

**DATE:** March 4, 2014  
**FROM:** L. Chester (Chet) Aubin  
**TO:** Federal Communications Commission (FCC) Staff  
**SUBJECT:** Expression of Interest – Rural Trials  
Docket No. 10-90

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### **Background**

Johnson County Rural Electric Membership Corporation (REMC) is a member-owned electric utility cooperative supplying electricity to over 24,000 residential and commercial consumers in Johnson County, Indiana, and portions of contiguous counties, Morgan, Shelby and Brown. Our main focus continues to be to build ahead of growth and be prepared to satisfy the demands that future consumer density and load will bring. It is also our goal to be responsive to the repeated requests from our members for adequate, reliable and affordable broadband service.

Coincident with this strategic goal, Johnson County REMC in late 2011, completed the installation of 115 miles of fiber optic cable connecting all of our 13 existing substations and our entire distribution infrastructure. In partnership with NineStar Connect, a 120-year old telecommunications cooperative, we have begun and are ready to continue the next step of offering fiber to the premise to include voice, video, data, security, and IT support.

In consideration of funding support for Johnson County REMC, it is important to note that our telecommunications partner, NineStar Connect, already holds the required eligible telecommunications carrier (“ETC”) designation.

### **Geographic Territory**

Johnson County REMC is proposing to serve our entire service territory with fiber to the home. This includes census tracts 5106, 6101, 6102.01, 6102.02, 6103, 6104.01, 6104.03, 6104.04, 6105, 6106.03, 6106.04, 6106.05, 6106.06, 6107.01, 6107.02, 6108.02, 6109, 6110, 6111, and “Eligible High Cost” census tracts 6108.01, 6112, 6113 and 6114 (see *Addendum 1*). This will provide fiber to the home to 59,000 households covering 398 square miles. A large portion of our service area is underserved due to weak signals and antiquated dial-up only. Census tracts 6108, 6112, 6113 and 6114 have a disproportionate number of households below the U.S. poverty threshold, and it is these tracts we are focusing our one-time CAF investment request upon.

**List of Anchor Institutions**

Schools: (see *Addendum 2*)

Libraries: Johnson County Public Library, Trafalgar and Clark Pleasant Branches;  
City of Greenwood, IN Public Library

Health Care Centers/Hospitals: Johnson Memorial Hospital; Valle Vista Hospital;  
Trafalgar Family Health Center; Stones Crossing Health Pavilion

Government Centers: Camp Atterbury U.S. Joint Maneuver Training Center; City of Greenwood, IN offices to include: Government Center, City Court, Police Department, and Fire Department Headquarters; Town of Bargersville, IN offices to include: Utility office (electric, water, sewer), Fire Department. Town of Trafalgar, IN Fire Department.

**Proposed technology**

Our fiber to the home currently offers high speed data connectivity – business class broadband from 5MB to 200MB and beyond; active QQS fiber circuits on a core 10G network using a 7-Node Cisco 10Gb fully redundant ring; transparent LAN Service (TLS) Circuits from 10MB to 1Gb; ISDN digital T-1 voice services with 23 digital B channels and one signaling/control D channel; disaster recovery; and outsourced IT services.

**State and/or Local or Tribal Government Participation in and/or Support for Project**

Through a partnership with Purdue University's Technical Assistance Program (TAP), a study was conducted to determine geographic areas for smart grid resources, a work plan was developed; and Johnson County REMC moved forward with the installation of \$2.5 million of fiber optic cable. Our fiber optic project has been recognized by the Governor's office of the State of Indiana and endorsed by The Honorable Sue Ellspermann, Lt. Governor of Indiana (see *Addendum 3*).

**Existing Providers**

There are no direct-to-home providers of broadband via fiber optic cable. There are telecommunication providers that provide up to 4G service but this is insufficient for today's needs, let alone for future applications. In addition, they are not providing anchor institutions with the needed bandwidth at affordable, competitive pricing. Johnson County REMC's 144-strand fiber infrastructure is in place and we are shovel ready.

**Project Timeline**

Our fiber backbone is in place and we are already providing fiber to the premise. To date Johnson County REMC serves 21 customers that include five (5) school districts; the city of Greenwood, Indiana; one (1) fire department; and 21 commercial and industrial customers at a total of 35 separate locations.

**Scalability**

Johnson County REMC has mapped out a 4-year plan that would begin with census tracts 6108.01, 6112, 6114 and 6113; then branch out from there with the project to be generally contained within Johnson County, Indiana.

**Total Utility Investment**

\$3,000,000, to date; \$8,000,000 additional.

**One Time Capital Infrastructure Investment Needed**

\$18,000,000 broken down by census tract as follows:

