

This GTA TeleCom, LLC (GTA) grant application proposes to enhance broadband Internet availability and affordability on Guam for Government of Guam (“GovGuam”) agencies, private non-profit corporations, and other interconnectors by procuring an OC-12 IRU transport facility through a capital lease and by deploying equipment to “light” that facility. GTA is requesting a grant of \$1.24M to procure the OC-12 transport facility and equipment to turn up an additional 633 Mbps of Internet bandwidth between Los Angeles, California and Guam. [REDACTED]

[REDACTED] GTA has already upgraded its infrastructure on Guam and is prepared to deliver requested Internet capacity via its existing last mile facilities. [REDACTED]

Guam faces a unique challenge in the context of providing middle mile services, as the closest U.S. Internet backbone interconnection point is located over 6000 miles away. Current capacity on island is limited and existing Internet links are already at capacity. [REDACTED]

[REDACTED] Acquiring connectivity to the mainland is costly because of distance and deploying a submarine cable to the mainland is extremely cost prohibitive. The high cost of internet connectivity has forced broadband providers to oversubscribe their networks, in turn forcing more people to use the same (middle mile) pipe. Capital constraints have limited the ability to keep pace with bandwidth demand. GTA therefore proposes to install this robust middle mile connection to open up more bandwidth on Guam. This proposal will help meet the broadband demand of Guam even as it faces a substantial buildup of military forces over the next several years. Other businesses, individuals, and providers will likewise benefit from the increased Internet capacity.

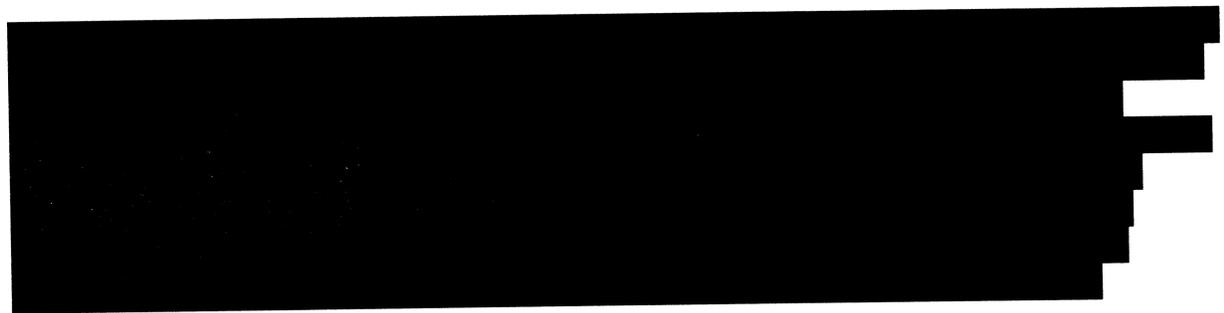
This GTA broadband project will utilize the new middle mile OC-12 IRU together with GTA’s existing buried fiber optic network, extending throughout the island, to deliver 633 mbps Internet connectivity in underserved area of Merizo as well other areas of Guam. The proposed funded service area includes an interconnection point for all requestors at the underserved area of Merizo. [REDACTED]

By utilizing GovGuam Interconnections Points, GTA can ensure maximum connectivity for key GovGuam agencies, including the Department of Education, Guam Memorial Hospital, Guam Public Library System, fire stations, police stations, Guam Community College (GCC), University of Guam (UoG), and health care providers. GTA currently provides Ethernet connectivity to at least [REDACTED] GovGuam institutions, [REDACTED]. This grant will enable GTA to provide an Internet connection to these government agencies and critical community facilities with a substantial discount of 25% off of GTA prevailing rates.

The completion of this broadband project provides a cost-effective model for delivering enhanced broadband that will enable better services for the 154,805 inhabitants, 47,677 households and 3020 businesses on Guam [REDACTED]. Because

GTA is in a position to use its buried fiber optic network and other facilities, this project demonstrates the potential for providing broadband service to the following community anchor institutions (in addition to its critical assistance to GovGuam itself), and, thus, to the betterment of the entire population:

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| Fire stations, (14) | Public libraries (6) |
| Police stations (7) | Community college (1) |
| Public elementary schools (26) | University (1) |
| Public middle schools (8) | Hospital (1) |
| Public high schools (5) | Senior citizen centers (12) |
| Village mayor's offices (19) and associated community centers | |
| Public health clinics (3) | |



Current GTA policy adheres to the FCC's Internet Policy Statement. GTA will display its network management policies in a prominent location on its website and provide notice to customers about changes to such practices for the proposed funded facilities. GTA adheres to interconnection obligations through the use of its NECA tariff, and will provide, upon completion, interconnection to the proposed funded network where technically feasible without exceeding current or reasonably anticipated capacity limitations on reasonable rates and terms to be negotiated with requesting parties. With respect to its funded facilities, GTA will offer wholesale access, agree to binding arbitration, and post nondiscrimination and interconnection policies on its company web site.

Before privatization in 2004, GTA was a government agency that had been in operation for over 45 years. GTA had already launched a DSL platform, wholesaling limited broadband to other ISPs (Internet Service Providers) and telecommunications companies on Guam. Since privatization, GTA has upgraded areas of its core fiber optic network, which extends throughout the island, to include faster broadband in densely populated areas and has initiated an IPTV offering. GTA is able to leverage its core fiber optic network to extend its reach through the middle mile. GTA will be able to link its network through OC-12 [redacted] thus provide affordable broadband service. GTA's fifty years of sustained service and its history of innovation and

expansion of technology to meet customer needs and plan for the future demonstrate the company's ability to implement and operate a broadband network structure. GTA is a sustainable broadband services provider and uniquely qualify to complete this project. Because of existing network facilities and its established business organization, GTA will be able to accomplish this project within months instead of years. Without this funding, GTA would not have the possible funding available for at least 2 years.

GTA is seeking a grant of \$1.24M to procure a capital lease of dedicated OC-12 bandwidth. [REDACTED]

[REDACTED] -With increased reliability of broadband services, schools and libraries can expect that demand for those services will increase. Concomitant demands for personnel to support those services may reasonably be expected throughout the Guam economy. In effect, the expanded broadband services for GovGuam and other key community anchor institutions, critical community facilities, and public safety agencies can provide an overall benefit to the 154,804 inhabitants on Guam by enhancing distance learning and increasing the opportunities for medical and business teleconferencing, thus reducing the need for travel and its associated expenses.

GTA is able to utilize existing facilities and manpower for delivery of internet service to this project without incurring additional capital expenditures, thus saving both time and money. GTA's fiber optic backbone already exists throughout Guam [REDACTED]

Lastly, throughout this application GTA has provided confidential information. Such information has been marked as "Confidential" and includes financial information. GTA respectfully requests that identified information be kept confidential and not be released for public view or comments.