

## Executive Summary of BIP and BTOP

### Introduction

Virginia Broadband, LLC ("VABB") is pleased to have this opportunity to respond to the first NoFA related to the American Recovery and Reinvestment Act of 2009. VABB is a wireless Internet service provider ("WISP") that owns and operates an extensive wireless backbone and distribution network reaching from the Blue Ridge Mountains to the Chesapeake Bay.

### History

VABB was formed in 2003 by three investors who saw an opportunity to pursue a rural broadband service project in Culpeper County, VA. VABB acquired two small wireless Internet providers in the Northern Neck area in June 2005 and immediately integrated their infrastructure into VABB's existing network. By October 2005, VABB was serving customers in four counties and had 180 customers. In March of 2006, the company had 250 installed customers. In October of 2006, VABB had 700 customers and was averaging three installs per day. A year later, in October of 2007, VABB was at 1200 installed customers. Presently, the company has over 3200 customer accounts, over 100 broadcast sites, and over 200 individual access units. VABB has connected clients in 17 Virginia Counties.

### Network Business

VABB is in the business of providing Internet access and network services to our customer base along with value-added services such as Voice over IP (VoIP Telephony), hosting, email, and network engineering. VABB maintains a full-service, custom network service department. We are presently engaged with three electric power cooperatives, three school systems, multiple county government agencies, and a significant number of private industry clients who require Internet Protocol (IP) based solutions for their respective enterprises and functions.

#### a.) Opportunity addressed

VABB is seeking a BIP loan package from RUS to address rural last mile connectivity in unserved and underserved areas in and adjacent to existing VABB service territories.

Description of the requests is as follows:

BIP – Last Mile: VABB serves [redacted] rural residential and [redacted] business customers in select areas of a 17 county footprint which stretches from the Blue Ridge Mountains of Virginia, eastwards to the Virginia shoreline of the Chesapeake Bay. VABB has achieved success in identifying localized unserved populations where density is high enough to justify a commercial, capital loan to install wireless network facilities and connect nearby customers. More than 75% of the proposed target service area remains without service due to two conditions: (a) commercial funds are presently unavailable to capitalize new network facilities and (b) a small wireless operator cannot simultaneously capitalize new infrastructure, new customer premise equipment in order to operate a last mile solution. VABB seeks assistance in capitalizing and completing the network in order to provide complete coverage in the communities described in section 8b, below.

#### b.) Description of proposed funded service areas

VABB requests BIP funding in a loan package to offer broadband connectivity to the following counties:

(The numbers reflect counts for from US Census Quickfacts households / businesses)

<b>Piedmont Region</b>	<b>Central Region</b>	<b>Northern Neck and Peninsula</b>
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Rappahannock	Hanover	King George
Fauquier	King William	Westmoreland
Madison	Goochland	Essex
Greene	Spotsylvania	Middlesex
Fluvanna	Caroline	Mathews
Culpeper	Stafford	King and Queen
Orange		
Louisa		
*Note		

\*Census block numbers will be included on each areas map

c.) Number of households and businesses passed

Households: 243,595

Businesses: 49,023

d.) Number of community anchor institutions, public safety, critical organizations.

1,110 anchor institutions.

e.) Proposed Services and Applications for the proposed funded service areas and users

Residential, Home Office, and Small Business – Broadband Internet Access with speeds to 2.5mb/s, email, hosting.

Enterprise and Government – High capacity Internet access, point to point private circuits, and eRate services.

f.) Approach to addressing the non-discrimination and interconnection obligations

VABB maintains a non-discrimination policy which is strictly content neutral. VABB does not perform deep-packet inspection for purposes of traffic management. VABB offers interconnection via Ethernet handoff at any of several network points of presence. VABB is collocated at TerreMark Worldwide and offers direct handoff between the VABB network and multiple Tier-1 carrier backbones.

g.) Type of broadband system that will be deployed

The BIP proposal is a fixed wireless solution using a mix of unlicensed 900MHz and 5GHz frequency bands for point to multipoint for last mile services.

h.) Qualifications of the applicant

Virginia Broadband, LLC has been in the business of serving rural customers with wireless technologies for almost six years. VABB has 109 tower facilities with 213 broadcast points serving █████ customers. The company has grown from three initial employees in a single small office to over twenty employees with three office locations. VABB is experienced, qualified, and able to serve rural areas, as it has been doing so continuously since 2004. VABB maintains an operations center and has 24-7 dispatch to respond to issues.

VABB has built and maintains a Sybase database that is the driver of all activity including sales, installation, maintenance, inventory, customer notification and billing. A full time programmer is on staff to facilitate changes in response to the demands of this dynamic business. There are 25 management reports generated daily that are conveyed to the different management levels to assist in effective management of the company.

VABB has five qualified tower climbers on staff and a complete engineering and technical staff to maintain the network. All senior members of the operations staff have been employed with VABB for at least three years. VABB is fully qualified to build, maintain, and run a wireless network

i.) Overall infrastructure cost of the system

~~XXXXXXXXXX~~

j.) Overall expected subscriber projections

This project will produce 23,126 new subscribers in 36 months and 27,251 in 60 months.

| k.) .Number of jobs to be created/saved as a result

VABB maintains a proven and tested formula for hiring and staffing employees which is based on the number of installed customers. Given the projections in 8J above, we will be adding 45 new staff positions as part of the BIP proposal. This deployment will create the opportunity for many other jobs and business with the availability of high speed broadband service.