## PREPARED STATEMENT OF STEPHAN ADAMS, VINGN PRESIDENT & CEO BEFORE THE SENATE COMMITTEE ON HOUSING, TRANSPORTATION, INFRASTRUCTURE & TELECOMMUNICATIONS 36<sup>TH</sup> LEGISLATURE OF THE VIRGIN ISLANDS May 14, 2025

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 would like to begin my testimony with a description of viNGN and our role in the community. viNGN is an instrumentality of the US Virgin Islands Government (GVI). We are solely owned by the Public Finance Authority (PFA). However, we are an incorporated entity with an independent board of directors of which Governor Bryan is our chairman.

viNGN is a middle-mile provider of broadband services to Internet Services Providers (ISPs) in the Territory. We sell wholesale Internet connectivity in an open and nondiscriminatory manner. The ISPs in turn resell as last mile Internet access.

viNGN's mission is threefold: 1) make the Internet widely available, 2) ensure access affordability, and 3) maintain a resilient network. As it pertains to availability, our network is widely distributed on all three islands and between them via undersea cables. Regarding affordability, we are constantly working to lower our operating costs through best business practices. However, our capital costs remain high given the small size of our population, which limits the distribution of costs. With respect to resiliency, our network performs as reliably as most commercial networks on the

US mainland. We also perform regular network upgrades to keep pace with changing user habits and demands on our infrastructure.

One significant change to our infrastructure has been increased bandwidth demand related to our community Wi-Fi deployment. viNGN's Free Community Wi-Fi project is an initiative of Governor Bryan and has been a rousing success. viNGN has installed over 450 free Internet access points and counting. The project is made possible through an American Rescue Plan Act (ARPA) grant. The ARPA grant is allowing viNGN to undertake extensive core network expansion and resiliency projects. It provides for the upgrade of critical networking equipment so we can now offer 100 Gigabyte throughput, up from 10 Gigabytes.

One project we are most proud of is restoring 9 miles of fiber from Myrah Keating to Coral Bay in St. John, which was damaged during the 2017 hurricanes. We anticipate this project to be completed by June. viNGN is also collaborating with WAPA, undergrounding several critical segments of our infrastructure for resiliency. These are all obligated Federal Emergency Management Agency (FEMA) projects. Exhibit A provides further details.

viNGN is now leasing segments of our infrastructure under long-term agreements to our ISP partners. This has been a popular new service which helps ISPs lessen their capital costs, while giving them more ownership of their service delivery. It also gives viNGN more predictable recurring revenues for long term sustainability.

I would now briefly discuss viNGN's approach to cyber security. We take this matter seriously. We understand that most cyber intrusions occur when employees unknowingly aid cyber mischief and criminality through downloading and sharing files that contain hidden threats. To counter these threats, all viNGN employees are required to take mandatory annual cyber security training. We have seen first-hand the benefits of a literate cyber security workforce. This has motivated us to promote public cyber security awareness, which we will do over the next few years under a National Telecommunication and Administration (NTIA) grant.

Turning now to how viNGN is impacted by changes to federal broadband guidelines. Our operations are not directly impacted by federal funding gyrations, as we get 100% of our operating budget from income earned. On the grant programmatic side, viNGN has requested its final ARPA installment from OMB to complete our Wi-Fi project. We do not envision these funds to be delayed or clawed back.

However, we had to make some structural adjustments to our \$2.1 million Digital Equity grant that was awarded by NTIA last year. We now refer to this award as Digital Opportunity and have updated our program description to comply with new federal standards and Executive Orders. The goal of this grant is still to fund community digital literacy and engagement programs through governmental, non-profits, and community partnerships. viNGN will provide program oversight and support, including financial reporting.

Additionally, NTIA recommended that viNGN be awarded \$2.5 million for public technology buses. Our application is currently under review by the National Institute of Standards and Technology (NIST). If awarded, this funding would enable viNGN to purchase three customized buses that house Science, Technology, Engineering, and Mathematics (STEM) teaching equipment and operate full-time program curriculum for five years. These vehicles will serve as mobile STEM classrooms, targeting public housing locations, senior centers, and public places. We anticipate an award resolution this summer.

Lastly, I would like to provide an update on the status of DiasporaLink Act (H.R. 3385). This legislation authorizes a Congressional study into the feasibility of running undersea cables between the US Mainland (New York and Virgina) to Africa (Ghana and Nigeria) via the USVI. It also calls for an assessment of building a Tier 1 data center with an independent power plant of at least 100 Mega Watts on the island of St. Croix. Congresswoman Plaskett sponsored and shepherded DiasporaLink Act to unanimous passage in the 118<sup>th</sup> Congress. It stalled in the 11<sup>th</sup> hour in the Senate.

DiasporaLink has garnered significant bi-partisan support due to national security interest for our country. Consequently, Congresswoman Plaskett was able to reintroduce the DiasporaLink Act in the current 119<sup>th</sup> Congressional session where it is undergoing a "markup." We anticipate passage in both chambers of Congress and ultimately signed into law by the President. I call upon this body to support DiasporaLink on the grounds of economic development for the Territory.

