

STOP THE CLEVELAND GON!

November 21, 2022

The Honorable Mayor Brooks
and the Cleveland City Council
190 Church Street NE
Cleveland, Tennessee 37311

Re: Cleveland City Government Broadband Project

The City of Cleveland and its utility department, Cleveland Utilities, has proposed an estimated \$72 million dollar government owned broadband network (GON) that is currently under review by the Tennessee Comptroller of the Treasury. As the leaders of citizen groups that represent thousands of conservatives in Cleveland and Bradley County, we oppose the implementation of this wasteful, irresponsible project.

We oppose this project based on a clear, undisputed set of facts:

- Cleveland Utilities will pursue the implementation of “smart meter” technology in our county through this GON, which is responsible for intrusive government thermostat tampering and rolling blackouts in California.
- 99 percent of Cleveland residents already have access to broadband internet service through nine different private sector providers.
- This project would see our city government spending tax dollars and rate payer funds to go into competition with the private sector.
- Government owned broadband networks have an extensive history of failure nationwide, including in Tennessee.

As conservatives, we believe in a smaller government that is less intrusive to peoples’ lives. This broadband GON is a Trojan horse for a new trend in public utilities called Smart Meters. These are meters that government utilities can control remotely. That means, in the privacy of one’s own home or business, Cleveland Utilities will be able to control our power usage and even turn our thermostats up or down without asking.

Smart meters have been used in places like California to implement Public Safety Power Shutoffs, also known as rolling blackouts. As local conservatives, we are directly opposed to the same kind of big government monitoring and manipulation taking place in California. Furthermore, elected officials in Cleveland need to be transparent about these plans with the voters, ratepayers and taxpayers. That has not happened, nor are these plans for smart meters disclosed in your application for the broadband GON to the state’s comptroller.

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We are equally opposed to our city government competing with private companies that already provide the same broadband service to our community. There is simply no need to spend millions of dollars in public funds to dramatically grow a city department to provide a service that is already provided by private industry.

Furthermore, the well-documented fiscal failures of GONs nationwide – including right here in East Tennessee – makes this a risk this city government can't take in these shaky economic times. GONs historically never hit the adoption rates their financial plans forecast. In a city with 99 percent access to broadband, there would not be enough available customers to generate the annual, recurring revenue necessary to maintain, and, more importantly, upgrade the network over time.

The proposed GON in Cleveland is not just a city issue. Cleveland Utilities provides service to Bradley County residents outside the city limits. In addition, Cleveland is the business and trade center for our entire county. Businesses and livelihoods depend on the city having a reliable business climate. Putting the local utility service in financial peril by pursuing a costly and unnecessary project during a time of great financial uncertainty is simply a bad decision waiting to happen. The Knoxville utility that created its own GON recently saw its bond rating downgraded because the GON could not pay for itself. Why bring those same bad practices to Cleveland?

The implementation of a government owned network will result in the taxpayer holding the bag to pay for a failed government project as well as stifling existing broadband competition in Cleveland. The reality is that by creating a municipal broadband network, you our elected officials, are flipping a coin in the air. We urge you, especially those who claim to uphold Cleveland's conservative values, to push back against this project and vote no to any legislation pertaining to it.

Sincerely,

Dan Rawls | Founder of Bradley Constitutionalists

A handwritten signature in black ink, appearing to read "Dan Rawls". The signature is fluid and cursive, with a large initial "D" and a stylized "R".

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Glenda Pappu | Organizer for the Tennessee Neighbors for Liberty

A handwritten signature in black ink that reads "Glenda Pappu". The signature is written in a cursive style with a large initial 'G' and a long, sweeping tail on the 'u'.

Ted Gleason | Treasurer for Advocates for Bradley County

A handwritten signature in black ink that reads "Ted L. Gleason". The signature is written in a cursive style with a large initial 'T' and a long, sweeping tail on the 'n'.