Agenda

Open session:
• 2021 – enabling legislation
• Broadband business model
• LCRA value proposition
• Current marketing landscape
• Call to action
In May 2021, the Legislature passed SB 632, which authorizes LCRA to provide fiber capacity and facilities to facilitate broadband service.

Three key points:

- Authorizes LCRA to provide middle-mile and backhaul fiber access to third parties.
- Allows LCRA to build access point fiber and related facilities for customers.
- Prohibits LCRA from providing retail broadband. LCRA cannot be a last-mile internet service provider.
# Broadband Business Model

## Customers and connections
- Wireless ISPs
- Wired ISPs
- Data centers
- Solar and wind farms
- Utilities

## Infrastructure
- Physical connections to ISPs
- Property easements
- Networking equipment
- LCRA substations
- LCRA fiber network 2,200+ miles

### Connections to the internet backbone
- San Antonio: H5 Data Center
- Austin: Texas 1 Data Center
- Houston and/or Dallas (planned)

## Guiding principles
- LCRA Board Policy 220 – Telecommunications
- SB 632 enabling legislation
- LCRA mission and values

## ISP: internet service providers

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*Guiding principles*;

*Connections to the internet backbone*;

*Last-mile providers*;

*Middle mile (LCRA’s scope)*;

*Customers and connections*;

*Infrastructure*;

*San Antonio: H5 Data Center*;

*Austin: Texas 1 Data Center*;

*Houston and/or Dallas (planned)*.
LCRA’s Existing and Future Broadband Investments

- Easement curing
- Access points outside substations
- Networking gear and cybersecurity
Value Proposition: Why Choose LCRA?

• **Available**
  – High-speed fiber in unserved and underserved areas
  – More than 200 terabits of connection capacity
  – 24x7x365 monitoring and support

• **Reliable**
  – 99.99%+ network uptime
  – Aerial fiber is usually more reliable than right-of-way fiber that typically is installed
  – Trade Agreement Act compliant; made in the USA

• **Affordable**
  – Not for profit
  – Fairly priced
  – Financially stable
Five Prospective Customer Segments

• Wireless ISPs
  – Fixed wireless
    ▪ Licensed
    ▪ Unlicensed
  – Fiber to the tower
    ▪ AT&T, Verizon, T-Mobile

• Wired ISPs
  – Fiber to the premises
    ▪ Electric cooperatives
    ▪ Telephone cooperatives
    ▪ Fiber ISPs
    ▪ Cable providers and multisystem operators
Five Prospective Customer Segments (Continued)

- Data centers
  - Internet exchange points
  - Caching of cloud services

- Utilities: cooperatives and municipalities
  - Communications, Supervisory Control and Data Acquisition, security

- Solar and wind farms
  - Communications, SCADA, security

SCADA: Supervisory Control and Data Acquisition
Connecting Central Texas to Broadband

Help us spread the word:

• It is early days, and we already are making an impact on the digital divide

• LCRA is actively developing more partnerships with internet service providers and utilities

• LCRA’s unique offering:
  – Available
  – Reliable
  – Affordable

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