

Broadband USA Applications Database

Applicant Name: KeyOn Communications, Inc.

Public Notice Submissions

-----**Service Area:** Nebraska

Submitter: Henderson Cooperative Telephone Company

Comment: Henderson Cooperative Telephone Company, dba Mainstay Communications, currently provides service in its certificated exchange area that meets or exceeds all ARRA NOFA requirements to be classified as a "Served" area. 100% of the households have access to Broadband service of at least 768/200 Kbps or higher. The current residential penetration rate at a speed of at least 768/200 Kbps for the area of this application is 60% of households. Henderson Cooperative Telephone offers a 5 Mbps broadband service

Submitter: American Broadband Wireless

Comment: HunTel CableVision is an incumbent cable television provider with municipal franchise authority to offer cable television service in 20 communities in northeast Nebraska. HunTel Cablevision offers broadband internet and data services utilizing high speed wireless technologies in rural areas that extend beyond the municipal boundaries of its franchised cable television serving areas. HunTel Cablevision is also classified as a competitive local exchange carrier (CLEC), and is designated by the Nebraska Public Service Commission (PSC) as an eligible telecommunications carrier (ETC) for purposes of receiving Federal Universal Service Support (FUSF). HunTel CableVision offers rural wireless broadband services at speeds that meet and exceed the minimum download (768 Kbps) and upload (200 Kbps) speeds defined in the NOFA. HunTel CableVision does business as (dba) American Broadband in Nebraska. This specific response is from the perspective of the wireless broadband service that is offered in the rural areas that extend beyond our municipal franchise serving areas that overlap with the KeyOn Communications, Inc. Last Mile Stimulus Application. We have also filed a separate response from the perspective of our cable modem broadband service.

HunTel CableVision (dba American Broadband) advertises broadband service alternatives using wireless technologies that meet and exceed minimum download and upload speeds defined in the NOFA.

HunTel CableVision subscriber numbers provided in this response do not include the cable modem subscribers included in our companion cable modem response to the KeyOn Communications, Inc. application and do not count/include the penetration of Qwest, which is the ILEC in communities where

HunTel CableVision operates as a CLEC, or other broadband competitors that operate in the service area that KeyOn Communications, Inc. has applied for.

KeyOn Communications, Inc. has submitted a last mile broadband stimulus application that overlaps HunTel CableVision wireless serving areas. The KeyOn Communications, Inc. application overlaps with 2,555 census blocks in which HunTel CableVision offers wireless broadband services. In these census blocks, HunTel CableVision provides wireless broadband service to 488 residential customers and 31 business customers. This does not include the number of residences served by Qwest and other broadband competitors, and our own cable modem broadband services offered within our cable television municipal franchise areas. Thus, the overlap area in the KeyOn Communications, Inc. application is not unserved and it is not underserved. Furthermore, HunTel CableVision offers its wireless broadband service at speeds that exceed the NOFA minimums, and HunTel CableVision (doing business as American Broadband) advertises speeds that exceed NOFA minimums.

The KeyOn Communications, Inc. stimulus application should be rejected for several reasons, which include but are not limited to:

1. KeyOn Communications, Inc. applied for Stimulus dollars in areas (Census Blocks) that are not unserved or underserved.
2. The KeyOn Communications, Inc. application is overly broad because it did not seek to perform validations of broadband penetration rates at the Census Block level, whereas HunTel CableVision currently provides, advertises, and tracks broadband penetration to the Census Block level within its designated serving areas.
3. Broadband stimulus dollars should not be directed to areas that do not meet the definitions of unserved or underserved territory.
4. KeyOn Communications, Inc. proposes a wireless technology solution. Only Fiber-to-the-Premise solutions offer a long term future-proof solution for meeting the challenge of a rapidly increasing definition of minimum download and upload speeds. KeyOn Communications, Inc. is only one of several wireless providers within the geography applied for that offer wireless data services (Verizon, AllTel, Viaero, etc.)
5. KeyOn Communications, Inc.'s application overlaps with the designated service areas of HunTel CableVision. It is not apparent that KeyOn Communications, Inc. has addressed the challenge of its application's ability to be economically sustainable in areas that lack population density and are already served by multiple providers.
6. Beyond initial network deployment, wireless infrastructure solutions have not demonstrated the ability to create sustained employment opportunities within the immediate service area. This is contrasted by the fact that HunTel CableVision has a resident work force, located within its designated serving areas in Eastern Nebraska, and it has a history of sustained employment.

