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Meridiam and City of Bloomington Announce Plans for \$50 Million City-Wide, Fiber-to-the-Home Network

Bloomington, Ind. – Infrastructure company Meridiam and the City of Bloomington announced today that Meridiam plans to invest more than \$50 million to bring high-speed internet access to virtually every neighborhood and resident in the City. Meridiam will build and operate an open-access-model fiber network, embodying net neutrality, with a strong emphasis on digital equity. The City of Bloomington will partner in the digital equity components with up to a \$1 million investment.

The Hamilton administration has prioritized establishing a community-wide high-speed fiber network to provide broad and equitable access to this essential 21st-century technology. For several years Bloomington sought a partner to develop, build and operate a Fiber To the

Premises (FTTP) system featuring open architecture, which allows multiple service providers to use the same infrastructure. After extensive discussions and site visits, Meridiam and the City signed a letter of intent (LOI) in August of 2021, which led to today's announcement.

"Equitable and ubiquitous access to high-speed broadband is fundamental for all Bloomingtonians," said Mayor John Hamilton. "All of our students need access to e-learning from home. Today's workers need reliable digital connections to thrive. How many home-bound seniors need high-speed internet for better health care? How many working parents need affordable access to get a high school diploma or a new skill from home to raise their earnings? Meridiam's commitment to city-wide coverage, with an open-access model embracing digital equity, will advance our whole community – a private investment with powerful public benefits. It will help Bloomington "Recover Forward" from the pandemic and recession into a brighter more inclusive future."

Fulfilling negotiations with the City of Bloomington, Meridiam will build a high-speed fiber network reaching virtually all, and at least 85% of, Bloomington residences. Meridiam is not itself an ISP, but will build a wholesale infrastructure network available for use by ISPs. Meridiam's network will launch with an exclusive internet service provider (ISP) partner to ensure strong community engagement. After the exclusive period ends the network will become a full open-access network, open to other ISPs, including local providers, for the lifetime of the network. Meridiam is also committed to the principle of net neutrality – that all internet communications are to be treated equally. And Meridiam and the City will collaborate on a groundbreaking digital equity program, to advance opportunities for low-income and digitally-disadvantaged households to access top-quality internet services.

Through a contract with the initial ISP, Meridiam's network will offer service of at least 1 Gigabit per second symmetrical speed (equal upload and download) everywhere the Meridiam network reaches. The cost of service rates with the initial ISP will be competitive locally and regionally.

The digital equity initiative will provide income-qualifying households with 250 Megabits per second symmetrical internet service for \$30 per month. The City and Meridiam will together provide the "drop" connection to qualifying households at no cost, which combined with the Biden Administration's new \$30 Affordable Connectivity Program means eligible low-income residents can receive high bandwidth fiber-based internet service at zero net cost.

"Meridiam is excited to partner with the City of Bloomington to provide its residents with next-generation, fiber-based internet services and deliver equitable access to this essential 21st-century technology," said Nicolas Rubio, CEO of Meridiam Americas. "As a mission-driven

company dedicated to the UN Sustainable Development Goals, we believe that investing in better, faster connectivity fuels competition and fosters economic, educational, and entrepreneurial opportunities for all. We look forward to continuing to partner with the City to deliver tangible, long-lasting impact for its residents."

Over the past two decades, the City has strategically installed multiple conduits as part of the Bloomington Digital Underground (BDU) initiative, in part to encourage investment in fiber infrastructure. Meridiam's investment includes access to unused City conduit for a 30-year term of use. "We are excited to put this infrastructure to use to improve broadband competition and digital equity in our community," stated Rick Dietz, Information & Technology Services Director.

Because of Indiana's business personal property tax structure, Meridiam is seeking and the City is proposing a Tax Increment Finance (TIF) district to support the city-wide build. Meridiam is prepared to begin construction after the TIF district is in place, as soon as the fourth quarter of 2022.

"Bloomington has developed one of the most innovative broadband public-private collaborations in the country, a model for other cities. Bloomington's partnership with Meridiam will lead to considerable private investment in fiber-to-the-premises throughout the City, with the promise of world-class broadband service and competition available to all," said Joanne Hovis, President of CTC Technology & Energy and CEO of the Coalition for Local Internet Choice (CLIC). "Just as significantly, both parties made extraordinary commitments to fund digital equity programs and achieve digital inclusion goals. Low-income households in Bloomington will now have access to the best digital equity product in the country -- internet service at a symmetrical 250 megabit per second -- at an effective zero cost. Kudos to Mayor Hamilton and the Bloomington team for their drive and perseverance to reach this singular outcome."

