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viNGN Pursues Pricing Overhaul Amid High Internet Costs

Economic pressures prompt viNGN to explore diverse strategies to lower internet prices across the territory

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In a comprehensive update to members of the Senate Committee on Economic Development and Agriculture on the financial status of the V.I. Next Generation Network, CEO Stephan Adams explained that high internet prices in the territory can be blamed on viNGN’s inability to “bring down wholesale pricing.”

The revelation came as Mr. Adams responded to a query from Senator Ray Fonseca about what plans the agency had to reduce broadband prices. “We must bring price reduction to the territory,” Mr. Adams agreed, explaining that viNGN was continuing to explore ways to diversify its revenue streams so that it could “subsidize bringing down prices.”

These considerations include introducing cloud storage services, monetizing the WiFi network that is currently being built thanks to ARPA funding, and licensing fiber cables to Internet Service Providers (ISPs) which would allow them to operate “independently of viNGN.”

Importantly, viNGN is also conducting a comprehensive pricing review. According to Mr. Adams, their strategic plan for 2024 involves “being able to realign the pricing of viNGN’s wholesale price for our ISP partners.”

“We’ve hired an economist to help us look at our pricing schedule so we can have pricing comparable to the mainland,” he explained. However, viNGN’s CEO bluntly stated that “it’s gonna be extremely difficult.”

Though the review may not produce the positive results that local customers want to hear, Senator Samuel Carrion nevertheless wondered when the process would be completed. According to Mr. Adams, the economist is tasked with reviewing viNGN’s current pricing structure and industry trends and is simultaneously conducting “due diligence” on the agency’s finances. Thereafter, the consultant and viNGN’s management will “lay out the framework and then do the analysis to come up with a new pricing model.”

In response to Mr. Carrion’s timeline request, Mr. Adams noted that while work had already begun, “we don’t have deliverables yet.” However, “our end goal is to be able to have a pricing model in place by July 1st,” he stated.