

Fiber Partnership Discussion Summary: Upper Great Plains Region

August 13, 2019

Participants in the August 13, 2019, WAPA UGP Regional fiber partnerships meeting discussed interests and opportunities, as well as challenges and concerns related to fiber partnerships. The meeting was held at WAPA's UGP Billings, Montana office and via Webex. The summarized comments and questions listed below were expressed by attendees and are published herein for informational purposes only. Every effort has been made to capture the full context of the comment or question. WAPA has taken no position on them at this point. The comments and questions will be carefully considered and will be used to inform WAPA's feasibility assessment. Information about the feasibility assessment is available on WAPA's website at:

<https://www.wapa.gov/About/keytopics/Pages/fiber-feasibility-assessment.aspx>

Highlights from the discussions include:

Interest and opportunities for new partnerships

Customer comments on interests and opportunities for new partnerships:

- Continue and maintain the very good practice of using fiber for electric system operations and maintenance.
- Maintain fiber partnerships with electric system companies for generation and transmission services.

Customer questions on interests and opportunities for new partnerships:

- Does WAPA have any partnerships today with anyone other than electric system customers?
- Is UGP fiber related to data for electric operations or is it for data for internet and/or other purposes?
- How many fibers does UGP have?

Customers' priorities and/or goals for fiber partnership

Customer comments on priorities and/or goals for fiber partnership

- A critical issue is cybersecurity and how to control others' access to facilities in or near WAPA fiber while accessing their own fiber - WAPA should not compromise on cybersecurity.
- Concern of leasing fiber and then needing that fiber in the future for planned electric system operations and maintenance needs, which are not defined today.
- Electric system power restoration is first and foremost the top priority.
- Support fiber partnerships that focus on electric power and transmission services.
- Support cost causer to pay for fiber system - beneficiary pays principle.

Customer question on priorities and/or goals for fiber partnership



- If the fiber is out of service and needs repair, what are the priorities and how would WAPA maintain those priorities with non-electric utilities that may depend on uninterrupted fiber service?

Challenges and concerns with new partnerships

Customer comments on challenges and concerns with new partnerships:

- Fiber service pricing would be difficult to develop and maintain and not impact current electric service customer rates.
- External pressures on WAPA and its electric system fiber partners to prioritize fiber restoration over electric system operation would be a concern.
- Expanding WAPA staff to install and maintain fiber for new non-electric partners is a challenge.
- All major towns in rural South Dakota have access to fiber from non-electric parties.

Customer questions on challenges and concerns with new partnerships:

- Will the legal authority and rights-of-way related questions be answered during the August 29 WAPA meeting?
- With limited staff, how would WAPA staff install and maintain fiber for non-electric entities paying for service?
- How will restoration priorities be determined?
- Is there a need for fiber where fiber is already available?
- Is there a need for fiber or is there a need for cheaper fiber?
- Will WAPA fiber compete with other for profit companies?
- How would WAPA determine and maintain pricing?
- If not an electric utility, operating under electric utility good practices, who can acquire access to WAPA fiber and could it be compromised?
- Will new partnerships effect electric system reliability?
- If WAPA moves forward with new 3rd party partnerships in supporting rural broadband, will current partners get pushed to allow use of their fiber to support rural broadband as well?

Gaps in feasibility assessment elements

Customer comments on gaps in the feasibility assessment:

- Challenge to meet fiber level of service expectations from non-electric providers and to do so may create a conflict with electric power restoration/WAPA's mission. It is difficult to cover under outage issues or agreements best practices.