Submitter: jagWIRELESS

Comment: Hello, my name is Danny Olsen and I am writing this on behalf of my employer, jagWIRELESS. jagWIRELESS specifically focuses on the delivery of broadband Internet services via wireless methods, using the unlicensed spectrums available from the FCC. Our organization has been in business for over 7 years and services the broadband needs of rural Southeastern Nebraska and Western Iowa. Through careful business management and investment we have built a network which now provides broadband services to nearly 1200 subscribers, in 2 states, 12 counties and from 50 tower sites. In the areas we provide service we often compete with wire-line and other wireless service providers who may use license and license-exempt delivery methods. We differentiate our product through helpful technical support and quality customer service. We grow our business as customer demand drives our revenues and retract in areas of significant competition.

We recently discovered that Keyon has requested funds to build a network in Nemaha and Richardson Counties, NE. from the Broadband stimulus program. I wish to submit a dispute regarding the “underserved” designation of this area by Keyon. I will carefully detail the evidence to show that the funds request is without merit and will likely damage the ability of both our organization to provide quality services.

jagWIRELESS services the following communities being targeted by their application:

Johnson, Brock, Talmage, Auburn, Julian

The areas which Keyon intends to provide service already have 2 or more local providers and can also receive mobile broadband services from various national mobile providers.

None of these areas need additional broadband competition as they are all well served by private organizations who have invested private dollars to services the broadband needs of the area residents.

Underserved Criteria – Advertised Speeds

Our wire-line competitor offers speeds of 6 Mbps in each of these service areas and jagWIRELESS offers speeds of 3 Mbps in each of the service areas. Attached is an advertisement showing that we do advertise these speeds which AlphaStar would like to service.

Penetration Rate

Our organization does regular marketing by multiple methods and we occasionally trade customers with the DSL carrier but we are most after the new residents to the area who are newly choosing between multiple carriers.

Our organization has been offering services in this market for 7 years. Based on our marketing and survey's we find that market penetration between our services and those competing with us is well into the 60% range. The remaining 40% of households simply do not want or cannot afford any of the competing service providers, who offer services as low as \$25/mo.

Submitter: Hershey Cooperative Telephone Co.

Comment: All customers in the Hershey Telephone exchange are 100% capable of receiving 3 meg.down and 768k up.

Submitter: ATC Communications

Comment: Arapahoe Telephone Company (ATC Communications) provides high speed broadband internet service to its service territory with download speeds ranging from 1 Mbps up to 7 Mbps; and upload speeds from 256 kbps up to 768 kbps. ATC does not charge an installation fee and monthly pricing plans begin at an affordable rate of \$29.95. ATC is capable of offering broadband service to all the households in its service territory.

Submitter: Stanton Telecom, Inc.

Comment: For the portion of this application that overlaps the Stanton Telecom, Inc. serving area, broadband of at least 768kbps downstream and 200kbps upstream is accessible to 100% of households and 100% of businesses. Additionally, Stanton Telecom, Inc. offers a 3Mbps downstream and 6Mbps downstream service in this area. Lastly, Stanton Telecom, Inc. supplies broadband service to over 40% of the households in this area. Per the criteria defined for the stimulus program, this area is classified as served.

