states and communities to fulfill public policy goals faster and at lower cost. Industry partners frequently own large amounts of network infrastructure with excess capacity and may even have empty conduit that can be used for state connectivity projects. Scott Pohlman, Director of Business Development, Higher Ed Practice at Lumen, explained that through California's partnership with Lumen, the state is using Lumen's existing infrastructure for 1,900 miles of its intended network expansion. "California figured out that they didn't have the resources to build a 10,000-mile network by themselves," Pohlman said. "We have existing cables that we can pull fiber through, so by partnering

with us, about 20 percent of their network will use Lumen infrastructure that's already in place. It saves them money and, more importantly, time, because they have a deadline to meet."

Partnering on connectivity solutions benefits constituents as well. When states work with industry partners, the resulting infrastructure delivers both public sector outcomes and accountability and private sector efficiency, explained Drew Freme, Director, Product Strategy at Lumen. "Depending on the specifics of the partnership, states can hold partial or full ownership of the network, which means there's some accountability that the partnership is structured with constituents' needs in mind," he said. "At the same time, they're going to be run efficiently by an industry partner with the know-how and experience needed to run a carrier-grade network." This provides assurance that the expanded networks will be both accessible and reliable.

### **Public-Private Partnership in Action**

Middle-mile expansion in Oregon exemplifies a different kind of relationship. Rather than the state government driving infrastructure development directly, Link Oregon, a non-profit consortium, was founded by the state government and four research universities to own and operate a state-wide, middle-mile network.

Building out broadband connectivity in Oregon comes with unique challenges. The diversity of Oregon's geography and demographics requires shared expertise that only collaboration between Link Oregon and private and public sector partners can provide. "Tackling this challenge requires a blend of approaches. We have to think of this as a system and focus on scalable, sustainable investments," Steve Corbató, Executive Director of Link Oregon, said in a conversation with Lumen. "We advocate for fiber first for the last mile and resilient, open-access fiber for the middle mile. Given the one-time nature of this unprecedented investment, there should be the greatest effort made to extend fiber to as many unserved and underserved locations as possible." For locations where installing fiber is not feasible, Link Oregon and its partners rely on technologies such as fixed wireless and Low Earth Orbit (LEO) satellites.

## Conclusion

Public-private partnerships for connectivity and digital inclusion deliver the benefits of both public infrastructure and private networks while making efficient use of government funding and time. By sharing expertise and using existing resources, states and communities can maximize the impact of their middle-mile expansion projects and reach more communities in need.

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