

**PREPARED STATEMENT OF  
STEPHAN ADAMS, viNGN PRESIDENT & CEO  
BEFORE THE SENATE COMMITTEE ON  
HOUSING, TRANSPORTATION, INFRASTRUCTURE &  
TELECOMMUNICATIONS  
35<sup>TH</sup> LEGISLATURE OF THE VIRGIN ISLANDS  
April 24, 2023**

Good Afternoon, Honorable Marvin A. Blyden, Chairman of the Committee on Housing, Transportation, Infrastructure & Telecommunications, Honorable Senators, and the listening and viewing audiences. I am Stephan Adams, President, and CEO of viNGN, Inc., I am honored to present to you today.

I wish to start my testimony today with a recap on viNGN's mandate to include why we were established in 2011 and how we were funded. I will then discuss how we're achieving our mandate. I will then conclude with our vision for the future and how we intend to leverage an unprecedented amount of federal broadband funding to close the digital divide in the Territory and empower our residents and businesses to be competitive in the global digital economy.

viNGN was founded as a corporation, owned solely by the VI Public Finance Authority. Our primary mission is to provide open access, non-discriminatory wholesale bandwidth (high-speed Internet) to local Internet Service Providers (ISPs) extensively in the Territory at the lowest possible prices. viNGN has 10 active ISP partners that serve a wide range of markets.

Another objective is to earn enough money to sustain the Company as well as reinvest in technology. Since its initial establishment, viNGN has not sought additional funding from the Legislature. We have been self-sustaining. viNGN is nearing profitability for the first time in our history. Once achieved, viNGN would

be poised repay investments made by PFA and WAPA. This includes repayment of PFA's original bond, which is now a \$36,000,000 loan on viNGN's Balance Sheet.

viNGN's was founded by the twenty-ninth Legislature to close the digital chasm that existed in 2011. Although the chasm is now a digital divide, viNGN's mission is still relevant today. Our aim is to bring the Territory to parity with the U.S. mainland in high-speed Internet accessibility and affordability.

The Federal Government, PFA, and WAPA undertook the imperative of establishing viNGN considering a 2011 National Broadband Listing which showed the US Virgin Islands as dead last in terms of broadband speeds among states and territories. Although, we have made strides in closing the performance gap, the USVI still remains at the bottom in internet speeds and affordability in the nation.

For historical context, the Committee on Finance of the Twenty-Ninth Legislature of the Virgin Islands, Senator Ronald E. Russell, by request of Governor DeJongh sponsored Bill No. 29-0038, an Act authorizing the funding for the Broadband Expansion Project and related matters. It partially reads as follows:

WHEREAS, the Government, the Public Finance Authority ("Authority") and the Virgin Islands Water and Power Authority ("WAPA") have been exploring opportunities to develop, coordinate and operate a territory-wide broadband system to expand access and better serve the private citizens, business community and public institutions of the Virgin Islands and the Government; and

WHEREAS, the Authority applied for and received all four of the U.S. Department of Commerce's National Telecommunications Information Association (NTIA")

Broadband Technology Opportunity Program Grants (the “Federal Broadband Grants”) to finance a portion of the Broadband Expansion Project; and

WHEREAS, the Government, the Authority, viNGN, INC. (“viNGN”) and WAPA, or a wholly owned subsidiary of WAPA, intend to enter into various agreements to share resources and expertise and to allocate their respective obligations in connection with such Broadband Expansion Project; and

WHEREAS, as a condition of the Federal Broadband Grant, the Authority is required to provide \$29,386,379.00 of funds and /or an in-kind contribution, as a “match” to such federal Broadband Grant, WAPA will provide a portion of such “match” through the contribution of easement (or access) rights to certain of its assets, maintenance services and other in-kind contribution with a minimum value of \$15,500,000.

As enacted by the Legislature of the Virgin Islands Bill 29-0038 authorized the USVI Government to issue up to \$42,500,000 aggregated amount of Series 2011A Gross Receipts Tax Bonds for the purpose of providing a portion of the funds which, together with the in-kind contribution made by WAPA of \$15,500,000, shall be applied to implement Broadband Expansion Project.

This historical overview of viNGN serves to remind this legislative body that your predecessors had the wisdom and courage to invest in viNGN to address a glaring broadband inequality that existed over thirteen years ago. Then, 10 Megabytes per second was considered high speed Internet. Today, common high-speed internet access is 100x that rate at a fraction of yesterday’s cost for what we would now consider inadequate speeds.

What can viNGN do to influence the high price of high-speed Internet and spotty access in the Territory? We are making significant investments in upgrading our core infrastructure to handle a far greater amount of Internet traffic to enable distance learning, telemedicine, remote government, and ecommerce activities. All this while enabling a household to simultaneously stream high-definition video, play real-time “twitch” games and participate in Zoom conferencing from the same connection. Checking email and occasionally shopping online was the extent of Internet activity in 2011 from a dial-up session.

viNGN has applied for several federal grants to continue upgrading and expanding the middle-mile reach of our infrastructure. This will enable our ISP partners to offer greater, more resilient bandwidth services at lower prices to consumers.

