a) *Opportunity the proposed system seeks to address.*

Home Communications, Inc. ("Home Communications" or "HCI") seeks to expand its existing fiber-to-the-home ("FTTH") facilities to the rural areas surrounding its existing service area in Canton, Kansas. With FTTH facilities, Home Communications will be able to offer rural residents the same high-speed Internet access currently available to residents of the city of Canton at affordable rates. In addition, the FTTH facilities can be used to provide video and voice services. Currently, the rural community adjacent to the town of Canton is underserved. Home to fifty-eight agribusinesses, twenty commercial businesses, and many families with school-age children, this rural community needs access to reliable wireline terrestrial broadband. As the letters of support from the community show, local commercial farmers have been unable to access online auctions to sell livestock because of unreliable and slow wireless Internet access. Teachers have had to forego online continuing education classes, and students cannot fully access their school’s website or other resources available on the Internet because they lack access to reliable broadband outside the town limits. Moreover, the area’s public safety is affected – the local fire stations lack access to any broadband service. By funding the expansion of HCI’s FTTH facilities to this rural area, the Federal government will help stimulate local businesses, improve educational opportunities, and improve public safety’s access to broadband in keeping with the goals of the Recovery Act.

b) *A general description of the proposed funded service area.*

The proposed funded service area covers 92.6 square miles surrounding Canton, Kansas. The proposed funded service area has a population of 610 people according to the last decennial census.

c) *Number of households and businesses passed.*

The proposed funded service area includes 233 occupied households according to the 2000 Census. By HCI’s own physical survey, there are currently 245 homes within the proposed funded service area. But to ensure conservative estimates throughout this application, HCI has used the 233 household figure from the 2000 Census in all estimates that require household numbers. In addition, there are 20 small businesses and 58 agribusinesses in the proposed funded service area. Because the 58 agribusinesses are also households, HCI’s subscriber estimates group agribusinesses with household subscribers in this application.

d) *Number of community anchor institutions, public safety entities, and critical community organizations passed and/or involved with the project.*

The proposed funded service area passes a total of two public safety agencies and five community anchor institutions. As shown in the letters of community support appended to this application, these institutions support Home Communications’ proposed project. These institutions include two fire stations, two religious institutions, and one non-profit organization, the Maxwell Wildlife and Parks Refuge and the Home of the McPherson
County Fairgrounds. In addition to Sunday services, the Immanuel Lutheran Church hosts various community events throughout the week. The Friends of Maxell non-profit organization provides tours of the local wildlife refuge and educational events for students, scouts, and the general public.

e) Proposed services and applications for the proposed funded service area and end users.

HCI proposes to provide data, video and voice services over FTTH facilities. A la carte services and pricing will be available in addition to bundled offerings.

f) Approach to addressing non-discrimination and interconnection obligations.

HCI will comply fully with the non-discrimination and interconnection obligations in the Notice of Funding Availability (“NOFA”), 74 Fed. Reg. 33104 (Jul. 9, 2009). HCI will continue to use its webpage to display its non-discrimination and interconnection obligations in a prominent location, and HCI will continue to notify all customers of any changes to these policies. Additionally, HCI will commit to binding private arbitration of disputes concerning its interconnection obligations.

g) Type of broadband system that will be deployed (network type and technology standard).

HCI proposes to implement a fiber-to-the-home (FTTH), or fiber-to-the-premises (FTTP), system throughout the proposed funded service area. The FTTP equipment proposed is standards based GPON operating under the International Telecommunication Union (ITU) and Full Service Access Networks (FSAN) G.984 standard. The proposed equipment is listed on the RUS “Materials Acceptable for Use on Telecommunications Systems of RUS Borrower’s – IP 344-2” updated July 30, 2009.

h) Qualifications of the applicant that demonstrate the ability to implement and operate a broadband infrastructure, and/or be a broadband services provider.

HCI currently provides an FTTH broadband service to customers in the city of Canton, Kansas. Each member of Home Communications’ management team has over ten years of experience in the field. The management team has successfully implemented and operated FTTH facilities in Kansas. In addition, HCI has hired RVW, Inc., a team of very experienced telecommunications engineers, that will oversee the implementation engineering of the proposed FTTH network.

i) Overall infrastructure cost of the broadband system.

The total infrastructure cost is

j) Overall expected subscriber projections for the project.
HCI expects 100 subscribers out of the 233 homes passed. In addition, HCI projects 100 commercial business customers and 100 community institutions will subscribe to its service.

k) Number of jobs estimated to be created or saved as a result of this project.

Funding HCI’s project will create 1-2 jobs for plant technicians and construction workers. Additionally, funding HCI’s project will protect 1-2 jobs within the company. Moreover, funding this project will require 1 to 3 employees from RVW, Inc., the engineering firm that HCI has hired to handle the implementation engineering of the proposed FTTH facilities. RVW will hire at least 1 new employee and 2 additional employees’ jobs will be protected by this project. This project is also well-positioned to stimulate the overall economy in the proposed funded service area as the many small businesses and agribusinesses in the area will benefit greatly from access to broadband. Provisioning broadband in the proposed service area will allow these businesses to compete more effectively, with the result that they can expand and hire more employees and retain existing employees.