

CASE STUDY



Company

Seneca Energy and Telecom

Year Founded

The Broadband Task Force was created in 2019 and the Seneca Network was commissioned April 2022

Company Type

Tribally-Owned Infrastructure with Third-Party Service Provider

Website

<https://senecaenergy.com/>

Location

Irving, New York

Services

Internet, Wind, Natural Gas, Solar, Water, Wastewater, Energy Efficiency Initiatives

Subscribers

700 Residential, 40+ Government Buildings, 49 Businesses

THE CHALLENGE

Seneca Energy is a department of the Seneca Nation, located in western New York. The Nation is comprised of five non-contiguous territories, including two residential territories, the Cattaraugus and Allegany Territory. Seneca Energy's mission is to provide utility services to Seneca Territories and lower energy costs for the Nation and its residents by building sustainable energy platforms to ensure security, prosperity and independence for the Seneca Nation.

For a long time, satellite service was the only connectivity available to community residents. People were paying extremely high prices for slow internet speed and frequent delays. Seneca Energy recognized that high-speed connectivity would be instrumental to the community—allowing people to work from home, access telemedicine and online education, and communicate with friends, family, and the outside world.

In 2019, Seneca Energy executives and Tribal Council created a Broadband Task Force to address the need for high-speed connectivity as it impacted the Nation and its people. They determined how to fund their broadband project, assessed their goals and objectives, evaluated consultants and contractors, discussed ways to engage users and stakeholders, and planned for managing the business post-construction.

THE SOLUTION

Ultimately, Seneca Energy applied for and won ReConnect Round 1 funding that contributed to the financing of the Nation's 52-mile fiber network build to connect the Cattaraugus Territory. To expedite getting the community connected, they decided to choose a business model that allowed them to take ownership of the infrastructure and partner with a broadband internet service provider (ISP) to provide the connectivity and services.

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Choosing our particular ownership model was incredibly beneficial to our needs. We wanted to own the infrastructure, but we didn't have the resources to address some of the day-to-day details in running the broadband business. By partnering with a third-party internet service provider, we were able to rely on their expertise in billing, customer support, and technical support. However, we maintain the ownership we wanted—and we could generate revenue immediately—giving us time to carefully build our own team of experts.



Anthony Giacobbe
Director

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Seneca Energy found success partnering with mid-size companies who hold similar values, understand how to work with grants, are willing to work with the Nation's vision for sovereign immunity, and help to provide jobs to the community. They were able to find an off-Territory ISP partner, connecting to their network through a cabinet just off-Territory for a term of ten years with a ten-year renewal option.

In this business model, Seneca Energy owns the infrastructure and equipment and employs two community members to perform basic operations, maintenance, and administrative tasks. The ISP manages the network, handles billing, responds to service calls, and operates the system, while sharing revenue with Seneca Energy. Essentially, the ISP pays a "lease" fee to Seneca Energy, with payments based on the total number of subscribers and gross revenue number.



THE RESULTS

Today, Seneca Energy enjoys the benefits of high-speed, safe, and reliable broadband connectivity, while still managing other utilities provided. They generated revenue from day one with their ownership model, rather than waiting to build their own team. This approach gave them time to build their workforce and teach skills to local employees, allowing them to become more self-sufficient over time.

Seneca Energy also invests in helping other tribes and offers three tips for those looking to make the broadband leap:

- 1. Overbuild the network as much as you can.** Businesses and residences may be constructed after you build the network, and you want to have enough fiber to accommodate.
- 2. Push on the utility when it comes to "make-ready" and pole attachments.** Seneca ended up paying the bill and replaced/fixed a large number of poles themselves, but it's better to plan ahead and engage with the utility provider.
- 3. Look for a small or medium-sized local partner who shares your values.** You want someone who understands you and thinks in terms of how to best address the needs of your community.

TO START YOUR BROADBAND JOURNEY, DOWNLOAD
**THE BROADBAND SUCCESS
PLAYBOOK FOR TRIBES**



**Built a 52-mile fiber network and
fully owns the infrastructure**



**Partnered with a third-party
provider to immediately see
revenue and have time to carefully
build out their team**

All images provided by Seneca Energy

