

Date: March 3, 2014

From: Randy Foor
General Manager
Mutual Telephone Company of Morning Sun
28 W. Division St.
Morning Sun, IA



To: Federal Communications Commission (FCC) Staff

Subject: Rural Broadband Experiment Expression of Interest - WC Docket No. 10-90

Background

We are the ILEC in Morning Sun, IA and our subsidiary company Louisa Communications is a CLEC in Wapello, IA. We have a mixture of ADSL2+ and VDSL2 broadband deployments in these exchanges.

We currently have DSL in the whole Morning Sun exchange, 80% of which can get 3Mbps or better downstream.

We currently cover the city limits of Wapello and a little beyond with DSL where everyone is capable of getting 20 Mbps or more downstream. We do this on our copper plant that we built in 1999.

We offer DSL at:

- \$19.95 for 256 Kbps
- \$39.95 for 3 Mbps
- \$49.95 for 6 Mbps
- \$59.95 for 12 Mbps.

We also have 8 fixed wireless tower locations positioned throughout Louisa county where we cover the rest of the county that we don't cover with DSL. We estimate that 98% of the homes in Louisa county are covered by these towers. We began building our wireless network in 2004 when a grain elevator company wanted broadband access and could not get it from their telephone company. We can currently only offer speeds of 3 Mbps to less than 5% of our 606 customers, and can only offer more than 512 Kbps to less than 50% of our wireless customers.

We offer fixed wireless service at:

- \$42.95 for 512 Kbps
- \$49.95 for 768 Kbps
- \$59.95 for 1 Mbps
- \$69.95 for 1.5 Mbps.

Interest

Mutual Telephone and our subsidiary company Louisa Communications would be interested in receiving funding from the FCC's Rural Broadband Experiments program in the following tracts. The cost involved to do these projects is too much for us to do on our own.

Tracts 19115450100, 19115450200, and 19915450300

These tracts include the rural areas of Cotter, Columbus Junction, Columbus City, Fredonia, Letts, Wapello, Oakville, Morning Sun, and Grandview Iowa. We have 8 wireless tower locations targeting homes in these tracts that can't get internet by any other means. We need to upgrade our equipment in order to provide speeds above 4 Mbps. Because this is wireless, and the boundaries are not clear cut between which tracts are served by which tower sites I am lumping these tracts together for this project. There is actually 1 tower located in tract 19115450200, 2 towers in tract 19115450300, and 5 towers in tract 19115450100. We estimate this project to require a one time cost of \$400,000.00. This would include upgrading several of our backhauls, adding 3.65 Ghz gear to each tower, and replacing customer premise equipment. After doing this upgrade we would increase everyone's speed across the board for the same dollar value.

An example of what the new packages would look like is:

- \$42.95 for 1 Mbps
- \$49.95 for 2 Mbps
- \$59.95 for 4 Mbps
- \$69.95 for 6 Mbps.

Tract 19115450300

This tract includes the rural areas of Morning Sun, Wapello, and Oakville Iowa. We need \$165,000 to extend our fiber into the rural areas of Morning Sun where we would place 3 cabinets and use our existing copper to increase the reach and speed of our DSL offerings. We would need to put in an additional 4 miles of fiber to service 2 of the cabinets and we would use existing fiber to feed the 3rd cabinet. We also would have to put in approximately 2 miles of copper to maximize the benefit of adding these cabinets. After doing so, 54 customers that currently can't get 3 Mbps would then be able to get 4 Mbps speeds or more. Ten of these 54 customers currently can't get DSL at all and we have been servicing them with fixed wireless. This project would also increase available speeds for an estimated additional 150 homes.

Tract 19139050400

This tract includes rural areas of Muscatine, Conesville, Letts, and Fruitland Iowa. Two well placed towers in this tract along with our existing towers in Louisa county could service the currently unserved and underserved homes in this tract with speeds of at least 4 Mbps via fixed wireless. The cost of putting up these towers will be \$600,000.00.

Timeline

All work is expected to be completed, tested, and serving customers within 12 months of receiving funding from the Connect America Fund.

Thanks for your consideration,

Randy Foor
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Morning Sun, IA