Meridiam is expected to announce investments in additional southern Indiana cities in the coming weeks. "During discussions, Meridiam expressed interest in expanding their investment to include other cities in the region," said Mayor Hamilton. "We encouraged their exploration and they identified three additional communities which we expect may enjoy similar investments in a city-wide network in the near future: Columbus, Martinsville, and Shelbyville. We are pleased that our collaboration with Meridiam will lead to a regional broadband initiative reaching well beyond Bloomington."

"When the history of how the United States transitioned from the single-digit broadband speeds a decade ago to gigabit networks is written, it will be clear that cities played a key catalytic role," stated Blair Levin, Executive Director of the 2010 National Broadband Plan and nonresident

senior fellow at the Brookings Metropolitan policy program. "Bloomington's announcement, with its elements of an open-access next-generation network and digital equity, will likely deserve its own chapter. Progress requires bold experiments that chart new paths, exactly what Bloomington is doing."

In the coming days, an FAQ page on the City's website will share information and updates from the City and Meridiam about this project.

Background

Since 2016, Bloomington has sought a partner to build and operate a city-wide FTTP network. The primary goals have been broad community coverage, a voice at the table for the City, a financially feasible business model, open access and net neutrality, and commitment to digital equity. In service of these goals the City contracted expert advisory services, held a fiber broadband symposium, issued a Request for Information to potential partners, engaged an advisory group of representative community stakeholders, and developed a digital equity strategic plan. After several explorations of prospective partnerships, and after nearly a year of discussions and site visits from Meridiam, the City signed an LOI with Meridiam. The City and Meridiam have spent several months negotiating an agreement that serves the City's goals and promotes competition in broadband service to the benefit of City residents.

In 2020 the City Information & Technology Services (ITS) Department conducted a Digital Equity Survey, which informs the City's Digital Equity Strategic Plan. Related to the Meridiam project, the City's digital equity plan calls for the City to:

- Continue to pursue potential fiber infrastructure partners to achieve the City's Goals.
- Reduce financial barriers to adoption through support and promotion of subsidy programs like ACP (US Affordable Connectivity Program).
- Expand the City's digital equity funding to further support digital equity initiatives. (The fund currently supports annual digital equity grants to nonprofit organizations and was first established under the Recover Forward initiative in 2020.)

About Digital Equity & Net Neutrality

Digital Equity is defined by the National Digital Inclusion Alliance (NDIA) as "a condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy."

Net Neutrality is the idea that Internet Service Providers should treat all internet data equally. This means not blocking access to lawful sites, services, and content, and not offering paid

prioritization or otherwise prioritizing, discriminating, or charging differently based on user, content, website, platform, application, type of equipment, source address, a destination address, or method of communication.

Learn more at the National Digital Inclusion Alliance at <u>digitalinclusion.org</u>. Bloomington has been recognized by the National Digital Inclusion Alliance as a 2021 <u>Digital Inclusion Trailblazer</u>.

About Meridiam

Meridiam is a public infrastructure developer, investor, and manager specializing in greenfield infrastructure and committed to delivering sustainable and resilient projects that positively impact communities for the long term. As a mission-driven firm built on Environmental, Social and Corporate Governance (ESG) and Sustainable Development Goals (SDG), Meridiam believes sustainability can be best achieved if it is incorporated into the financing, design, building, operating, and the long-term maintenance of infrastructure projects, and is rigorously measured.

Meridiam operates in primary key sectors of sustainable mobility (including roads, rail, tramways, airports, electric buses, and electric vehicle charging points), innovative low carbon solutions (including water and waste facilities and energy efficiency projects), and critical public services (including healthcare, schools, public buildings, and digital infrastructure). Meridiam invests globally in approximately 100 projects and assets under development, construction, or operation, in 26 countries representing \$18 billion USD in assets under management.

Meridiam is active in North America with a significant investment and project portfolio, a 15-year track record, and extensive industry expertise. At present, Meridiam manages 17 different infrastructure projects in the US and Canada and continues to develop new projects.

Learn more about Meridiam at meridiam.com.

About the City of Bloomington

Bloomington is located in south-central Indiana, southwest of Indianapolis. It is the seventh-largest city in Indiana and the fourth-largest outside the Indianapolis metropolitan area. Home to 85,000 residents, it also serves as a home away from home for tens of thousands of Indiana University students and alumni.

The City of Bloomington delivers cost-effective, innovative services exceptionally well to its residents, and forward-thinking leadership invests in the quality of life of both current and future

generations. Bloomington is building a strong, sustainable economy, with new jobs at fair, livable wages and with a zero-carbon path to address the climate emergency.

Bloomington is a welcoming and safe community where everyone can thrive and belong. All are welcome to participate in community building in a friendly, safe, and inviting environment that embraces visitors and ideas from across the globe.

Learn more about the City of Bloomington at bloomington.in.gov.

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