Submitter: Southeast Nebraska Communications

Comment: Southeast Nebraska Communications (SNC) provides standard high speed broadband internet service with download speeds up to 3 Mbps for an affordable rate of \$39.95/month; and offer download speeds of up to 5 Mbps. SNC offers internet access to 100% of the households in its service territory; and it has a subscriber rate of over 40% of households. There are no installation fees or contracts to sign for SNC's fast and reliable broadband service.

Submitter: Mobius Communications Company

Comment: Mobius Communications Company (Mobius) is a pioneer, providing Internet service in the Nebraska Panhandle since 1996 and broadband service since 1999. We were among the first in the area to provide broadband service to rural Americans, with 100% of the customers in our service areas capable of receiving this advanced service. We are proud of our service to our communities including some of the most remote areas in the Nebraska Panhandle as well as community anchor institutions including public safety agencies, schools, libraries and healthcare providers. As a community-based company, we provide much-needed jobs, 24-7 customer support and local offices for our customers' convenience in Alliance, Gering, and Hemingford, Nebraska.

Submitter: Pierce Telephone Company, Inc.

Comment: For the portion of this application that overlaps the Pierce Telephone Company, Inc. serving area, broadband of at least 768kbps downstream and 200kbps upstream is accessible to 100% of households and 100% of businesses. Additionally, Pierce Telephone Company, Inc. offers 3Mbps, 8Mbps, 10Mbps, and 12Mbps service in this area. Lastly, Pierce Telephone Company, Inc. combined with its primary competitor, Cable One, supplies broadband service to over 40% of the households in this area. Per the criteria defined for the stimulus program, this area is classified as served.

Submitter: Consolidated Companies Inc.

Comment: Consolidated Companies is the parent company of four rural local exchange carriers, three of which provide telephone and broadband service to the PFSA for which Pinpoint has applied for broadband funding. Consolidated Companies' response polygon has been input to the mapping tool. One hundred percent of the households within the response polygon have access to broadband as defined in the NOFA.

The applicant's PFSA is over 19,000 square miles and is non-contiguous. Within the proposed PFSA, 538 households have access to broadband from Consolidated. The respondent provides, and advertises the availability of 3Mbps broadband service within the PFSA, so the PFSA does not qualify as underserved based on the 3Mbps criterion.

Submitter: Cambridge Telephone Company

Comment: Since 2003, The Cambridge Telephone Company, in partnership with its sister company, Pinpoint Communications, has offered broadband service with speeds up to 12 Mbps (Adaptive) via digital subscriber link services (DSL) in Cambridge, Nebraska. On January 15, 2009 The United States Department of Agriculture granted interim funds under the Rural Utility Service (RUS) fund to the Cambridge Telephone Company to further enhance that service with the construction of a Fiber-to-the-Home (FTTH) project. FTTH construction is currently underway and is scheduled for completion by January 1, 2010

Several census blocks within the proposed funded area as filed in the first round of broadband stimulus applications in August of this year overlap both the 12 Mbps DSL service area and the FTTH area currently under construction. In our opinion, the noted census blocks do not meet either the definitions of “unserved” or “underserved” as defined in the NOFA.

Submitter: Cable One, Inc.

Comment: Cable One, Inc. is a multi-system broadband provider operating in 19 states. Cable One offers residential broadband service with speeds up to 10 MB and customizable commercial solutions with flexible bandwidth offerings from 5Mbps to 1 Gbps. By November 1, 2009, the majority of Cable One systems will also be offering 12 Mb residential broadband service with a 20 MB boost. Cable One provides its subscribers with quality service offerings at competitive rates. Cable One expends substantial capital and resources to ensure that customers enjoy the latest technology and the highest standards of customer service, and has made its customers and its communities its first priority.

Please refer to our supporting documentation and comments that establish that Cable One already operates in census tract(s) encompassing or included in Applicant’s Proposed Funded Service Area. The uploaded document includes maps showing census tracts and homes passed for each the applicable systems, current advertisements for residential and commercial broadband offerings, and subscriber data by census tract.

