

## Broadband USA Applications Database

**Applicant Name:** Telecommunications Mgmt LLC

**Project Title:** NewWave Communications Broadband Build-out

**Project Type:** Last Mile Remote

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### Executive Summary

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Telecommunications Management LLC does business as NewWave Communications and is a Sikeston, Missouri based company that seeks to improve and expand broadband coverage in rural communities through the American Recovery and Reinvestment Act (ARRA). As a rural-based company and rural communications provider, NewWave has long recognized the impact quality technology can have on rural areas by witnessing it both personally and professionally. NewWave welcomes the federal government's recognition of rural areas' need for quality technology. Further, they would be honored to make use of ARRA funds in order to continue to carry out their goal of transforming rural communities by connecting them to the global marketplace. The outlined proposed project addresses the technology needs of 13 rural communities throughout Illinois, South Carolina and Indiana. These include, Cairo, Tamms, Evansville, Ruma, Prairie du Rocher, Steeleville, Percy, Newton in Illinois; Chesterfield, Ruby, and Pageland in South Carolina; and New Harmony and Wadesville in Indiana. All told, we estimate it would cost \$10,884,000 to service these communities. Of that, NewWave is requesting \$10,254,000 in ARRA resources. The company intends to invest \$630,000 of its own resources in this important project. NewWave has already invested millions of dollars to interconnect many of its communities with fiber optic cable. This has allowed us to serve numerous small rural communities that may have never had the opportunity to receive state of the art high speed broadband services. These communities in this application are merely an extension of this infrastructure. Prior to applying, NewWave Communications met with community leaders from each area and listened to the needs and issues they face because of their current lack of quality broadband access. Many of these areas are economically depressed. Local school districts struggle to prepare their students for the technological modern-day workforce. Quality health care often includes community members traveling long distances to receive the best care. All proposed areas would benefit from NewWave's project. As evident in the numerous letters of support included in this application, these areas are excited at the opportunities and benefits the proposed projects would make possible. In total, the project would reach the following: • 10,542 homes passed • 918 businesses passed • 71 community anchor institutions • 19 public safety institutions • 53 critical care facilities 17,144 people who live and work in these communities would benefit from the new technology and improved standard of living. These numbers prove that though these areas are rural, the proposed project will have far-reaching impact on the areas' essential community needs and economic development. NewWave's plan is forward-thinking and long-term. The project would upgrade the existing systems in these 13 rural communities to using DOCSIS 3.0 technology, or data over cable service interface specification. The most advanced cable broadband technology on the market, DOCSIS 3.0 technology provides download speeds of more than 50 Mbps and upload speeds of more than 30

Mbps. Once implemented, these communities would be among the first rural areas in the country to have access to this type of information technology that is currently only available in larger urban areas. In addition, because cable speeds are ubiquitous across the entire system, the benefits of these upgrades would be felt throughout the various systems, giving those that live and work in these areas access to DOCSIS 3.0 speeds. Only cable broadband systems have the ability to extend the communications benefits throughout an entire system. While nothing in the telecommunications industry is "future proof", NewWave is committed to providing rural customers with significant bandwidth and speeds to serve the needs of the community for years to come. NewWave will upgrade its current network infrastructure using a state-of-the-art hybrid fiber-coax design with 1 GHz of bandwidth capacity. Fiber optic cables will be installed throughout the community to the "curb" and coax cables will feed homes and businesses. The network design will allow multiple services and can transmit beyond 4 gigabits per second of capacity. Additionally, fiber optic cables will be constructed from these areas to our current fiber optic networks. In doing so, NewWave will be able to access high bandwidth fiber networks so that high capacity internet can be brought to these new areas and deployed throughout NewWave's entire service area. NewWave will utilize the DOCSIS 3.0 standard to deliver broadband services in these areas. NewWave estimates 2,047 new broadband subscribers through the first five years of this project. It is important to note that system upgrades to the unserved and underserved communities included in this application are far too costly for NewWave to undertake with private capital, making them ideal projects for ARRA funds. The costs associated with upgrading these systems to such download speeds presents a formidable obstacle to building sustainable rural broadband networks in rural communities because of the distance between the smaller communities and the amount of fiber needed to deploy service to the region. Some areas were previously identified by NewWave as new business targets, but because of the sluggish economy became impossible to pursue. ARRA now makes these projects exciting, renewed opportunities ready to implement if funded. Deploying broadband is just the first step in the build-out plan's applications and services. In order for the technology to have broad significance and future positive developments, the technology must be accessible, affordable and usable. NewWave has a multi-pronged approach to achieve these goals. First, NewWave recognizes the importance of anchor institutions and public service providers. As it is extremely important to provide enhanced communications to these entities, NewWave will offer free services to the city government, libraries, public schools and first responders for five years. Health care providers will qualify for reduced cost services for the first five years as well. Additionally, NewWave will donate computers and establish a public computing center in an existing public building to ensure that everyone in the community has access to the internet. NewWave also will partner with local institutions and provide training on how to effectively use and benefit from the internet. Further, NewWave understands and accepts the nondiscrimination and interconnection obligations of the Recovery Act. To ensure these obligations are met, management will conduct a mandatory training session for managers to notify them of the five network openness requirements and ensure they understand how all five are to be applied in their respective regions. RUS and NTIA officials will be invited to participate in these training sessions. NewWave Communications is highly-qualified to carry out this project and deploy broadband funds to rural communities. The company's management team began building and operating cable television systems in small communities and rural areas in 1979. Since then, management has been involved in a number of cutting edge projects that embraced new technologies. In fact,

management was one of the first rural cable operators to launch digital video service and cable high-speed internet service. In 2003, the core management leaders founded NewWave Communications as it is known today with just a handful of employees and roughly 17,000 cable customers in Tennessee and Missouri. NewWave has grown every year since then, and today employs over 450 workers and serves 110,000 customers in six states: Missouri, Arkansas, Kentucky, Illinois, Tennessee, and South Carolina. NewWave Communications also is a well known entity in rural America as civic leaders in the communities they serve. The company has received many awards including the Chamber of Commerce Business of the Year for 2008 in both Somerset, Kentucky and Madisonville, Kentucky. Reliable high speed internet in these areas will open the door to economic activity and job creation. Initially, jobs start with the people needed to install the fiber-optic cable. While it is more difficult to quantify jobs created through the digital economy or the "network effect" you can not deny that high speed internet access stimulates economic activity. Using a formula derived by a 2009 study on the economic impacts from investments in broadband done by Strategic Network Group, an estimated 200 jobs would be created or retained by this project. New investments in digital infrastructure will bring more people online at higher speeds, which will lead to innovative new applications and technologies that will create an untold number of jobs in parts of the country that sorely need them. Imagine the types of innovative business that could emerge in these areas with ARRA funds and federal support.