



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 (Big Stone County, Minnesota Project)

Dear Ms. Dortch:

Federated Telephone Cooperative hereby expresses an interest in participating in the Commission's rural broadband experiment to provide robust, scalable high-speed broadband to unserved/underserved high-cost areas with additional Connect America funding.

Background

Federated Telephone Cooperative (herein referred to as FTC) was formed as a cooperative in 1952 with five original exchanges. Today, FTC is a rural ILEC and CLEC serving ten (10) exchanges in West Central, Minnesota, all served by a Fiber To The Premise system. FTC's first deployment of the FTTP system commenced with one of the two initial RUS FTTH field trials in 1995. FTC has demonstrated 19 years of successful FTTP deployments, covering approximately 1,100 square miles, 1,800 miles of fiber and serving 3,900 subscribers.

If provided funding under the FCC Rural Broadband Technology Trials, our project will construct Fiber To The Premise throughout the entire Minnesota exchanges of Beardsley, Clinton and Graceville, in addition to the City of Ortonville, which we will extend off the FTTP network we already have in place.

Partners: Our partners in this project will be four (4) electric companies (Agralite Cooperative, Ortonville Municipal Utilities, Otter Tail Power Company and Traverse Electric) and Big Stone County, Minnesota. This fiber network would be owned by FTC to provide voice and broadband services. Our partners, Agralite Cooperative, Ortonville Municipal Utilities, Otter Tail Power Company and Traverse Electric, 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 borders the proposed area we are applying for. The project would pass an estimated 2,527 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 subscribe to FTC's services would be brought into the cooperative and have the same rights and privileges as existing members. FTC is designated as an Eligible Telecommunications Carrier (ETC) and has certificate of authority to provide services in the city of Ortonville and would apply for Certificate of Authority to provide services in the remaining areas.

Geographic Territory

The territory being considered for this field trial are the Minnesota exchanges of Clinton, Graceville, Beardsley, in addition to the city of Ortonville, Minnesota. Complete or partial Census Tracts included in this exchange were listed in the eligible locations and are as follows:

MN	27011	Big Stone	27011950100
MN	27011	Big Stone	27011950200
MN	27011	Big Stone	27011950300
MN	27155	Traverse	27155460100
MN	27155	Traverse	27155460200

List of Anchor Institutions

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

Schools

Knoll Elementary	200 Trojan Drive	Ortonville, MN 56278
Ortonville High School	200 Trojan Drive	Ortonville, MN 56278
Big Stone Colony Elementary	26051 Big Stone Colony Rd	Graceville, MN 56240
CGB High School	712 3rd Street	Graceville, MN 56240
CGB Elementary School	601 1st Street	Clinton, MN 56225

Library

Ortonville Public Library	412 NW 2nd Street	Ortonville, MN 56278
Graceville Public Library	415 Studdart Avenue	Graceville, MN 56240

Health Care

Ortonville Municipal Hospital	450 Eastvold Avenue	Ortonville, MN 56278
Ortonville Area Health Services	750 Eastvold Avenue	Ortonville, MN 56278
Essentia Health	115 West Second Street	Graceville, MN 56240

Government Centers

Big Stone County Courthouse	20 Second Street SE, Ste 103	Ortonville, MN 56278
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Public Safety

Ortonville Police Department	225 3rd Street NW	Ortonville, MN 56278
Ortonville Fire Department	5 1st Street NW	Ortonville, MN 56278
Big Stone County Sheriff's Office	20 2nd Street SE	Ortonville, MN 56278
Graceville Fire Department	419 4th Street	Graceville, MN 56240
Clinton Volunteer Fire Department	111 Main Street	Clinton, MN 56225
Beardsley Fire Department	116 Main Street N	Beardsley, MN 56211

Other Non-Government
Big Stone Hutterite Colony
Lismore Colony

75217 Big Stone Colony Rd
80391 County Rd 60

Graceville, MN 56240
Clinton, MN 56225

Proposed Technology

FTC 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. FTC will own the fiber network and work with our partners, Agralite Cooperative, Ortonville Municipal Utilities, Otter Tail Power Company and Traverse Electric, to use the network to test and setup their Smart Grid service offerings.

FTC's Proposed Residential Offerings

\$18.00 per month	Residential Local Phone + Calling Features per Month
\$60.00 per month	Residential Bundle (Local Phone + Calling Features, 20 Mbps High Speed Internet, Long Distance Option)

FTC's Proposed Business Offerings

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

Partners Proposed Offerings

Smart Grid by Agralite Cooperative, Ortonville Municipal Utilities, Otter Tail Power Company and Traverse Electric

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

Big Stone County, Minnesota supports this project, is our partner in this project, and agreed to help fund this project. The Ortonville Economic Development Authority's Technology Committee is coordinating with FTC to develop and implement processes and procedures to engineer an efficient and effective network. We will work with the City Officials to apply for a Permit for construction in the City Right-of-Way and contact township Boards for any permits needed for construction in the townships relating to this project.

Existing Providers

The existing telecommunications provider for local voice is CenturyLink 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. FTC is experienced with Fiber To The Premise construction in both town and rural areas and has successfully completed 20 fiber construction projects. We are projecting the construction of this project to take two (2) years.

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

\$4,699,170

One Time Capital Infrastructure Investment Needed

\$10,964,730

Total Project Cost

\$15,663,900

Federated Telephone Cooperative appreciates the opportunity to provide this non-binding expression of interest.

Sincerely,



Kevin Beyer
General Manager