Cable one’s current broadband service offerings are as follows:

Residential:

Economy, Speed (Down/up) - 1.5 Mb/150 kbps, Service Rate - \$20.00

Standard, Speed (Down/up) - 5 Mb/500 kbps, Service Rate - \$43.00

Premium, Speed (Down/up) - 10 Mb/1 Mb, Service Rate - \$53.00

Commercial:

Economy, Speed (Down/up) - 5 Mb/1.0 Mb, Service Rate - \$69.65

Standard, Speed (Down/up) - 10.0 Mb/1.0 Mb, Service Rate - \$85.95

Premium, Speed (Down/up) - 12.0 Mb/1.5 Mb, Service Rate - \$99.95

Ultra, Speed (Down/up) - 15.0 Mb/2.0 Mb, Service Rate - \$199.95

Enterprise Plus, Speed (Down/up) - 20.0 Mb/2.5 Mb, Service Rate - \$299.95

Discounted bundles and promotional pricing are also available.

Submitter: Hartington Telecommunications Co., Inc.

Comment: Hartington Telecommunications Co., Inc. is providing information regarding the number of residential households and business establishments capable of receiving broadband in the area that the applicant's PFSA overlaps the respondent's service area. Hartington Telecommunications Co., Inc. is also providing information regarding the number of existing customers purchasing broadband service in the area of overlap. Hartington Telecommunications Co., Inc. overlapping broadband service area, at a minimum defined as 768k downstream and 200k upstream are displayed on the associated mapping tool. In the area of overlap, 100% of households have access to facilities-based broadband service and the rate of broadband subscribership for residential households and business establishments exceeds 40%. Hartington Telecommunications Co., Inc. also advertises broadband transmission speeds of at least 3 Mbps downstream within the area of overlap. Accordingly, such area is not underserved.

Submitter: Inventive Wireless of Nebraska, LLC dba Vistabeam

Comment: KeyOn Communications has proposed a project that includes several service areas that are already served with 3meg or faster broadband by Vistabeam and multiple other broadband providers. Our coverage area includes the towns of Henry, Lyman, Morrill, Mitchell, Scottsbluff, Gering, Terrytown, Melbeta, Minatare, Bayard, McGrew, Bridgeport, Dalton, Gurley, Broadwater, Lisco, Oshkosh, Lewellen, Potter, Lodgepole, Chappell and Big Springs.

Submitter: American Broadband Cable TV (modem)

Comment: HunTel CableVision is an incumbent cable television provider with municipal franchise authority to offer cable television service in 20 communities in northeast Nebraska. HunTel Cablevision offers broadband internet and data services utilizing cable modem (within municipal franchise boundaries) and high speed wireless technologies in rural areas that extend beyond the municipal boundaries of its franchised cable television serving areas. HunTel Cablevision is also classified as a competitive local exchange carrier (CLEC), and is designated by the Nebraska Public Service Commission

(PSC) as an eligible telecommunications carrier (ETC) for purposes of receiving Federal Universal Service Support (FUSF). HunTel CableVision offers broadband services at speeds that meet and exceed the minimum download (768 Kbps) and upload (200 Kbps) speeds defined in the NOFA. HunTel CableVision does business as (dba) American Broadband in Nebraska. This specific response is from the perspective of the cable modem broadband service that is offered within the municipal franchised areas that overlap with the U.S. Cellular Last Mile Stimulus Application. We have also filed a separate response from the perspective of our wireless broadband service that is offered in rural areas that extend beyond our municipal cable television service areas.

HunTel CableVision (dba American Broadband) advertises broadband service alternatives that meet and exceed minimum download and upload speeds defined in the NOFA.

HunTel CableVision enjoys broadband penetration rates that exceed 40% of households in many of census blocks contained within its serving areas, and this does not count/include the penetration of Qwest, which is the ILEC in communities where HunTel CableVision operates as a CLEC, or other broadband competitors that operate in the service area that KeyOn Communications, Inc. has applied for.

