

## Ask the CEO:

# Leveraging Our Fiber Network for a Competitive Edge

At Southeastern Indiana REMC, we are always looking for ways to enhance the value we provide to our members. With the expansion of our SEI Fiber network, many members are asking:

- *Will the REMC leverage its fiber network to become more competitive?*
- *Will fiber expansion include non-member areas?*
- *Is the cost of the fiber project impacting electric rates, and if fiber becomes more competitive, will the electric side see financial relief?*

These are important questions, and I appreciate the opportunity to address them.

## A Cooperative Approach to Fiber Expansion

Unlike investor-owned companies, our goal isn't to maximize profits—it's to provide reliable, affordable services that benefit our members. When we launched SEI Fiber, our priority was to bridge the digital divide in rural areas where high-speed internet was unavailable or unreliable. The expansion of our fiber network aligns with the cooperative principle of "Concern for Community," ensuring that our members and local businesses have access to the services they need to thrive.

## Expanding Beyond REMC Membership

While our primary focus remains on serving REMC members, fiber service is not exclusive to only those with electric service from Southeastern Indiana REMC. Expanding fiber access strategically to non-member areas, when feasible, strengthens the program. By adding more subscribers, we increase revenue, which helps sustain and grow the fiber network, ultimately benefiting all members.

## Fiber Costs Are Separate from Electric Rates

One of the biggest concerns members have raised is whether the fiber project is causing an increase in electric rates. The answer is no. SEI Fiber was funded separately from our electric operations and is structured to be financially self-sustaining. The costs associated with fiber are not being passed on to electric members. Instead, fiber service is designed to cover its own expenses through subscriber revenue.

## Managing Costs to Delay a Rate Adjustment

We understand that affordability is a top concern for our members, and we are doing everything we can to control costs and delay a rate adjustment for as long as possible. Throughout the COVID-19 pandemic, we made the decision to hold off on raising rates, even when it was necessary, because we recognized the financial strain our members were facing.

Since then, we have worked diligently to cut costs and improve efficiency, implementing initiatives such as paperless billing and the new idle services policy and rate to reduce expenses. These efforts help ensure that all members are paying their fair share for the services they use, while also helping us manage financial pressures without immediately passing costs on to members.

## Will SEI Fiber Help Provide Financial Relief to the Electric Side?

As SEI Fiber grows and becomes more competitive, there is potential for financial benefits that could positively impact the cooperative as a whole. Our fiber network is already enhancing electric system operations, allowing us to improve outage response times, manage energy more efficiently, and



**Keith Mathews**  
CEO

support grid automation. Over time, these efficiencies could help control costs, benefiting all members. Additionally, if fiber revenues exceed operational costs, there may be opportunities to reinvest those funds into cooperative initiatives that support our members.

## Looking Ahead

The landscape of broadband and energy services is constantly evolving, and we are committed to ensuring that both our electric and fiber operations remain strong, sustainable, and beneficial to our members. SEI Fiber is a long-term investment in our community's future—one that improves internet access, strengthens the electric grid, and has the potential to bring added value to all members over time.

While we continue working to delay a rate adjustment, we want to be transparent that at some point, it will become necessary. Our commitment is to keep you informed every step of the way and to ensure that any decisions we make are in the best interest of our members and the long-term sustainability of the cooperative.

As always, we welcome your questions and feedback. Thank you for being part of Southeastern Indiana REMC.

**Keith Mathews**  
CEO, Southeastern Indiana REMC

**Do you have a question for the CEO?**

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