Executive Summary

a. Opportunity the proposed system seeks to address: EchoStar Broadband III, LLC (EchoStar Broadband) is seeking funding to acquire six dedicated Ka-band spot beam pairs on SES Americom's in-orbit AMC-15 and -16 satellites (which operate at 105° W.L. and 85° W.L. respectively) and utilize that capacity to provide low-cost broadband services at speeds up to 22.5 mbps or greater (combined uplink and downlink) to community anchor institutions, public safety entities, and critical community organizations (Community Anchors) that are located in census block groups within Arkansas, Kentucky, Mississippi, Tennessee, Texas and Virginia (the Targeted States) that are unserved or underserved (the Targeted Areas). Many terrestrial technologies, such as fiber, are well suited to provide a high-bandwidth service to Community Anchors where the population density makes service economical. However, even after ARRA funding is exhausted, there inevitably will remain sparsely-populated areas of the Targeted States where the construction of a high-speed broadband terrestrial network is not practical. Satellite technology can be a Comprehensive Community Infrastructure solution that provides high-speed broadband access in these 'digital voids.' As the FCC recognized in its recent National Broadband Plan, '[s]atellite has the advantage of being both ubiquitous and having a geographically independent cost structure, making it particularly well suited to serve high-cost, low-density areas.' (National Broadband Plan at 137). Thus, just as the FCC recommends satellite broadband as an alternative in the most costly areas of the country (id. at 150), high-speed satellite technology should be seen as a Comprehensive Community Infrastructure solution for Community Anchors in high-cost, low-density areas like the Targeted Areas. The Need: This project is named 'Ubiquitous Broadband Access Collaborative (UBAC)' to emphasize its goal of providing an affordable Comprehensive Community Infrastructure solution to the more than 1,500 Community Anchors identified as being within census block groups in the Targeted States that are unserved or underserved. Many Community Anchors in the Targeted Areas have expressed a need for a satellite-based Comprehensive Community Infrastructure network to serve their communities that have little or no access through terrestrial networks. As can be observed from the letters supporting the UBAC project from State librarians and educational technology offices, community colleges, libraries and public safety organizations, this lack of sufficient access greatly hampers their effectiveness. This is equally true with regards to the public safety organizations in these 'digital voids' that would greatly benefit from a satellite-based Comprehensive Community Infrastructure solution. UBAC will work with terrestrial service providers in the Targeted Areas, such as FiberNet in Virginia and LightYear Network Solutions in Kentucky, to provide truly 'ubiquitous' broadband access for the anchor institutions, public safety entities, and critical community organizations in isolated areas that they cannot viably serve with terrestrial technologies. Proposed Service: By devoting the six spot beam pairs...
necessary to cover the Targeted Areas exclusively to this project, EchoStar Broadband will provide far greater capacity to individual Community Anchors than current residential satellite broadband offerings. The requested funding will allow EchoStar Broadband to equip, install and train end users at 1,557 Community Anchors at no cost, and EchoStar Broadband is proposes to serve these institutions for $350 per month (22.5 Mbps combined) or $500 per month (45 Mbps combined) for the project period. EchoStar Broadband will extend this monthly service pricing to Community Anchors in the Targeted Areas beyond the 1,557 entitled to free equipment, subject to the capacity limits of the spot beams. b. A general description of the proposed funded service areas (location, number of communities, etc.): A Comprehensive Community Infrastructure solution will be provided to Community Anchors in the Targeted Areas that will not otherwise be served by facilities funded under the ARRA. The Targeted Areas consist of contiguous census block groups, each of which individually is unserved or underserved. c. Number of households and businesses passed: The six spot beam pairs that will be devoted exclusively to the UBAC project will pass 641,024 households and 95,402 businesses in the Targeted Areas. d. Number of community anchor institutions, public safety entities, and critical community organizations passed and/or involved with project (e.g., health care, education, libraries, etc.): EchoStar Broadband has identified 1,557 Community Anchors in the Targeted Areas. However, UBAC will serve any Community Anchor in the Targeted Areas that will not otherwise be served under ARRA, subject to capacity constraints of the spot beams and the limited availability of free equipment. e. Proposed services and applications for the proposed funded service areas and users: UBAC will provide a Comprehensive Community Infrastructure solution to Community Anchors. Subject to availability and the negotiation of appropriate contractual provisions, capacity may also be provided on a wholesale, resale or other basis to last mile providers for residential or business offerings in the Targeted Areas that will not be otherwise served under ARRA. UBAC will provide the following service options to the Community Anchors it serves: o Value Package: Up of 15 Mbps Down and 7.50 Mbps Up - $350/month o Select Package: Up of 30 Mbps Down and 15 Mbps Up - $500/month f. Approach to addressing the non-discrimination and interconnection obligations: If selected, EchoStar Broadband will adhere to the principles contained in the FCC's Internet Policy Statement or any subsequent ruling or statement; not favor any lawful Internet applications and content over others; display any network management policies in a prominent location on its web page and provide notice to customers of changes to these policies; connect to the public Internet directly or indirectly, such that the project is not an entirely private closed network; and offer interconnection, where technically feasible without exceeding current or reasonably anticipated capacity limitations, at reasonable rates and terms to be negotiated with requesting parties. g. Type of broadband system that will be deployed (network type and technology standard): UBAC will provide service employing six spot beam pairs on the existing Ka-band payloads on the SES Americom AMC-15 and -16 satellites. The satellites will connect end users to gateways to be constructed with BTOP financial assistance and ultimately to the Internet. The waveforms and signaling-based protocols will be based on the Digital Video Broadcasting (DVB-S2), WiMAX, and various other Internet interface standards and protocols. h. Qualifications of the Applicant that demonstrate the ability to implement and operate a broadband infrastructure, and/or be a sustainable broadband service provider: EchoStar Broadband will draw upon the resources and experience of its parent, EchoStar Corporation and its affiliates in implementing the UBAC project and providing satellite-based broadband service offering. i. Overall infrastructure cost of the broadband system: The projected eligible
infrastructure cost of the project is approximately 89.72 million, broken down as follows: $54.45 million for the capital lease of broadband satellite capacity; $34.05 million for building the gateways; and $1.22 million to fully subsidize the provision of customer premises equipment, installation, and training at 1,557 Community Anchor customers. j. Overall expected subscriber projections for the project: The proposed broadband service will serve 1,500+ Community Anchors. Although the actual number of non-Community Anchor subscribers will depend on the extent to which Community Anchors join the UBAC project (since EchoStar Broadband will manage the number of non-Community Anchor customers to assure that Community Anchors realize the bandwidths discussed above), it is estimated that the UBAC project will be able to serve an additional 35,440 residential subscribers via the wholesale, resale or other arrangements discussed above without compromising the bandwidth commitment EchoStar Broadband would make to its Community Anchor customers. k. Number of jobs estimated to be created or saved as a result of this project: UBAC estimates that approximately 785 jobs will be created or saved as a result of its project in each of the first three years alone (meaning 785 full-time equivalents ('FTEs') per year).