KeyOn Communications, Inc. has submitted a last mile broadband stimulus application that overlaps HunTel CableVision serving areas. The Lone Lines application overlaps with 708 census blocks in which HunTel CableVision offers cable modem broadband speeds. In these 708 census blocks, HunTel CableVision provides broadband service to 1,963 residential customers and 208 business customers. HunTel CableVision approaches 40% penetration amongst residences all by itself and this does not include the number of residences served by Qwest and other broadband competitors. Thus, the overlap area in the KeyOn Communications, Inc. application is not unserved and it is not underserved. Furthermore, HunTel CableVision offers its cable modem broadband service at speeds that exceed the NOFA minimums and exceed 3 Mbps, and HunTel CableVision (doing business as American Broadband) advertises speeds that exceed 3 Mbps.

The KeyOn Communications, Inc. stimulus application should be rejected for several reasons, which include but are not limited to:

1. KeyOn Communications, Inc. applied for Stimulus dollars in areas (Census Blocks) that are not unserved or underserved.
2. The KeyOn Communications, Inc. application is overly broad because it did not seek to perform validations of broadband penetration rates at the Census Block level, whereas HunTel CableVision currently provides, advertises, and tracks broadband penetration to the Census Block level within its designated serving areas.
3. Broadband stimulus dollars should not be directed to areas that do not meet the definitions of unserved or underserved territory.

4. KeyOn Communications, Inc. proposes a wireless technology solution. Only Fiber-to-the-Premise solutions offer a long term future-proof solution for meeting the challenge of a rapidly increasing definition of minimum download and upload speeds. KeyOn Communications, Inc. is only one of several wireless providers within the geography applied for that already offer data services over their wireless networks (Verizon, AllTel, Viaero, etc.)

5. KeyOn Communications, Inc.'s application overlaps with the designated service areas of HunTel CableVision. It is not apparent that KeyOn Communications, Inc. has addressed the challenge of its application's ability to be economically sustainable in areas that lack population density, and are already populated with multiple providers.

6. Beyond initial network deployment, wireless infrastructure solutions have not demonstrated the ability to create sustained employment opportunities within the immediate service area. This is contrasted by the fact that HunTel CableVision has a resident work force, located within its designated serving areas in Eastern Nebraska, and it has a history of sustained employment.

Submitter: ATCjet.net LLC

Comment: ATCJet.net, LLC provides high speed broadband internet service to its service territory with download speeds ranging from 1 Mbps up to 7 Mbps; and upload speeds from 256 kbps up to 768 kbps. ATCJet.net, LLC does not charge an installation fee and monthly pricing plans begin at an affordable rate of \$29.95. ATCJet.net, LLC is capable of offering broadband service to all the households in its service territory.

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: Northeast Nebraska Telephone Company

Comment: Northeast Nebraska Telephone Company (NNTC) is filing this response to the KeyOn Communications, Inc., (Applicant) Application because we are of the belief that this Application misrepresents the availability of Broadband service (786k downstream/200k upstream) within the area that the Applicant’s proposed funded service area (PFSA) overlaps NNTC’s service area.

NNTC was organized as a cooperative in 1955 and is owned by its customer/members.

NNTC is presently a borrower with the Rural Utilities Service and has been since 1955.

Within the PFSA overlap NNTC’s buried fiber optics cable to the node (FTTN) network provides access to Broadband services to 100% of the residential households and businesses, NNTC advertises Broadband

service of 3 Megabits and greater to 100% of the residential households and businesses, and NNTC has a rate of Broadband subscribership that is greater than 40%.

Applicant's request for funds to build another Broadband capable network, if granted, will be a duplication of investment, duplication of an existing FTTN Broadband capable network, and divert funding that could be available for unserved areas.

Submitter: Plainview Telephone Company

Comment: Plainview Telephone Company (PTC) offers broadband internet service with up to 6 Mbps upload speed and 2.0 download speed. PTC offers FTTP broadband service to all households in its service territory.

Submitter: Nebraska Central Telephone Co.