Although viNGN is a fixed 100% fiber optic broadband infrastructure provider, the future of the Internet is increasingly mobile. viNGN’s broadband vision aligns with this transformation.

Case in point, viNGN is actively deploying free community Wi-Fi throughout public places in the Territory under a \$10.8 million ARPA and \$582 thousand CARE Act grant. We have installed 68 Wi-Fi locations with over 200 access points and counting. This initiative is a top priority for Governor Bryan. I’ve attached Exhibit A, which is a list of active hotspot sites with access points.

Additionally, Governor Bryan, who is viNGN’s Chairman, has directed the Company to make Wi-Fi ubiquitous in the Territory. We have applied for grants to rapidly expand free Wi-Fi for all Virgin Islanders. Our goal is to ensure high-speed Wi-Fi is available in most public spaces and many neighborhoods.

viNGN will also leverage its free community Wi-Fi network to build fiber to underserved and unserved residences. This will lessen the capital costs of our ISPs, which in turn will incentivize them to offer lower pricing.

From a historical context, it is imperative to internalize the relevance and necessity of viNGN today in terms of the socioeconomical realities of the Virgin Islands. The private sector is motivated to serve where it is most profitable to do so. Most of the Territory is economically challenged and the population is small, as well as siloed on islands.

However, some private sector telecommunications companies have and continue to receive a bounty of federal subsidies and generous local tax breaks. Yet, the territory lags tremendously behind poor areas on the US mainland in terms of speed and cost for high-speed Internet.

A critical role of Government is to build infrastructure, like roads schools, and police. Internet access is a digital road that the schools, police, and citizens travel.

viNGN has a valuable role to play to ensure all Virgin Islanders can participate in the global digital economy and connected society. All federal grants that we are awarded will be for the sole aim of improving the lives of every Virgin Islander with the opportunity to participate in a digitized world in real-time and in high fidelity.

Thank you for your attention to my testimony today. I look forward to taking your thoughtful questions.

## Exhibit A

### 68 FREE Wi-Fi Locations with 202 Access Points and Counting!

Location	Isl	Location	Isl	Location	Isl
Ag Fair Grounds (East)	STX	DHS Mars Hill	STX	Marley Homes	STX
Ag Fair Grounds (West)	STX	Elaine Sprauve Library	STJ	McBean Ball Park	STT
Altona Lagoon Shed	STX	Emancipation Garden	STT	Midre Cummings Park	STX
Ann Abramson Pier	STX	Emile Griffith Ball Park	STT	Mon Bijou Community Center	STX
Aureo Diaz Heights	STX	Estate Bovoni Community Center	STT	Mount Pleasant	STX
Bordeaux Farmers Market	STT	Florence Williams Library	STX	Myrah Keating Clinic (Outdoor)	STJ
Blyden Terminal	STT	Fort Christian	STT	National Park & Baseball Field	STJ
BMV Cruz Bay Parking Lot	STJ	Fort Frederik	STX	Oswald Harris Court	STT
Bureau of Motor Vehicles	STX	Franklin Powell Park	STJ	Parking Lot (Carnival Village)*	STT
Buddhoe Park	STX	Frederiksted Health Clinic	STX	Pearson Gardens	STT
Candido Guadalupe	STX	Garden Street Community Center	STT	Petersen Library	STX
Charles Turbull Library	STT	Grove Place	STX	Pine Peace Basketball Court	STJ
Contant Knolls	STT	Havensight 1(Virgin Haven)	STT	Red Hook Dock	STT
Cotton Valley Fire Station	STX	Havensight 2 (Port of Sale)	STT	Roosevelt Park	STT
Cramers Park	STX	Henry Rohlsen Airport	STX	Seaplane STT	STT
Cruz Bay Dock	STJ	HH Bergs Home	STT	Seaplane STX	STX
Cruz Bay Parking Lot (Carnival)	STJ	JFK Housing	STX	Sion Farm Ball Park	STX
Cruz Bay Tennis Courts (BMV)	STJ	Joseph E. James	STX	Sunny Isle Medical Center	STX
D. Hamilton Jackson	STX	Juan F Luis ER and Main Lobby	STX	VI Library for the Handicapped	STX
DC Canegeta Park	STX	Kirwin Terrace	STT	Water Isalnd Fire Station	STT
Department of Health (Mobile facilites)	STX	LaReine Fish Market	STX	Wilfredo Pedro Homes	STX
Department of Labor (STT)	STT	Lucinda Millin	STT	Williams Delight Villas	STX
Department of Labor (STX)	STX	Magens Bay	STT		

###