Applicant Name: WESTERN INDEPENDENT NETWORKS INC

Project Title: Oregon Broadband Partnership

Project Type: Comprehensive Community Infrastructure

_______________________ Executive Summary _______________________

The Willamette Valley in western Oregon has many rural communities with educational entities, public service entities, health care facilities, and private and public business entities that do not have access to high speed broadband services. The existing infrastructure is based on TDM transport which does not allow for advanced Ethernet services and is expensive. These critical community entities have difficulty gaining access to high speed broadband service through last mile service offerings because of the lack of middle mile service availability in the region. Oregon Broadband Partnership (OBP) is proposing to expand WIN's network by constructing 125 miles of fiber optic cable, to create a 371 mile fiber network and upgrading the electronics to provide a diverse, redundant, and secure 80 Gbps network to 24 points of presence, thus being able to offer dependable and cost efficient services to communities targeted by the BTOP program. Western Independent Networks, Inc. (WIN) operates an optical network of connectivity between independent telephone companies' service areas, governmental agencies and business entities across the Willamette Valley in western Oregon. WIN created strategic alliances with Gervais Telephone Company/DataVision and Casco Communications/Peak Internet for the development of the Oregon Broadband Partnership (OBP) Project. The OBP has business exposure in the communities we propose to serve as well as the personnel to manage and operate a system of this complexity. The senior management team brings well over 100 years experience in the telecommunications and information technologies fields. They have firsthand knowledge of what it takes to build and operate a successful telecommunications firm in today's environment. The current capacity of WIN's network is OC-48 SONET, or 2.5 Gbps, and is limited to the established 12 points of presence. OBP will implement a Packet-Oriented Transport System which integrates three architectures under one umbrella, SONET, DWDM Transport, Ethernet switching and aggregation. This system will allow WIN to provide advanced Ethernet transport services. WIN will continue using the existing SONET system for traditional TDM services. Initially the system will provide 80 Gbps and be upgradable to 400 Gbps by replacing cards in the shelf. The connectivity offered will include advanced Ethernet transport to the traditional TDM services over SONET to any point on the network. WIN will be able to offer connectivity between educational entities, public service entities, medical care entities, private and public business entities as well as last mile service providers. Connectivity can be Point to Point, Point to Multi-point, Virtual Private Networks (VLAN, etc), access to Internet Point of Presence, and access to 'telco hotel' in Portland, Oregon. WIN's approach with non-discrimination and interconnection will be much the same as it is today, with a belief that the more people who connect to the network, the greater the network's value. Consequently, we provide service to anyone who wishes to connect to us at the most favorable rates we can offer. While our initial mission was to create a backhaul alternative to Qwest
Communications for our rural independent telephone company owners, over time our mission has expanded and we currently provide services to other wholesale and retail broadband service providers. OBP has 24 distinct points of connection secured and ready for deployment. The points of connection include 11 independent telephone company central offices including: St. Paul Cooperative Telephone Company, Canby Telephone Association, Gervais Telephone Company, Stayton Cooperative Telephone Company, Roome Telecommunications, Inc., Clear Creek Mutual Telephone Company, Cascade Utilities, Colton Telephone Company, Molalla Communications Company, Monitor Cooperative Telephone Company, and Pioneer Telephone Cooperative. These points of connection provide access to 28 different communities and surrounding areas within the proposed funded service area throughout the Willamette Valley and west to the coast. Those communities are Redland, Canby, Estacada, Colton, Molalla, Monitor, Gervais, St. Paul, Newberg, Sherwood, Salem, Stayton, Silverton, Scio, Lebanon, Corvallis, Philomath, Alsea, Waldport, South Beach, Yachats, Triangle Lake, Monroe, Veneta, Eugene, Junction City, Halsey, and Harrisburg. Within the proposed funded service area there are 56,703 households, 3,533 business and 339 anchor institutions, including public safety entities and critical community organizations. The overall infrastructure cost to upgrade this network is $13,584,203. OBP will directly improve education and job training in primary and secondary educational facilities and community colleges. OBP will directly connect specific health care facilities and enable the statewide health network to realize its objectives. OBP will directly address public safety and governmental coordination and collaboration. OBP provides access to last mile service providers through 24 points of connection with access to 56,703 households and 3,533 businesses within the funded service area. WIN estimated the number of jobs created following the May 2009 Council of Economic Advisor’s guidelines. WIN assumed that the direct private spending on the project will generate the same level of jobs as the direct government spending. WIN also assumed that job creation relating to in-kind match was already reflected in previous employment. Therefore, although the in-kind match is part of the total project investment of $13,583,230, the in-kind investment of $2,153,200 was not included in the computation of jobs created. WIN used the conservative estimate that $92,000 in Direct Government spending creates one job-year. Using the foregoing assumptions, WIN estimates that this project will create 124 job-years ($11,431,030 divided by $92,000 per job-year). Also, following the CEA guidelines WIN estimated that 35%, or 45 job-years are induced effect. That leaves 79 jobs created by direct and indirect effects. While every project is different, labor as a percentage of the total project is typically at 40%. Using this minimum as a rule of thumb and an average hourly rate of $45 per hour, the direct job-years created are estimated to be 49. This leaves a balance of 30 job-years as an indirect result. OBP is a project that will fulfill specific needs in the proposed funded service area, provide access to high speed broadband service to critical community entities, and provide access to community anchor institutions. OBP will have the network completed and service by the beginning of the third year of the grant period. The partners of OBP are ready and eager to begin this project so that our community will have access to the best transport network available.