

Broadband USA Applications Database

Applicant Name: Sky Runner, Inc.

Project Title: Skyrunner Rutherford County, NC Phase 1

Project Type: Last Mile Non-Remote

Executive Summary

Executive Summary of Skyrunner Rutherford County, NC Phase 1 Project Opportunity Addressed: The proposed service area, which is entirely rural, according to the Broadband USA mapping tool, is composed of a few small cities, which have Internet access through local cable systems (which have not completely built out throughout the cities in question) and through land line phone systems with DSL availability which is limited by the wire line distances required by the mountainous terrain and rural nature of these counties. According to representatives of Henderson and Polk Counties, recent e-NC maps and articles published by InternetforEveryone.org, Rutherford County has limited broadband availability for its residents outside of these small cities. Phase 1 of the Skyrunner system will offer broadband access to any households, businesses and public entities in the counties that have line-of-sight access to the proposed Skyrunner system of transmitters. Phase 2, planned for 2010 will use lower frequency transmitters, broadcasting in the spectrum previously utilized by analogue television, to provide similar access to households, businesses and public entities that do not have line-of-sight access. The Phase 2 build-out is planned as soon as funds and equipment are available. Service Area Description: Skyrunner proposes to serve approximately 924 square miles in Rutherford and Polk Counties in Western North Carolina that can be reached with line-of-sight fixed wireless service from three tower locations indicated on reference map 1FF8-C19C-4EA7-A84E. The entire area is classified as rural according to the Broadband USA mapping tool. Households and Businesses Passed: According to the 2000 Census, Rutherford County has a population of approximately 63,000 representing approximately 25,600 households. The proposed funded service area includes Polk County and in total has a population of 115,772 representing 33,625 households. Community Institutions Involved: The Rutherford County Information Technology Department and e-Polk, a Polk County department, are supporters of this project and have provided resources and letters of support. Proposed Services: The proposed services will offer broadband internet access to households and businesses with line-of-sight visibility to Skyrunner's antenna sites. Access to this connectivity will also allow households and businesses to utilize inexpensive Voice over IP services such as Skype and Vonage. Non-discrimination and Interconnect Obligations: The project will comply with all applicable provisions of FCC 05-151 adopted August 5, 2005. Type of Broadband System to be deployed: The system will offer fixed wireless broadband access utilizing unlicensed spectrum. Phase 1 will utilize parts of the 5-Ghz and 2-Ghz blocks with transmitters located on towers strategically located across the county. The planned Phase 2 will utilize lower frequency transmitters broadcasting in the spectrum previously utilized by analogue television when these frequencies are made available by the FCC and equipment becomes available at reasonable cost. Qualification of the Applicant: Skyrunner has been successfully and profitably operating

a fixed wireless internet access system utilizing unlicensed spectrum in Western North Carolina since 1997. This proposal will allow for the expansion of the Skyrunner system into a neighboring, economically disadvantaged county. Overall Infrastructure Cost: Overall system infrastructure costs are estimated to be approximately \$176,000. Cost estimates are based on ones that are consistent with those it currently pays in its existing fixed wireless system in other nearby counties. Overall Expected Subscriber Projections: Based on current line-of-sight frequencies, the company expects 935 customers in the service area by 12.31.2011 and approximately 1200 by 12.31.2013. Expansion of the system to include lower (non-line-of-sight) frequencies when available will allow for a doubling of subscribers. Expected Job Creation: The current expansion of the Skyrunner system will create at least five new positions.