

Broadband USA Applications Database

Applicant Name: NTCH, Inc.

Public Notice Submissions

-----**Service Area:** NTCH SC

Submitter: Sandhill Telephone Cooperative

Comment: Sandhill Telephone Cooperative, Inc. ("Sandhill") is responding to the application of NTCH, Inc. for broadband funding under the ARRA. The applicant's Proposed Funded Service Area overlapping Sandhill's service territory in Chesterfield and Kershaw Counties in South Carolina does not meet the definition of "underserved" as defined in the NOFA.

Sandhill's entire service territory consisting of the Bethune, Chesterfield, Jefferson, McBee, Pageland, Patrick and Ruby exchanges overlap 100% of the Proposed Funded Service Area in Chesterfield and Kershaw Counties as drawn by the applicant and as drawn by the respondent in the Public Notice Response form. 100% of Sandhill's customers in this overlapping portion of the Proposed Funded Service Area have access to broadband service at advertised speeds of 3 Mbps or higher thereby refuting two of the three criteria required for an area to be designated as underserved. Therefore, this Proposed Funded Service Area cannot be considered as underserved.

Submitter: Horry Telephone Cooperative, Inc

Comment: The application filed by NTCH is not eligible to receive requested funds for the below-named service area because that portion of the proposed funded service is not "underserved" as that term is defined in the Notice of Funds Availability issued on July 9, 2009. Furthermore, as demonstrated in this response, NTCH application is not eligible to receive requested funding for the relevant service area because the existing service provider for this area currently offers facilities-based, terrestrial-delivered broadband service at downstream speeds of 768 Kbps or greater to more than 50% of the households in the service area.

Submitter: Piedmont Rural Telephone Cooperative, Inc.

Comment: Piedmont Rural Telephone Cooperative, Inc. (PRTC) is an incumbent broadband provider in Laurens County, SC, an area covered by NTCH's South Carolina broadband stimulus application. The PRTC Service Territory is an area served by PRTC and at least three other broadband service providers. PRTC itself provides universal broadband coverage to 100% of the potential subscribers in its Service Territory and provides broadband service to approximately 22% of those potential subscribers. PRTC has consistently and effectively advertised the availability of broadband Internet access at speeds of 3 Mbps and higher throughout its Service Territory. The combined penetration rate of PRTC and all other broadband providers should negate a description of the applicant's Proposed Service Area as "unserved" or "underserved."

Submitter: Farmers Telephone Cooperative, Inc.

Comment: As demonstrated in the response, NTCH's application should not be considered for funding for the relevant service area because it fails to meet the first criterion for "underserved" since the existing service provider for that portion of the proposed funded service area currently offers facilities-based terrestrial-delivered broadband service at speeds greater than 768 kbps downstream and 200 kbps upstream to more than 50% of the households located within the relevant area. Additionally, NTCH's application should not be considered for funding for the relevant service area because it fails to meet the second criterion for underserved since the existing service provider for that portion of the proposed funded service area currently offers facilities-based terrestrial-delivered broadband service at speeds of at least 3 mbps or more in the relevant area. Although NTCH's application for "underserved" funding may meet the third criterion since less than 40% of the aggregate households do not currently subscribe to FTC terrestrial-based broadband service, it is available to over 99% of the households and FTC is not the only broadband service provider in the proposed funding service area. Also, as a middle

mile applicant, NTCH's application may not be eligible for funding because, at least as to the below-described service area, there is not one interconnection point of the network within an area that is within an area qualifying as underserved.

Submitter: Chesnee Cable TV

Comment: Chesnee CATV Company currently provides broadband access capability to 100% of the households within the area of the proposed funded serving area indicated "PFSA" challenged area. . In the challenged PFSA they currently offer Cable Modem DOCSIS broadband data services. As of June 2009 they are serving 99% of the households with Broadband services within the challenge area, all above 768K access speeds. Chesnee CATV offers speeds of over 3Mbps throughout this area. Therefore by any of the definitions of the ARRA broadband program this area does not qualify as unserved or underserved. Within the PFSA Chesnee currently provides access to broadband services to nearly 100% of the households all with speeds above 3Mbps and has an existing broadband subscriber penetration rate of 99%. Chesnee provides broadband services at competitive rates and the subscriber penetration rate reflect this fact.

Submitter: CenturyLink

Comment: The proposed service areas are not wholly underserved or unserved.