Comment: The respondent (Nebraska Central Telephone Company) is a Local Exchange Carrier (Common Carrier) that offers facilities-based, terrestrial Broadband (high speed) Internet access service in the overlap area of the PFSA.

The respondent's overlap area of applicant's PFSA contains 4,004 households. Respondent provides Broadband Internet access service (as defined in the NOFA) exceeding 768K downstream and 200K upstream speeds to 100% of the households and businesses in its response polygon. Therefore, the PFSA does not qualify as "underserved" based on the availability criterion.

In response to the PFSA, respondent's advertising copy has been uploaded showing the availability and advertising of service tiers of Broadband speeds up to 5MB downstream and 1 MB upstream, so the PFSA does not qualify as underserved based on the 3Mbps criterion.

The third qualifying criterion for underserved areas requires the use of company specific market data, and is addressed in the Proprietary Comments section.

Submitter: American Broadband Exchanges (DSL)

Comment: HunTel Inc., doing business as American Broadband – Nebraska has four telephone company subsidiaries, consisting of the Arlington Telephone Company, Blair Telephone Company, Eastern Nebraska Telephone Company (ENTC), and the Rock Telephone Company. All four are classified as incumbent local exchange carriers (ILECs) and are authorized by the Nebraska Public Service Commission (PSC) and the Federal Communications Commission (FCC) to provide reliable and ubiquitous telecommunications services within their designated service areas. These ILECs offer broadband service predominantly utilizing Digital Subscriber Line (DSL) technology at speeds that meet and exceed the minimum download (768 Kbps) and upload (200 Kbps) speeds defined in the NOFA.

American Broadband - Nebraska advertises broadband service at speeds that meet and exceed minimum download and upload speeds defined in the NOFA.

KeyOn has submitted a last mile broadband stimulus application that overlaps the American Broadband – Nebraska exchange serving areas. The KeyOn application overlaps with 1073 census blocks in which American Broadband – Nebraska offers broadband services using DSL technology. In these 1073 census blocks, American Broadband - Nebraska provides broadband service to 622 residential customers and 76 business customers. American Broadband - Nebraska approaches penetration of 26% of residences all by itself and this does not include the number of residences served by other broadband competitors. Thus, the overlap area in the KeyOn application is not unserved. Furthermore, American Broadband - Nebraska offers its DSL broadband service at speeds that meet and exceed the NOFA minimums.

The KeyOn stimulus application should be rejected for several reasons, which include but are not limited to:

1. KeyOn applied for Stimulus dollars in areas (Census Blocks) that are not unserved or underserved.
2. The KeyOn application is overly broad because it did not seek to perform validations of broadband penetration rates at the Census Block level, whereas American Broadband - Nebraska currently provides, advertises, and tracks broadband penetration to the Census Block level within its designated serving areas. While portions of this overlap area have penetration rates of less than 40%, there are many census blocks that have greater than 40% penetration.
3. Broadband stimulus dollars should not be directed to areas that do not meet the definitions of unserved or underserved territory. Applications should be precisely targeted to census blocks that meet the unserved and underserved criteria.
4. KeyOn proposes a wireless technology solution. Only Fiber-to-the-Premise solutions offer a future-proof solution for meeting the challenge of a rapidly increasing definition of minimum download and upload speeds. KeyOn is only one of several wireless providers within the geography applied for that offer wireless data services (Verizon, AllTel, Viaero, etc.)
5. KeyOn's application overlaps with the designated service area of American Broadband - Nebraska. It is not apparent that KeyOn has addressed the challenge of its application's ability to be economically sustainable in areas of low population density with poor economic conditions.

6. Beyond initial network deployment, wireless infrastructure solutions have not demonstrated the ability to create sustained employment opportunities within the immediate service area. This is contrasted by the fact that American Broadband - Nebraska has a resident work force, located within its designated serving areas in Nebraska, and it has a history of sustained employment.

