LA Smartnet is a middle mile project designed to provide a comprehensive community solution to the Digital Divide which plagues many of the neediest citizens of Los Angeles and Compton, California. The project will build a 113 mile fiber network interconnecting 31 locations, including 14 public housing projects operated by the Housing Authority of the City of Los Angeles (HACLA), two community colleges serving economically disadvantaged populations, libraries, Senior Centers and government offices. The project will provide the 40,000 residents of HACLA facilities with high speed internet access and computers at virtually no expense to the residents. It will enable them to utilize the Worldwide Web and to participate for the first time in distance learning and the many other benefits of broadband internet access. The project will also make life safer by enabling HACLA to connect over 125 security cameras to the Los Angeles Police Department for surveillance monitoring. LA Smartnet will facilitate higher education in the community by providing very high speed interconnectivity for the colleges and a WiFi cloud on each campus for their students. The project is a public-private partnership which includes Telscape Fiber Corporation (a wholly owned subsidiary of Telscape Communications, Inc), the Housing Authority of the City of Los Angeles, the City of Compton, Compton College and El Camino College. The project has been endorsed by the Los Angeles Police Department. General description of the proposed funded service areas (location, number of areas). The proposed funded service area contains 31 nodes on a middle mile network. Each of these nodes is a service area. Sixteen of the nodes are located at HACLA locations, eleven are at telco central offices, one is a fiber hotel, two are at Community Colleges, one is at the City of Compton. The funded service area consists of 224 census tracts. These tracts are among the most economically disenfranchised in the state as only 15 of these have a median income above 80% of the LA MSA. The project area has an unemployment rate of 14.2%, a poverty rate of 34%, and a median income of 53% of the MSA. Number of households and businesses passed. According to the 2000 decennial census, the proposed funded service area has 273,000 households and 11,546 businesses. In addition, the network will pass 953 community-anchor institutions. Applicant is partnering with the Housing Authority of Los Angeles, Compton Community College District, El Camino Community College District, the City of Compton and the Los Angeles Police Department to involve the primary community anchor institutions, public safety, and key economic development agencies. Applicant has a memorandum of understanding (MOU) with HACLA to provide free Internet access to all 6,850 units at HACLA. HACLA will provide each unit with a computer. Applicant will build fiber to each HACLA campus to serve this requirement. The applicant has also involved the Los Angeles Police Department to expand upon a previous $6.8 million ARRA grant installing surveillance cameras in the HACLA sites. By linking these cameras to the improved broadband capacity, public safety and security will be dramatically
improved. Applicant has MOU's with El Camino College and Compton Community College to link the two colleges via direct fiber connection. Proposed services and applications for the proposed funded service areas and users. Applicant will sell excess fiber capacity to last mile providers in form of DWDM wavelengths. The applicant is also proposing an innovative PPP model in which the residents of the HACLA's 6,850 units will receive free 6 mbps per month upgradeable to 100 mbps per month. Computers will be provided by HACLA. Applicant will secure middle mile capacity and has commitments from Community Anchor Institutions (CAIs) at Compton and HACLA. Applicant will also link network to new WiFi installation at Compton College. Applicant's Approach to addressing the non discrimination and interconnection obligations will be consistent with the NOFA non-discrimination and network interconnection obligations. Applicant will adhere to the principles contained in the FCC Internet Policy Statement (FCC 05-151); Applicant will not favor any lawful Internet application and content over others. Applicant will display all network management policies in a prominent location on its web page and will provide notice to customers of changes to these policies. Applicant will connect to the public Internet directly using its existing Internet connectivity. Applicant will allow interconnection to requesting parties, both the ability to connect to the Internet and physical interconnection. The type of system that will be deployed is a 113 mile fiber ring that will augment the existing 101 mile TCI fiber ring. The fiber installed with be 244 strands of Corning single mode fiber to initially deliver a 6 meg service with capability to expand this to 100 meg. The core locations in the network will be driven using DWDM (Dense Wave Division Multiplexing) capable of initially delivering 40 gig with expansion to 100 gig and beyond. All CAIs (Community Anchor Institutions) locations will be connected via ADTRANs TA5000 platform. All fiber and transport electronic equipment infrastructures will be fully upgradeable to continue to support the needs of residential, business and carrier customers as the demand for larger quantities of bandwidth at higher speeds continues in the future. Additionally, TFC plans to work with Compton Community College to deploy a BelAir100S Strand-Mounted Wireless Node; this WiFi device can leverage the existing infrastructure and expand the internet access for students, faculty, administrators and visitors to the College Campus. Qualifications of the Applicant that demonstrate the ability to implement and operate a broadband infrastructure and/or be a sustainable broadband services provider. The Applicant's affiliate, Telscape Communication Inc.(TCI), will also contribute its extensive experience and resources to the venture. TCI currently operates a 68,000 subscriber broadband services company and its executives collectively bring nearly 100 years of industry experience. In addition, Applicant is partnering with industry leaders HCI-Inc., Cisco, ADTRAN, Spectrum Communications and Gateway Science & Engineering to design and build a fiber network that will have overlapping rings to provide additional diversity and protection. The combination of the TCI resources along with the vendors will ensure that the network is delivered on time and within budget. TCI operates a 24 x 7 x 365 NOC (Network Operation Center) that manages over 100 miles of route fiber today that will be connected to the new fiber network and fully utilize the extensive network management and customer service operations in place at TCI. TCI will provide its highly integrated Operational Support Systems (OSS) and Business Support Systems (BSS) that consist of industry leading tools from Comverse Technology (Customer Operations, Billing, Collection, and Revenue Management); Oracle (Automated Switch and Network Provisioning); Openet (Mediation and Fraud); and in-house components that provide end-to-end operational and business support to all network and customer data elements. This will allow us to deliver superior service that will exceed customer expectations. In
addition, TCI executives bring a wealth of experience in serving underserved populations. TCI executives have created some of the largest Hispanic telecommunications companies in the country and can bring this experience to bear in helping to address the underserved nature of the service area. According to the State of California Emerging Technology Fund report dated June 2008, Latinos have the lowest rate of broadband adoption in the State at 35% versus 55% of the overall population. Among the programs that the Applicant can provide are: in-language technical support, a local service center with in-language instruction, and in-language billing. Overall infrastructure cost of the system. The project offers a cost-effective public-private solution to the challenge of a severely underserved area by creating a middle mile solution to the underserved population in urban Los Angeles. The overall cost of systems is $33,619,477. Overall expected subscriber projections for the project The applicant estimates that most of its customers will come from four categories: Wholesale data- 36 circuits, HACLA private network, TCI private network, and TCI last mile sales to 1,364 customers at HACLA Number of jobs estimated to be created or saved. Using the Council of Economic Advisor’s (‘CEA’) guide to job creation estimates, we have estimated that 365 total jobs-years are created by the project. Applicant estimates 131 induced jobs-years and 234 direct and indirect jobs-years created.