

In addition the following cities and institutions have made written commitments to our program: [REDACTED] A number of other city managers and mayors have expressed excitement about our program.

Our research shows there are 17 regional or county hospitals in this market area and a total of 924 other clinics, physician, dental, and other medical services entities. We have established a joint Operating Agreement with [REDACTED] to provide tele-medicine products and services with operational protocols through public safety agencies and regional or county healthcare facilities. [REDACTED]

We also plan to offer discounted services to schools and educational facilities. Our research shows there are 344 primary and secondary schools in this market area. Free services will be provided to all libraries. There are 94 such facilities in this market area.

e) Proposed Services and Applications

The infrastructure being deployed under this application will support voice, broadband Internet services and video services. Initially, X-Press Net plans on deploying only voice and broadband Internet services. The following table outlines the service offerings and pricing structures:

Service Offering	Mbps Down	Mbps Up	Target Max. Over Subscription Ratios	Estimated Ratio per Offering	Price per Mo.	Comments
Residential 1	1.5	1.5	25:1	80%	\$34.95	
Residential 2	3.0	1.5	25:1	20%	\$44.95	
Business 1	3.0	3.0	10:1	90%	\$249.95	With 5 Static IP's
Business 2	6.0	3.0	10:1	10%	\$499.95	With 10 Static IP's
Res – VoIP				40% of Total	\$20/line	
Bus – VoIP					\$40/seat	

Detailed market research shows both that the above service levels are higher and that the pricing structures are lower than any current offerings within the coverage area. To date, many areas only have dial-up or satellite options available.

f) Approach to Addressing Non-Discrimination and Interconnection

X-Press Net, Inc. will adhere to all FCC Internet “principles.” The network is being designed to allow alternate providers on the network along with additional traffic. The model is financially sustainable without other providers, but improves if we allow other providers on the network. It is in X-Press Net’s interest to allow other providers on the network.

To accommodate alternate providers on the network, X-Press Net will be following a “Neutral Traffic Routing” principle. Physical interconnections for exchange of traffic will be allowed at the designated network operating center location for the desired end users. It will be up to the alternate company to provide Internet access to the interconnection hub and they will be responsible for services to that point. X-Press Net will be responsible for Layer 2 access and Layer 3 routing from the interconnection hub point to the points of

presence. It is assumed that the alternate company will be responsible for Customer Premise Equipment (CPE) and the end-user experience.

g) Type of Broadband System Deployed

X-Press Net, Inc. will be deploying a proven wireless implementation using an overall architecture that improves backhaul capabilities compared to most systems.

Standard off-the-shelf digital radio and communication equipment will be purchased from two primary vendors, [REDACTED]. Details on the architecture and engineering plans are outlined under questions 29 and 30.

h) Qualifications of the Applicant and Demonstrate Abilities to Operate

The Applicant Managers have over 100 years of combined experience and will be able to implement the planned broadband wireless network as soon as funding is available by using their experience and networking of third party contractors such as [REDACTED] who can bring substantial resources to bear in a short time frame. During the build out phase of the system, the Applicant will add employees and third party contractors to the organization so that the Applicant will be ready to manage and operate the broadband wireless network once it is built. See Question 38 for detail.

i) Overall Infrastructure Cost of the Broadband System

The budgeted overall cost for this application is \$12.395 million (excluding CPE and installation). This translates to approximately \$2,153 per square mile covered by the services, or \$72 per household for this area. Subscriber units will cost approximately \$386 (after volume discounts) per customer with an additional \$220 one-time cost for installation and customer training. The total fully loaded cost per customer is \$1,212.

j) Overall Customer Subscriber Projections for the Project

	Year 1	Year 2	Year 3	Year 4	Year 5
Res. Broadband	0	4,515	19,467	19,467	19,467
Business Broadband	0	357	1,533	1,533	1,533
Res. VoIP	0	1,461	6,300	6,300	6,300

k) Number of Jobs Estimated to Create or Save as a Result of Project

Area	Total New South Jobs
1) Engineering	6
2) Construction	6
3) Marketing	1
4) Distribution / Installation	48
5) Call Center	18
6) Network / Engineering Operations	3
7) Management	5
8) Other (Admin, Leasing, etc.)	2
9) Equipment Manufacturing	77
TOTAL	166