This concludes my testimony. Thank you for your attention. I look forward to answering any questions you may have.

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## Exhibit A

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|    | 4/14/2025     |          |   |        |                          |    |                             |                           |                       |                            |    |  |
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| ٩  | ₽             | Agency   | Project Type  | Island | Period of<br>Performance |    | FEMA/OMB<br>Obligated Costs | FEMA 95%<br>Federal Share | Expended/<br>Invoiced | Requested<br>Reimbursement |    | Reimbursement/<br>Advance<br>Received* |
| a  | p             | c        | q   | e      | f                        |    | g                           | Ч                         |                       | ļ                          |    | k                                      |
| ~  | PW 89402/586  | FEMA     | Communications Infrastructure - Hurricane Repairs               | STX    | 12/31/2025               |    | 3,467,210                   | 3,293,849                 | 1,563,118             | 1,492,453                  | ~  | 927,442                                |
| 2  | PW 70673/587  | FEMA     | Communications Infrastructure - Hurricane Repairs               | STJ    | 12/31/2025               |    | 4,663,026                   | 4,429,875                 | 363,746               | 0                          |    | 0                                      |
| S  | PW 78643/940  | FEMA     | FAPs (Repairs & Contents) - St. John                            | STJ    | 12/31/2024               |    | 13,031                      | 12,380                    | 9,998                 | 0                          | _  | 0                                      |
| 4  | PW 79117/1357 | FEMA     | Fiber Optic Landing Sites - St. Thomas                          | STT    | 11/2/2025                |    | 2,273,082                   | 2,159,428                 | 70,338                | )                          | -  | 0                                      |
| 2  | PW 78269/1254 | FEMA     | Fiber Optic Landing Sites - St. Croix                           | STX    | 8/31/2027                |    | 1,873,755                   | 1,780,067                 | 17,130                | )                          |    | 0                                      |
| 0  | PW 78244/1253 | FEMA     | FAPs (Repairs & Contents) - St. Croix                           | STX    | 12/31/2024               |    | 72,709                      | 69,073                    | 48,975                | 0                          | _  | 0                                      |
| 2  | HMP-4340-0059 | FEMA     | FEMA Hurricane 404 Mitigation Phase 2                           | INSU   | 3/30/2027                |    | 6,634,829                   | 6,634,829                 | 0                     | 0                          | -  | 0                                      |
|    |               |          | Sub-Total FEMA  |        |                          | \$ | 18,997,642                  | \$ 18,379,501 \$          | \$ 2,073,304          | \$ 1,492,453               | \$ | 927,442                                |
| œ  | SLFRP3818     | OMB-ARP/ | OMB-ARPA Community Wi-Fi - Communications, Network, Hardware    | NSU    | 9/30/2025                | Ф  | 3,176,071                   | \$ 3,101,940              | \$ 3,091,524          | \$ 74,132                  | ъ  | 3,101,940                              |
| *  | SLFRP3818     | OMB-ARP, | OMB-ARPA Community Wi-Fi - Equipment & Build Costs              | INSU   | 9/30/2025                |    | 1,602,850                   | 1,602,850                 | 982,739               | 0                          |    | 1,602,850                              |
| *  | SLFRP3818     | OMB-ARP, | OMB-ARPA Community Wi-Fi - Bandwidth                            | INSU   | 9/30/2025                |    | 6,000,000                   | 6,000,000                 | 3,379,402             | 2,620,598                  | ~  | 3,379,402                              |
|    |               |          | Sub-Total OMB/DOI   |        |                          | \$ | 10,778,921                  | \$ 10,704,790             | \$ 7,453,664          | \$ 2,694,730               | \$ | 8,084,191                              |
| 6  | 78-31-DS030   | NTIA     | Digital Equity Capacity Grant Application                       | INSU   | 9/30/2029                | Ф  | 2,100,000                   | \$ 2,100,000 \$           | \$ 1,130              | ۰<br>ج                     | ŝ  |  |
| 10 | GRN-003767    | NTIA     | Digital Equity Competitive Grant Application - Recommended USVI | INSU   | 4/1/2029                 |    | 2,500,000                   |                           | 0                     | 0                          | -  | 0                                      |
|    |               |          | Sub-Total Other (NTIA)  |        |                          | \$ | 4,600,000                   | \$ 2,100,000 \$           | \$ 1,130              | ۰<br>ج                     | \$ | •                                      |
|    |               |          | GRAND TOTAL   |        |                          | \$ | 34,376,563                  | \$ 31,184,291 \$          | \$ 9,528,098          | \$ 4,187,183               | \$ | 9,011,633                              |
|    |               |          |   |        |                          |    |                             |                           |                       |                            |    |  |

\*Reimbursements are net of insurance proceeds.