Submitter: Diller Telephone Company

Comment: Diller Telephone Company (DTC) provides broadband internet service at download speeds up to 1.5 Mbps. 100% of the households in the DTC service area are capable of receiving broadband internet service of at least 768kbps/200kbps. The subscriber rate is greater than 40% for the DTC service area.

Submitter: Great Plains Communications, Inc.

Comment: KeyOn Communications, Inc. (KeyOn) has applied for broadband funding for a proposed funded service area (PFSA) that encompasses 19,123 square miles in Nebraska. KeyOn has requested \$8.4 million in grants and a corresponding \$8.4M in loans for this last mile project. While KeyOn has designated this project as a single PFSA it is in fact a myriad of separate areas paralleling the highway system in Nebraska. On this basis alone the KeyOn application should be rejected since the definition of “underserved” in the Notice of Funds Availability (NOFA) reads as follows: “Underserved area means a proposed funded service area, composed of one or more contiguous census blocks....” The KeyOn PFSA map clearly shows numerous serving areas comprised of non-contiguous census blocks.

Even if the underserved definition is disregarded, the KeyOn last mile project covers a number of areas currently served by Great Plains Communications, Inc. (GPC). For the reasons set forth herein, the KeyOn PFSA should not be considered underserved. (KeyOn has not claimed that the PFSA is unserved -- nor does it appear that it would have any basis to do so for the reasons explained in this submission.)

GPC provides facilities-based terrestrial broadband service in significant portions of the KeyOn PFSA as can be seen in GPC’s “overlay” map. Specifically, GPC provides broadband service availability (per the definition in the NOFA) to over 9,478 residential and business for a total population of 20,735 within the KeyOn PFSA.

Of the 125,699 units that KeyOn designates as underserved, 7.5% of those housing units have broadband service available from GPC -- i.e., these units are served.

Given the tremendous size of the KeyOn PFSA there are a large number of other broadband providers. These other broadband providers include Qwest, CableOne and Time Warner to name some of the larger broadband providers. In addition, it appears that Verizon Wireless may have significant coverage in this part of Nebraska. This can be ascertained by entering a selected zip code from the KeyOn PFSA into the Verizon Wireless coverage locator at www.verizonwireless.com. Thus, once one takes into account GPC and all of the other facilities-based providers offering terrestrial broadband service within the KeyOn PFSA, it is highly likely that more than 50% of the households in that PFSA have access to facilities-based terrestrial broadband services (as such services are defined in the NOFA) -- meaning that it would not qualify as "underserved" based upon the availability criterion.

The KeyOn' application, based on its map and brief description, is an imprecise and over broad application. 4G wireless service is hardly a proven technology, particularly in rural areas, and it is unlikely that it would provide comprehensive broadband service to the more than 19,123 square miles identified in KeyOn's application. This is beyond the fact that these areas collectively are significantly served by facilities-based providers as noted above. KeyOn failed to provide a redacted executive summary so it is not possible to obtain an understanding of details regarding this Nevada-based company's plans to construct and operate a project of this magnitude in Nebraska. Nevertheless, GPC wishes to call attention to the technological and financial disadvantages of 4G wireless, especially in rural areas.

4G wireless is not only an extremely expensive technology to deploy with its dependence on large numbers of tower sites, but in addition, 4G wireless suffers from the inherent technical limitations of any spectrum-based technology. At this time, only a fixed 4G platform is even available for deployment. 4G mobile equipment will not be available until at least third quarter of 2010. It is inappropriate that scarce stimulus program resources would possibly be utilized for deployment of such an expensive and undeveloped technology in rural areas where other facilities-based services are widely available. In addition, available bandwidth with 4G is significantly less than with fiber. In very rural areas, such as those comprised in much of the KeyOn application, the greater distance a customer is from a tower, the less likely that claimed speeds are attained. 4G technology is also terrain-limited, with hills greatly reducing the distances in which service is available. Also, unlike fiber, engineering experts agree that 4G wireless is not expected to be a good platform for video services due to limited bandwidth and external influences.

