Exclusive Preview of Drew Clark Column: UTOPIA Fiber's Pioneering with Open Access

August 6, 2021— This week, another city along the Wasatch Front in Utah joined UTOPIA Fiber's gigabit-capable broadband network with the announcement that work has officially begun in Pleasant Grove City, Utah.

What started out as The Utah Telecommunication Open Infrastructure Agency in 2004 has now become one of the most promising success stories for the open access model in the industry. The original 11 cities that teamed together to form the inter-local entity are part of a group of 16 municipalities that enjoy fiber-to-the-premises service. In short, the region in which UTOPIA Fiber operates and is available includes more than 100,000 consumers.

The network expansion in Pleasant Grove – roughly half-way between Provo and the fast-growing Lehi tech hub on the edge of Utah County – was <u>unanimously agreed to by the city council in April of 2021.</u> All 38,000 of the city's residents will ultimately get access.

Pleasant Grove Mayor **Guy Fugal** said that residents have been dissatisfied with their current service for some time now. "Although Pleasant Grove City's residents are technically 'served' by the cable company, community members have been complaining loudly about slow and unreliable internet service," he said in an interview with Utah Business, "UTOPIA Fiber is here with a proven track record and a loyal customer base. Most importantly, they have been consistently hitting their revenue marks."

Indeed, UTOPIA Fiber has a history of customer satisfaction. In December of 2021, the company concluded a fiber-to-the-home deployment in West Point, Utah, for \$7.2 million after just 15 months of work. And in August 2020, Clearfield, Utah, said it would spend \$13.8 million to bring fiber to its 32,000 residents via UTOPIA's open access model.

It is not an exaggeration to say that, in the United States, it is UTOPIA Fiber that has pioneered the open access model for the rest of the private and public sector entities in the industry.

During the Fiber Broadband Association's Fiber Connect 2021, UTOPIA Fiber CEO **Roger Timmerman** explained that while the open access model was slow to catch on, many in this country are taking a second look.

Some communities seeking to adopt the open access model promote it as a means to improve broadband speeds and decrease consumer costs. That's true, Timmerman said. But that vision is too narrow and falls short of the potential it has to offer.

Open access offers greater innovation and customer service -- and minimizes other internet conflicts. "In our regions, throttling is a non-issue," he said. "Our model offers a permanent solution to the problems surrounding net neutrality."

The goal of open access should never be to simply supplant existing telco or cable monopolies with a fiber monopoly. Rather, UTOPIA Flber's model is designed to incentivize competition between providers, allowing them to offer superior service to consumers.

More than a dozen service providers on the UTOPIA Fiber network offer 10 Gigabit per second (Gbps) symmetrical broadband for residential areas and 100 Gbps for commercial areas. Its most affordable residential package starts at 250 Megabits per second (Mbps) x 250 Mbps for \$65 per month. That is a far cry from the industry standard that most customers typically have access to.

It's no surprise that others are taking notice of their success. While UTOPIA Fiber struggled for many years to grow and finance the networks, in <u>February UTOPIA Fiber raised more than \$52 million</u>, its largest round of funding to date. During the pandemic, UTOPIA raised more than \$100 million to build out and improve their network.

It's an example that many others have been and will continue to follow more closely.