VIA ECFS

March 5, 2014

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Attn: Wireline Competition Bureau

RE: W.C. Docket No. 10-90
Rural Broadband Experiment Expression of Interest for Price Cap Areas
Federated Telephone Cooperative (City of Madison, Minnesota Project)

Dear Ms. Dortch:

Farmers Mutual Telephone Company hereby expresses an interest in participating in the Commission’s rural broadband experiment to provide robust, scalable high-speed broadband to underserved high-cost areas with additional Connect America funding.

Background
Farmers Mutual Telephone Company (herein referred to as FMTC) was formed as a cooperative in 1904 and currently is a rural ILEC and CLEC serving nine (9) exchanges in West Central, Minnesota. FMTC’s service area is served by a Fiber To The Premise system, which covers approximately 729 square miles, 1,040 miles of fiber and serving 1,200 subscribers.

Our proposed project will construct Fiber To The Premise throughout the City of Madison, Minnesota, which we will extend off the FTTP network we already have in place.

Partners: Our partners in this project will be Madison Public Utilities, the City of Madison and Lac qui Parle County, Minnesota. This fiber network would be owned by FMTC to provide voice and broadband services. Our partner, Madison Public Utilities, would use this fiber network as a test bed for implementing a Smart Grid technology to its electric customers, such as automated metering infrastructure (AMI), load control, and Smart Home technology. Electricity needs are no longer simple. Today’s digital and computerized equipment and technology depend on an infrastructure that allows for two-way communication between the utility and its customers. Our proposed rural broadband technology trial sets an example world-wide for deploying a future-proof technology for the next generation, partnering with electric providers to conserve energy and control costs.

Our traditional ILEC territory and CLEC territory surrounds the City of Madison. FMTC constructed Fiber To The Premise throughout the underserved portions of Lac qui Parle County in 2012 using funds awarded in the RUS BIP Project MN 1115-A40, which unfortunately, excluded the City of Madison. The City of Madison and its residents have requested FMTC’s voice and broadband service. The project would pass an estimated 873 drops to residents, businesses and anchor institutions, carrying all traditional, 911, and IP traffic to the rest of the world on a redundant fiber network.
Upon completion of this proposed project, customers who would subscribe to FMTC's services would be brought into the cooperative and have the same rights and privileges as existing members. FMTC is designated as an Eligible Telecommunications Carrier (ETC) and has certificate of authority to provide services in the Madison, Minnesota exchange area.

Geographic Territory
The territory being considered for this field trial is the City of Madison, the County Seat of Lac qui Parle County, Minnesota. The City of Madison covers 1.05 square miles with a population of 1,551. Following is the Census Tract where the City of Madison is located.

MN 27073 Lac qui Parle 27073180100

FMTC was awarded funding through BIP MN 1115-A40 and completed Fiber to the Premise throughout the underserved portions of Lac qui Parle County, which includes the two census tracts listed below that are included in the list of eligible locations:

MN 27073 Lac qui Parle 27073180200
MN 27073 Lac qui Parle 27073180300

List of Anchor Institutions
The list of anchor institutions that are included in this territory being applied for include:

**Schools**
Madison-Marietta-Nassau Elementary 316 4th Street Madison, MN 56256

**Library**
Madison Public Library 401 6th Avenue Madison, MN 56256

**Health Care**
Madison Lutheran Home 900 2nd Avenue Madison, MN 56256
Madison Hospital 820 Third Avenue Madison, MN 56256
Lac qui Parle County Clinic 900 2nd Avenue South Madison, MN 56256

**Government Centers**
City of Madison 404 6th Avenue Madison, MN 56256
Lac qui Parle County Courthouse 600 6th Street Madison, MN 56256

**Public Safety**
Madison Fire Department 404 6th Avenue Madison, MN 56256
Madison Ambulance Service 404 6th Avenue North Madison, MN 56256

Proposed Technology
FMTC proposes to deploy Fiber To The Premise, which is a future-proof technology with virtually unlimited speeds. This network will be connected to an existing 10Gig ring for voice, data and IP technology providing a redundant ring. FMTC will own the fiber network and work with our partner, Madison Public Utilities, to use the network to test and setup their Smart Grid service offerings.
FMTC’s Proposed Residential Offerings
$18.00 per month Residential Local Phone + Calling Features per Month
$75.00 per month Residential Bundle (Local Phone + Calling Features, 20 Mbps High Speed Internet, Long Distance Option)
$100.00 per month Residential Bundle (Local Phone + Calling Features, 20 Mbps High Speed Internet, Long Distance Unlimited Option)

FMTC’s Proposed Business Offerings
A loyalty discount is available to business members who subscribe to FMTC for their local, long distance and Internet services. Signed contracts (provided by FMTC) are required with term commitments. Gigabit connections will also be offered. Packages and pricing is yet to be determined based on similar offerings in our ILEC and CLEC service area.

Partner’s Proposed Offerings
Electric Smart Grid by Madison Public Utilities

State and/or Local or Tribal Government Participation in and/or Support for Project
The City of Madison and Lac qui Parle County support this project. They are both partnering with FMTC on this project and agreed to help fund this project. The Lac qui Parle County Economic Development Authority is coordinating with FMTC to develop and implement processes and procedures to engineer an efficient and effective network. We will work with the City of Madison to apply for a Permit for construction in the City Right-of-Way.

Existing Providers
The existing telecommunications provider for local voice is Frontier Communications of Minnesota, Inc, who offers Asymmetric xDSL broadband technologies with the most common advertised download speed of 1.5-3 Mbps. In order to provide residents, businesses and anchor institutions with a robust reliable future proof network that would allow virtually unlimited options for future services and to provide a solution to meet their needs both now and in the future is a fiber network infrastructure, which is not provided by the existing provider.

Project Timeline
The construction of this project is ready as soon as funding is acquired and the necessary engineering and splicing contracts are put in place. FMTC is experienced with Fiber To The Premise construction in both town and rural areas and will utilize a staff that has successfully completed 20 fiber construction projects. We are projecting the construction of this project to take one (1) year.

Scalability
A fiber network is future-proof and able to handle the technology and increasing bandwidth needs for the next generation. With the ever changing and increasing demands of electricity, a fiber infrastructure is best to implement a Smart Grid technology, which would conserve energy, improve restoration of power disturbances, control costs and improve security and public safety.
Total Utility Investment
$1,388,070

One Time Capital Infrastructure Investment Needed
$3,238,830

Total Project Cost
$4,626,900

Farmers Mutual Telephone Company appreciates the opportunity to provide this non-binding expression of interest.

Sincerely,

Kevin Beyer
General Manager