The National Telephone Cooperative Association (NTCA) recently filed a white paper with the FCC comparing the economic and operational characteristics of various broadband technologies including 4G. GPC has posted this white paper on its website at <http://www.gpcom.com/NTCA/>. The conclusions set forth in the white paper confirm the limitations of 4G wireless technologies in an application such as are proposed by KeyOn.

In short, KeyOn is applying for \$16.8 million in grant and loan funding to deploy broadband in portions of Nebraska that already have considerable broadband availability. From its maps it is clear that KeyOn is following Nebraska highways where much of the non-urban population of Nebraska exists thereby effectively “cherry-picking” the more densely aggregated population centers. The KeyOn PFSA will do little to support the most rural areas of Nebraska. Moreover, as discussed elsewhere herein, the KeyOn application likely fails to satisfy any other criteria that would qualify its PFSA as underserved (assuming it even asserted any other basis than availability as the justification for its underserved claim). Specifically, as described further herein, a substantial amount of the GPC customers in the KeyOn PFSA subscribe to the broadband services offered by GPC, and GPC advertises a broadband service with transmission speeds of at least 3 Mbps downstream within the KeyOn PFSA.

Granting KeyOn’ application constitutes an inefficient and redundant use of funds. In addition, the application is in violation of the definition of underserved. Therefore, its application should be rejected.

Submitter: Dalton Telephone Company

Comment: Dalton Telephone Company, Inc. (DTC) has been providing high-quality communications services to the residents of the rural communities and Villages of Dalton, Gurley, Lodgepole, Dix, Potter and Bushnell, Nebraska for 92 years. It was one of the first providers in this remote area to offer broadband services seven years ago. Currently, 99% of DTC’s service areas have broadband capability. Because of DTC’s advanced network it can meet the local geographical challenges providing important community anchor institutions including local government and public safety agencies with broadband services. This local presence also allows DTC to provide 24-7 customer service and support. Due to DTC’s entrepreneurial spirit and its dedication to its customers and through a substantial investment in advanced network facilities, the rural communities and surrounding areas of Dalton, Gurley, Lodgepole, Dix, Potter, and Bushnell, Nebraska enjoy the same level of service as offered in metropolitan areas.

Submitter: Cozad Telephone Company

Comment: Cozad Telephone Company (CTC) provides wireline and wireless high speed broadband internet service at 3 Mbps downstream and 1 Mbps upstream. CTC is capable of delivering broadband internet to 100% of the households in its service territory.

Submitter: USA Communications, LLC

Comment: USA Communications provides high speed wireless data in Brady, Gothenburg, Cozad and Lexington. The speeds range from 1.5 Meg to 5 Meg downloads speeds. Cable Nebraska, also provides high speed data service in Alma, NE. We compete with the local telephone providers which offers DSL high speed data service. It does not seem necessary, nor a benefit, to provide funding to build out last mile projects in any of these areas because they are already served.

Submitter: Qwest

Comment: As authorized by the BIP and BTOP Notice of Funds Availability and the Public Notice associated with the publication of BIP and BTOP broadband infrastructure project funding applications found on the BroadbandUSA.gov website, Qwest responds with broadband service data to the application of KeyOn NE4 for funding for an area represented as “underserved” that is located, in whole or in part, in Qwest’s broadband service area.

Submitter: Hamilton.net, Inc.

Comment: DSL continues to be offered in the eastern section of our response area. With DSL our standard packages offer speeds from 768k down/256k up to 6Mb down/512Mb up.. In addition to DSL, in the majority of our response area we offer unmetered stationary broadband services using 3G 1XEVD0/Rev A. Our brand name for this service is "GMAX" and has a maximum download speed of 3.1Mb. This service is configured as a data only solution and is intended to offer a competitive alternative to DSL and cable modem service. We also offer unlicensed wireless services in portions of this area as well with 768k down/ 768 up speeds