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## **Kentucky to Build State-of-the-Art Broadband Under a P3.**

Kentucky will leverage private sector financing to develop a fiber backbone to bring high-speed Internet service to residents across the commonwealth.

The state will partner with Macquarie Capital to build a 3,000-mile network of major fiber lines throughout the state, Gov. Steve Beshear (D) and Rep. Hal Rogers (R) announced Tuesday. The project is estimated to cost between \$250 million to \$350 million and will be supported by \$30 million in state bonds and \$15 to \$20 million in federal grants.

"We are on an aggressive timeline and believe that the Macquarie team's technical capabilities and history of innovative solutions are the best fit for this important project," said Beshear. "This partnership puts us on the path to propel the commonwealth forward in education, economic development, health care, public safety and much more."

When complete, the network will connect all 120 counties in the state. The push for reliable, accessible high-speed broadband is one recommendation that emerged from SOAR, the "Shaping Our Appalachian Region" initiative.

"This new Super I-Way is the cornerstone of SOAR's mission to diversify the economy in eastern Kentucky with improvements in business recruitment, fast-tracking telemedicine in the mountains, and adding high tech advancements in education," Rogers told the Harland Daily.

Under the P3, the fiber Internet will be built by Macquarie, but the state will oversee the main broadband lines. Internet and cell phone providers will lease the lines to complete the connection to homes and cell phone networks. Cost to consumers will be lowered by eliminating the need for service providers to build duplicate infrastructure.

Macquarie will begin work immediately on phase one to design the overall statewide system and determine the project's scale. The design and cost estimates are due by the end of February 2015 with construction of the first segments expected to begin in the summer and completed by April 2016.

"We believe that this project will be the centerpiece of Kentucky's long-term economic infrastructure, demonstrating the core principles of value for money and risk transfer to the private sector that will translate into a successful long-term partnership with the commonwealth," said Nick Hann, senior managing director at Macquarie Capital.

NCPFP

By Editor

January 6, 2015