CenturyLink is submitting data that shows the application's proposed service area is not underserved or unserved, under program guidelines. Accordingly, the application must be denied as ineligible. With limited funding and a large pool of applications, program grants and loans must be directed only to areas that are truly underserved or unserved, as stipulated in the program guidelines.

CenturyLink can certify that its affiliates currently offer broadband service in some or all of the applicant's proposed service areas. Attached is a state map that is a representative sample of areas where the application overlaps our existing broadband deployment. CenturyLink also provides data showing broadband availability in our local telephone exchanges within the proposed service areas. We will provide additional information on request if that will further assist the agency's review.

This data is not exhaustive; the application may include other areas also currently served with broadband by other providers, which should be considered in the assessment of the application. Our data combined with that of other broadband providers would likely show further duplication and overlap of broadband services in the proposed service areas.

CenturyLink has committed to upgrade and extend broadband.

CenturyLink has an extensive broadband footprint today, and has committed to extend that service even further. As part of its merger commitments to the Federal Communications Commission, CenturyLink committed to offer retail broadband Internet access service to 100% of its broadband eligible access lines by July 1, 2012. Consequently, virtually no areas served by CenturyTel or Embarq local operating companies, in any state, will be underserved or unserved at the end of three years.

CenturyLink also agreed to meet targets for minimum download speeds. CenturyLink will ensure availability of retail broadband Internet access service with a download speed of 1.5 Mbps to 87% of the broadband eligible access lines by July 1, 2011. It will ensure availability with a download speed of 3 Mbps to 75% of broadband eligible access lines by July 1, 2010, to 78% of broadband eligible lines by July 1, 2011, and to 80% of broadband eligible lines within 3 years of the close date. Nationwide, our average tele-density is 23 customers per square mile. This commitment ensures availability of broadband even to very rural consumers.

The agency should consider the importance of this commitment, as CenturyLink's continuing investment inevitably will make applications that overlap CenturyLink service areas less viable. CenturyLink has proven, industry-leading experience in deploying broadband networks and services using both wireline and wireless technology, and a strong commitment and focus on rural areas. Today, it serves over 7 million access lines and 2.1 million broadband customers in 33 states.

Submitter: Chesnee Telephone Company

Comment: Chesnee Telephone Company currently provides broadband access capability to 100% of the households within the area of the proposed funded serving area indicated "PFSA" challenged area. Chesnee Telephone is a rural ILEC and RUS borrower that has been serving the area for some time. In the challenged PFSA they currently offer ADSL broadband data services. As of June 2009 they are serving 31% of the households with Broadband services within the challenge area, all above 768K access speeds. Chesnee Telephone offers speeds of over 3Mbps throughout this area. Therefore by any of the definitions of the ARRA broadband program this area does not qualify as un-served. The PFSA currently has access to broadband services above 50% of the households with speed above 3Mbps. This area is underserved only to the extent that actual customer broadband subscriber penetration is slightly

less than 40%. Chesnee provides broadband services at competitive rates and the subscriber penetration rate has been limited by factors other than availability and cost.

Submitter: Charter Communications

Comment: Charter Communications ('Charter'), a broadband service provider, has invested capital to provide a full range of Broadband services, including High Speed Internet services, in this service area. The applicant's request in the proposed under-served service area would create an overlap in Charter's service area. Charter's response includes the necessary information to validate the overlapping condition as a result of this applicant's request.

Submitter: Time Warner Cable

Comment: As shown in the attached map and exhibit, TWC currently provides broadband Internet access service in the Proposed Funded Service Area. In addition, we advertise service of speeds above 3 Mbps throughout this service area. We pass over 50% of households, and either (1) have actual broadband subscribership of over 40% of the households in these census blocks or (2) the combined broadband subscribership of the wireline broadband providers (including TWC) in these census blocks is reasonably likely to exceed 40%. Therefore, that portion of the proposed funded service area that overlaps Respondent's service area reflected in this response is neither "unserved" or "underserved."

Submitter: AT&T

Comment: AT&T is providing data about its wireline and mobile broadband footprint to assist in determining whether the applicant's proposed service area, which may be part of a larger application and project, satisfies the unserved and underserved eligibility requirements.

Additional information regarding other broadband service providers' currently operating in the service area may be needed in order to make a reasonable analysis or a conclusive determination.

Submitter: West Carolina Rural Telephone Cooperative, Inc.

