



www.osage.net

## ELECTRIC, GAS, COMMUNICATIONS

720 Chestnut Street, P.O. Box 207, Osage, IA 50461  
Phone: (641) 832-3731, Fax (641) 732-5498

September 11, 2013

Filed via ECFS

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

Dear Ms. Dortch:

Pursuant to 47 C.F.R. §§ 1.4 and 1.405, Osage Municipal Communications Utility, a rural competitive local exchange company hereinafter referred to as Osage, files this statement supporting in part and opposing in part the Fiber-to-the-Home Council Americas' Petition for Rulemaking to Establish a Gigabit Communities Race-to-the-Top Program.

Osage is established in Iowa as a rural municipal communications utility and boasts an average service penetration level of more than 75%. It offers a very competitive triple play to its citizens and survives on its exceptional customer service. Customers receive same day service for new offerings or repair. Since inception, this municipally owned utility has surpassed the incumbent, CenturyLink, and all other competitors. In 1999, the citizens of Osage passed their referendum to bring voice, video and Internet services to their rural community. They chose to overbuild their town with a cable coax system and a fiber ring supporting the transport of services. This infrastructure can yet provide digital video, voice and high speed Internet of more than 130 mbps to customers' homes and businesses. The local rural areas outside of Osage are served by the municipal utilities' broadband wireless system. Technology and terrain limit these broadband wireless connections to much less than the higher speeds available to customers within town. The municipal utility also has requests from small communities within its LATA to expand its broadband services. Osage is an ETC operating under very tight budget constraints and without Federal Universal Service Support. Its infrastructure requires updating in the near future in order to support ultra-high-speed gigabit service. Given its exceptional track record in serving businesses, hospitals, schools, government and citizens in rural Iowa, Osage should be considered for future funding for gigabit services to support rural municipal communities in Iowa.

Conceptually, Osage supports the proposal of the Fiber-to-the-Home Council ("the Council") and the diversion of the Connect America Fund monies, which have been rejected by price cap carriers refusing to build broadband-capable infrastructure in rural, high-cost area, to carriers willing to provide broadband service in these areas. However, Osage believes that the smaller, more rural towns where fiber facilities are lacking should not be overlooked in this process in favor of ultra-high-speed gigabit service in a few select communities. Rather, in the event this Petition results in a rulemaking, the Commission should consider funding more projects of a smaller scope with smaller rural towns given priority.

Furthermore, Osage opposes the Council's proposal that entities that are not Eligible Telecommunications Carriers ("ETCs") should be considered for funding. Section 254 is patently clear that a carrier must have ETC designation to receive universal service funding, and with the funds for the Catalyst Fund coming from redirected CAF funding, it would be impermissible for the Commission to give any reclaimed CAF

funds to non-ETCs. Without ETC designation of the carriers receiving any funding, the Commission would not have any way to perform meaningful oversight of the CAF funding.

For the reasons asserted herein, Osage Municipal Broadband Communications Utility supports in part and opposes in part the petition of the Fiber-to-the-Home Council Americas.

Respectfully submitted,



Dennis M Fannin  
General Manager

---

cc: Heather B. Gold, President, Fiber-to-the-Home Council Americas  
Thomas Cohen, Counsel to the Fiber-to-the-Home Council Americas

I, Ken Jahncke, certify that on, September 11, 2013, I served the foregoing statement by placing true and correct copies in the United States mail enclosed in sealed envelopes with postage fully prepaid, addressed as follows:

Heather B. Gold  
President  
Fiber-to-the-Home Council Americas  
6841 Elm Street #843  
McLean, VA 22101

Thomas W. Cohen  
Counsel to the Fiber-to-the-Home Council Americas  
Kelley Drye & Warren  
3050 K Street NW, Suite 400  
Washington, D.C. 20007

  
Signature

Ken Jahncke  
Type or Print Name