

REDACTED – FOR PUBLIC INSPECTION

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
High-Cost Universal Service Support)	WC Docket No. 05-337

DECLARATION OF STEVEN W. FREEMAN
IN SUPPORT OF
FAIRPOINT COMMUNICATIONS, INC.
PETITION FOR WAIVER OF SECTIONS 54.312(b)(2) AND (3) OF THE COMMISSION’S
RULES AND CONDITIONAL ELECTION OF INCREMENTAL CAF SUPPORT

1. My name is Steven W. Freeman. I am currently Director of Network Engineering for FairPoint Communications, Inc. (“FairPoint”) My responsibilities include all central office and outside plant engineering for Maine, New Hampshire, and Vermont (“Northern New England”). In addition, I am responsible for the implementation of broadband related projects throughout Northern New England.

2. My team of engineers working with Network Planning conducted an evaluation of the National Broadband Map to identify locations within the state of Maine that are currently unserved by broadband, matching those locations up against FairPoint’s network in order to determine locations where FairPoint could expand broadband service according to the Commission’s requirements for 4 Mbps downstream /1 Mbps upstream speed. Using the list of unserved broadband locations within FairPoint’s service area, my team analyzed the network costs to bring broadband service at the Commission-designated speeds to these unserved locations, looking for the lowest cost locations.

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3. Prior to this evaluation and analysis, FairPoint had determined based on a previous similar evaluation and analysis that it could only expand broadband to six locations in Maine for \$775 per unserved location [REDACTED]

Accordingly, when FairPoint filed its Notice of Acceptance on July 23, 2012, electing \$2,025,075 in Connect America Fund (“CAF”) Phase I incremental support, only a fraction of a percent of that election was designated to be spent in Maine. Specifically, FairPoint allocated \$4,650 of CAF Phase I support to build broadband to six unserved locations in Maine. FairPoint had determined at that time there were no other locations within Maine where it could build broadband to unserved locations at Commission-designated speeds for \$775 per location. [REDACTED]

4. In preparing to file a waiver petition seeking to conditionally elect the remainder of the Connect America Fund Phase I incremental support allocated to FairPoint, specifically \$2,831,783, my team of engineers analyzed the costs of bringing broadband service at Commission-designated speeds to additional unserved locations in Maine and identified the locations with the lowest network implementation costs. The lowest implementation cost for

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expanding to additional unserved locations in Maine was [REDACTED]

5. Using a combination of available capital, specifically [REDACTED], and the remaining unelected CAF

Phase I incremental support, FairPoint determined that it could expand broadband to 697 locations in Maine at the Commission's designated broadband speeds.

6. FairPoint evaluated business factors such as expected take rates for broadband service and the need to offer broadband service at affordable, competitive rates in determining whether it made economic sense to use FairPoint's available capital combined with its remaining CAF Phase I allocated support to bring broadband to these 697 locations. Based on this evaluation, FairPoint is seeking a waiver of the Commission's \$775 per unserved location requirement and requesting that the Commission find that FairPoint may use its unelected portion of the CAF Phase I incremental support based on \$4,062 in support per unserved location.

I declare that the foregoing is true to the best of my knowledge, information, and belief.



Steven W. Freeman

September 10, 2012