Applicant Name: CITIZENS TELECOMMUNICATIONS COMPANY OF IDAHO
Project Title: North-South Idaho Fiber Initiative
Project Type: Comprehensive Community Infrastructure

Executive Summary

The North South Idaho Fiber Initiative seeks to resolve the most glaring need for telecommunications facilities anywhere in the State of Idaho. Both the need for this project and potential impact are obvious as there are currently no telecommunications facilities, from any service provider that connect Northern Idaho to Southern Idaho. All communications traffic, either switched or dedicated destined for one region in Idaho first has to exit the State only to reenter the State. The 'Idaho Gap', as it has come to be known, not only costs money but it compromises public safety, limits educational efforts at all levels, and precludes economic development both in the immediate impact area and across the State. Then in 2007 the Clearwater Economic Development Association (CEDA) completed a rural telecommunication study in the area. After an independent third party analysis and the input of 16 rural communities, the North South Idaho Telecommunications Gap was recognized as the single most important project to be undertaken. Pursuant to the study, CEDA developed an unfunded request for proposal (RFP) to determine both the cost and technical prospects of closing the Gap and bringing the network to reality. Frontier Communications responded to the CEDA RFP in the spring of 2008 with a fiber optics based solution and was subsequently awarded this unfunded initiative. Since then Frontier and CEDA along with the State of Idaho have been looking to identify the resources necessary to make this middle mile network link a reality. Along the way the Partnership has expanded and now includes a variety of private, public and non-profit entities that have a vested interest in seeing this project become a reality, and as such, are now considered potential anchor tenants. As one reads through the body of this application you will notice that support for this initiative cuts across all political, social and economic boundaries. The Idaho Legislature unanimously supported this project by passing a House Concurrent Resolution (HCR 21) in both houses of the Legislature. HCR 21, included with this application, details the needs and the level of support from the State of Idaho. In addition, all four of Idaho's congressional delegation has weighed in on this project by including their written recommendations and unqualified support. Additionally, the Governor of the State of Idaho has offered his unqualified support and has called for the State to do whatever it can to close the Gap. And broad based support comes from the economic development community, non-profits, city and county governments as well as, a wide variety of private concerns. Frontier has the managerial experience, operational track record and financial acumen to deliver on our business plan. A list of our experienced management team and organizational capability is detailed in the application. We are an experienced telecommunications and broadband provider with the support organization to successfully complete this project. If awarded funding for this project under the Broadband Technology Opportunities Program, the Company will: adhere to the principles contained in the FCC's Internet Policy Statement (FCC 05'151, adopted August 5, 2005) and all
the interconnection and non-discrimination requirements mandated by the Notice of Funding Availability. As noted in the application, there are 783 households and 158 businesses in the proposed service area including 31 community anchor institutions. But the effects of the fiber build reach beyond the proposed funded service area to endeavors such as the Idaho Education Network to connect schools across the state and the Idaho Regional Optical Network which connects the state's University and College system. It is projected to create or save 73 job years. In recognizing the importance of this project to public safety, economic development and education, Frontier is pleased to commit $1.34 million as their match to the grant request of $5.4M associated with making this $6.7 million 45 mile fiber optic build a reality.