



# Helping Guadalupe Valley Electric Cooperative Step into the Fiber Broadband Market



South Central Texas

## THE CHALLENGE

Guadalupe Valley Electric Cooperative (GVEC) is a cooperative serving South Central Texas, providing electricity, high-speed internet, HVAC and solar services to residents over a 3,500 square mile area.

In GVEC's quest to expand their services into the fiber broadband market they needed a partner to help them execute at the lowest total cost. Having access to top vendors and high-quality parts at price points comparable to that of high-volume purchasers was crucial. With these factors available GVEC could prove their longer-term model and build at price points to sustain growth.

## HOW KGPCo HELPED

KGPCo enabled GVEC to become a fiber-based broadband service provider as part of their core mission. The reliable source of products, competitive pricing, access to key vendors, industry consultation and strategic direction all contributed to GVEC expanding their business and committing to even more customers with fiber connectivity.

- KGPCo arranged direct consultation between GVEC and key vendor product managers to select product and design the network architecture. KGPCo's team supported GVEC through solution development.
- At the project onset, KGPCo conducted Inside Plant installation, setting up a trial area in La Vernia, TX. GVEC subsequently trained and adapted an in-house team to perform Inside Plant work.
- A dedicated KGPCo Account Rep delivered up-to-the-minute information on purchases. KGPCo's ecommerce tool provided invaluable information including tracking support, forecast shortages and material planning, which helped GVEC schedule their construction activity.
- GVEC benefitted from KGPCo's purchasing power, giving GVEC priority in manufacturing queues and a source of available stock.

## THE OUTCOME

### 85% Subscriber Rate in the Pilot Area

GVEC started their pilot project in 2013 with \$4M to connect 2,200 homes with fiber. They required a 40% subscriber take rate to achieve a ROI. GVEC currently has an 85% take rate in the pilot area and 50% in their total service area.

### Over \$58 Million Investment

GVEC has invested over \$58 million to build their fiber network and has maintained subscriber volume comparable to larger Service Providers.

### 1,000 Miles of Fiber To-date

Since their pilot project began, GVEC has built 1,000 miles of fiber, passing 25,000 homes. They are adding 250 miles of fiber per year.

### Five-Year Plan

Over the next five years GVEC plans to extend fiber to 80% of their underserved members.

### State-of-the-Art Fiber Products

Product availability, including Corning fiber, has enabled GVEC to deploy, install and maintain a state-of-the-art fiber broadband network.

## IN THE CUSTOMER'S WORDS

*"Providing quality Broadband service to our members is every bit as important as the advent of delivering electricity was in the 1930s when we were founded. It is a vital part of a healthy economy and meets the quality of life our members desire.*

*KGPCo helped GVEC make a name for Electric Cooperatives with key industry vendors as a viable broadband provider. We are grateful that KGPCo assisted us with superior product selections and for their continued support throughout the project."*

**ROBERT RUSSELL**

GM, GUADALUPE VALLEY ELECTRIC COOPERATIVE