Comment: NTCH's SC application is not eligible to receive requested funds for the below-named service area because that portion of the proposed funded service is neither "unserved" nor "underserved," as those terms are defined in the Notice of Funds Availability issued on July 9, 2009.

As demonstrated in this response, NTCH's application should not be considered to receive requested funding for the relevant service area because 91% or more of the households located within that portion of the proposed funded service area already have the ability to access facilities-based terrestrial broadband service.

As demonstrated in this response, NTCH's application should not be considered for funding for the relevant service area because the existing service provider for that portion of the proposed funded service area currently offers terrestrial broadband service at speeds exceeding 3 Mbps in the relevant area and, further, more than 40% of the households subscribe to broadband service.

Submitter: MetroCast Communications of Mississippi, LLC

Comment: MetroCast Communications of Mississippi, LLC offers broadband service to 100% of the applicant's proposed service area. MetroCast offers residential broadband transmission speeds in applicant's proposed service area up to 10Mbps downstream and 1Mbps upstream, with MetroCast's most highly-subscribed broadband service having a transmission speed of 7.0Mbps downstream and 512kbps upstream. MetroCast's business broadband service offerings start at 3Mbps downstream and 512kbps upstream, with advertised offerings of up to 15Mbps downstream and 3Mbps upstream. Higher business speeds are available with customized service options including direct fiber connections. Over 10% of the households and businesses within the applicant's proposed service area currently subscribe to MetroCast broadband services. MetroCast is aware of other providers of high speed broadband service in applicant's proposed service area, including AT&T. According to an FCC report (<http://www.fcc.gov/wcb/iatd/comp.html>), as of June 30, 2008, 10 other companies reported providing high-speed service to this service area.

Based on the information provided above, applicant's proposed service area certainly does not meet the definition of "unserved" or "underserved" as those two terms are defined in the NTIA/RUS NOFA.

MetroCast has invested several million dollars of private capital to build an advanced fiber optic network to provide broadband services to the City of Bennettsville, the Towns of Clio, Tatum and McColl, and

other areas of Marlboro County which encompasses a material portion of the applicant's proposed service area. Further details regarding the broadband services MetroCast provides in applicant's proposed service area are provided below.

Submitter: Windstream

Comment: Windstream's data strongly suggest that the proposed funded service area likely does not qualify as an underserved area. Windstream offers facilities-based, terrestrial broadband service (meeting the definition set forth in the Notice of Funds Availability) to some of the households in the proposed funded service area, and such households can readily subscribe to Windstream's broadband service upon request. Windstream also has reason to believe that competitive broadband offerings are available in exchanges overlapping the proposed funded service area. Given this information, agency officials should further investigate existing broadband offerings within the proposed funded service area, so that officials can be sure that the area, in fact, qualifies as underserved.

Windstream is a communications and entertainment company with more than 1 million broadband customers in 16 states. Investing more than \$200 million in broadband deployment over the last several years, Windstream now offers approximately 89% of its 3 million voice customers access to quality and affordable broadband service.

The agencies define an "underserved area" as follows: "Underserved area means a proposed funded service area, composed of one or more contiguous census blocks meeting certain criteria that measure the availability of broadband service and the level of advertised broadband speeds. These criteria conform to the two distinct components of the Broadband Infrastructure category of eligible projects- Last Mile and Middle Mile. Specifically, a proposed funded service area may qualify as underserved for last mile projects if at least one of the following factors is met, though the presumption will be that more than one factor is present: 1. No more than 50 percent of the households in the proposed funded service area have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed (set forth in the definition of broadband above); 2. No fixed or mobile broadband service provider advertises broadband transmission speeds of at least three megabits per second ("mbps") downstream in the proposed funded service area; or 3. The rate of broadband subscribership for the proposed funded service area is 40 percent of households or less. A proposed funded service area may qualify as underserved for Middle Mile projects if one interconnection point terminates in a proposed funded service area that qualifies as unserved or underserved for Last Mile projects."

Submitter: Palmetto Rural Telephone Cooperative

Comment: NTCH, Inc.'s application is not eligible to receive requested funds for the below-named service area because that portion of the proposed funded service that Palmetto Rural Telephone Cooperative serve is not underserved as those terms are defined in the Notice of Funds Availability issued on July 9, 2009.

Submitter: PBT Telecom, Inc.

Comment: NTCH's application is not eligible to receive requested funds for the below-named service area because that portion of the proposed funded service is neither "unserved" nor "underserved," as those terms are defined in the Notice of Funds Availability issued on July 9, 2009.