

Broadband USA Applications Database

Applicant Name: Contact Network Inc. d/b/a InLine

Public Notice Submissions

-----**Service Area:** Southern MS 1

Submitter: Cellular South

Comment: Respondent, Cellular South, Inc., is a privately held Mississippi corporation and commercial mobile radio service provider which provides wireless telecommunications and broadband data services to its customers throughout the State of Mississippi, in western Tennessee, in southern Alabama, and northwest Florida. Respondent operates a broadband data transmission network in the State of Mississippi which utilizes Evolution Data Optimized (“EvDO”) technology which provides data transmission speeds up to a maximum of 3.0 mbps downstream and 1.0 mbps upstream. Respondent’s EvDO network is deployed in all or part of Applicant’s proposed service area and, therefore, no portion of Applicant’s proposed service area where Respondent’s EvDO service is deployed is unserved because Respondent’s EvDO service is accessible by 100% of the households in Respondent’s service area. Respondent notes that actual wireless coverage and broadband data transmissions may vary due to atmospheric conditions, customer equipment, and/or system limitation.

Submitter: Bay Springs Telephone Company, Inc.

Comment: Bay Springs Telephone Company, Inc. (BSTC) is an existing RUS Traditional Telephone Borrower and since 1923 has served as the existing Incumbent Local Exchange Company (ILEC) for 12 exchange areas within the rural counties of Jasper, Jones, Rankin Scott and Smith in the State of Mississippi, portions of which are proposed to be served by Contact Network Inc. d/b/a InLine in their ARRA Broadband Stimulus application.

BSTC currently advertises and provides broadband services, at speeds up to 3 Mbps to residential and up to 10 Gbps to business subscribers within the area proposed by this applicant. In addition, broadband service, at speeds greatly in excess of the minimum broadband speed defined by the ARRA NOFA is currently available, through the DSL and Fiber to the Home (FTTH) distribution plant of BSTC, to approximately 80% of homes and businesses within the BSTC service territory. The area proposed to be served by the applicant contains 169,942 households according to the 2000 U.S. Census, of which 2,246 residential and business subscribers are already served by BSTC. For these reasons the applicant’s request for funding to overbuild areas already served by BSTC should be denied.

Submitter: Georgetown Telephone Company

Comment: This grant proposes to serve all of 17 counties including 24,000 census blocks, and 52 cities and designated census locations. The vast majority of the locations covered by this grant already have broadband today and this grant doesn't pay the slightest bit of attention to the grant rules. It characterizes these areas as underserved when in fact, most of the homes, businesses and anchor institutions within this footprint are already served with broadband today. This grant seems to confuse rural with unserved and underserved, when in fact most of the proposed service area already has broadband.

For example, this grant request proposes to completely cover the service territory of Georgetown Telephone Company. Georgetown is an incumbent rural telephone company that has been serving this area for over 100 years. Georgetown has been granted a franchised area to serve, and since it has been willing to serve a very poor and rural area also has been given a federal exemption against competition. Small rural areas like the one served by Georgetown need a barrier against competition to ensure that people in the area can get service for the next century. Georgetown has kept rates low and has brought advanced services and broadband to this rural area when nobody else was willing to make investments in such an impoverished area.

The area served by Georgetown is extremely poor and very rural. The average household income for the service territory in the 2000 Census was only \$26,000 per year. Georgetown Telephone Company does not have a 40% broadband penetration rate today because of the poverty of the area. The company currently has a 34% broadband penetration and believes that almost every household with a computer has DSL service. The telephone company has made DSL available to every home and there is no part of the area where a customer cannot get broadband if they can afford it. Further, Georgetown Telephone Company has provided a free community center equipped with ten computers that is open to the public. This computer center gets tremendous use and the computers are normally all busy.

A very small and poor rural place like Georgetown Mississippi can barely sustain the one current provider, Georgetown Telephone Company. It makes no sense to use federal subsidy funding to compete against a company that has been willing to serve this rural area for 100 plus years.

Our local knowledge of the area tells us that this grant also proposes to bring broadband to many areas where AT&T and other small telephone companies already provide broadband today.

This grant should be rejected in its entirety for not adhering to the grant guidelines for serving mostly unserved and underserved areas. We believe that the vast majority of residences and businesses covered by this grant are 'served' with broadband using the definitions defined in the NOFA. This grant seems to think that rural equates to 'underserved' and 'unserved' as defined in the NOFA. This is not the case and the county seats, other towns and most census designated areas within these 17 counties

already have broadband today and are not be eligible for grant funding. The NOFA allows using only a small portion of any grant to cover served areas, but this grant seeks to use grant money to bring broadband mostly to places that are defined as 'served' under the NOFA. Again, this grant request should be rejected.

The executive summary does not say how much grant money is being sought, but since this grant covers mostly served areas they are not eligible for any grant funding. This business plan might be eligible for 100% RUS loans, at best.

Submitter: TDS Telecom

Comment: TDS Telecom offers 3Mbps broadband service within the applicants proposed service area and provides broadband service to customers pursuant to the NOFA definitions.

Submitter: Telepak Networks Inc.

Comment: Respondent, Telepak Networks, Inc., is a privately held Mississippi corporation and competitive local exchange carrier which provides telecommunications, video and broadband data services to residents in its licensed service areas. Respondent operates a broadband transmission network which runs from Jackson, Mississippi, to Memphis, Tennessee, to New Orleans, and throughout the State of Mississippi. Respondent also operates fiber-to-the-home networks in Crystal Springs, Inverness, and Roxie Mississippi as well as certain residential developments in the State of Mississippi.

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: Comcast Cable

Comment: Attached is a summary of the Comcast Cable homes passed, subscriber and advertising information related to the service areas encompassed by this application.

Submitter: Franklin Telephone Company, Inc.

Comment: Respondent, Franklin Telephone Company, Inc., is a privately held Mississippi corporation and rural incumbent local exchange carrier which provides telecommunications, video, and broadband data services to residents in its licensed service areas. Over the years Respondent has utilized funds, including Rural Utilities Service funds, to invest in its network to deploy fiber optic and other state of the art network technologies to provide the residents of its licensed service areas with robust and technologically advanced access to broadband services. Currently, Respondent provides access to broadband services to ninety-eight percent (98%) of the residents in Respondent’s service area. Therefore, no portion of Respondent’s service area, including those which overlap with Applicant’s proposed service area, are unserved.