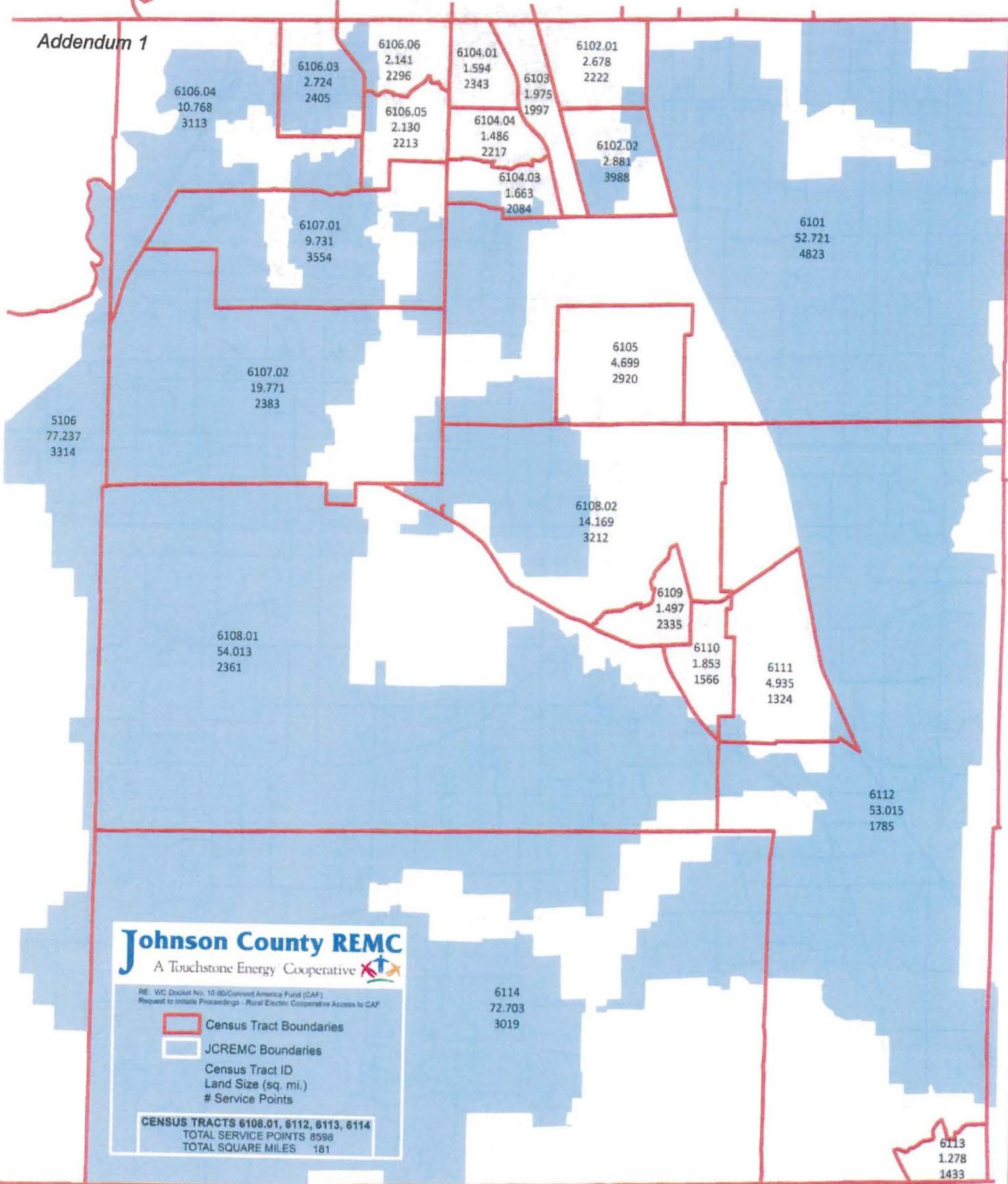
6108.01 -	\$5,000,000
6112 -	\$3,700,000
6113 -	\$3,000,000
6114 -	\$6,300,000

The \$18 million one-time request of CAF funds represents a 70% investment, with Johnson County REMC contributing 30%, or \$8 million to the \$26 million total cost for the one-time buildout to the eligible high cost census tracts. We estimate the cost per individual service drop to be approximately \$3,000.

**Total Project Cost**

The total utility plant plus the one-time CAF grant to serve the 8598 service points in the four eligible high cost census tracts is approximately \$29,000,000.

Addendum 1



*Addendum 2: Schools*

Center Grove High School  
Center Grove Middle School Central  
Center Grove Middle School North  
Center Grove Elementary  
Maple Grove Elementary  
North Grove Elementary  
Pleasant Grove Elementary  
Sugar Grove Elementary  
Whiteland Community High School  
Clark-Pleasant Academy  
Clark-Pleasant Middle School  
Clark-Pleasant Intermediate School  
Break-O-Day Elementary  
Clark Elementary  
Pleasant Crossing Elementary  
Sawmill Woods Elementary  
Whiteland Elementary  
Franklin Community High School  
Franklin Community Middle School  
Custer Baker Intermediate School  
Creekside Elementary  
Needham Elementary  
Northwood Elementary  
Union Elementary  
Webb Elementary  
Greenwood Community High School  
Greenwood Middle School  
Isom Elementary  
Northeast Elementary  
Southwest Elementary  
Westwood Elementary  
Indian Creek High School  
Indian Creek Middle School  
Indian Creek Intermediate School  
Indian Creek Elementary  
Edinburgh Community High School  
Edinburgh Middle School  
East Side Elementary



**OFFICE OF LT. GOVERNOR**  
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February 24, 2014

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
Wireline Competition Bureau  
445 12th St. SW  
Washington, DC 20554

Dear Ms. Dortch:

RE: WC Docket No. 10-90/Connect America Fund (CAF)  
Request to Initiate Proceedings – Rural Electric Cooperative Access to CAF

I want to express my support for Johnson County Rural Electric Membership Corporation and their interest in expanding broadband coverage to Hoosiers.

As Lt. Governor, I have traveled across Indiana and recognize the importance of cultivating and encouraging rural development to every corner of our state. Growing a vibrant and economically sound business and educational climate requires access. This access will only be obtained by connecting Hoosiers and allowing our best and brightest to work, live, and innovate from any community in Indiana.

I am encouraged by the initiative of Johnson County REMC and will continue to support its efforts in communities and across Indiana. Thank you for your favorable consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Sue Ellspermann", with a long horizontal flourish extending to the right.

Sue Ellspermann  
Lt. Governor