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March 5, 2014

**Letter – Expression of Interest  
VIA ECFS**

Chairman Thomas Wheeler  
Commissioner Mignon Clyburn  
Commissioner Jessica Rosenworcel  
Commissioner Ajit Pai  
Commissioner Michael O’Rielly  
Jonathan Chambers  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20024

**Re: Expression of Interest – Rural Broadband Experiments  
Connect America Fund, WC Docket No. 10-90**

Dear Chairman Wheeler, Commissioners, and Mr. Chambers,

This letter is to express LISCO’s interest in receiving funding from the Rural Broadband Experiments announced at the January 30<sup>th</sup> FCC Open Meeting.

**Background**

LISCO has provided Internet service in SE Iowa since 1995, broadband since 1998, telephone service since 2000, and video since 2007. In that time we have had as many as 14,000 dial-up, broadband, and telephone customers and have the customer service, provisioning, and billing systems in place to handle similar numbers of additional broadband customers. We have worked with the two ILECs in the 12 communities in which we have POPs for the past twelve years and have the interconnection systems in place to efficiently convert customers to our network in all of the project areas. The four key managers, Finance, Engineering & Operations, Sales & Marketing, IT & Legal, have been serving in these capacities for an average of ten years. All intend to continue working at LISCO. LISCO’s primary offices are in Fairfield, Iowa which we have overbuilt an active Gigabit Ethernet fiber-to-the-home network passing more than 4,000 homes. LISCO serves hospitals, schools, libraries, universities, and other anchor institutions throughout our service area in SE Iowa.

**Locations to be Served**

LISCO plans to provide FTTH triple play service to the following areas: LISCO will pass about 280 locations in the Fairfield exchange in the unserved census blocks in TractID 19101090100, 200, and 400. We will pass about 1,800 homes in Lee County in census tracts 19111490200,

0300, 0400, 0500, 0600, 0700, and 01100. We will pass about 1,100 homes in Wapello County in census tracts 19179960100, 0200, 0600, 0700, 0800, 1000, and 1100.

**Eligible Telecommunications Carrier (ETC) Status**

LISCO is an Iowa-registered CLEC, but has never applied with the Iowa Utilities Board for ETC status as the areas in which we compete do not require USF funding. We will qualify in the specified census blocks and will submit an application for ETC status.

**List of Anchor Institutions**

LISCO does not anticipate a significant number of unserved anchor institutions in the eligible census blocks in the Connect America map which are very rural. Schools in Iowa are already connected through the ICN, a state-wide, state-funded fiber network.

**Proposed Project Technology**

LISCO proposes a last-mile broadband project, using active Ethernet FTTH technology, to bring affordable and reliable broadband access to underserved areas in Lee, Jefferson, and Wapello counties near Fairfield, Ft Madison, and Ottumwa, Iowa.

Active Ethernet, which is capable of down and upstream speeds of 1.0 Gbps will be used to reach those subscribers. Unlike DSL or wireless technologies, with Active Ethernet even the subscribers farthest away enjoy the same bandwidth and performance as the subscribers close to the electronics, meaning no limitations as distance increases.

Without knowing the addresses of the unserved homes and institutions, it is not possible at this time to know, with confidence, the cost of installing this service.

If funded, the proposed subscribers will have access to a 1 Gbps quality voice, high-speed broadband services and extensive video services that will enhance the quality of life, spur economic development in rural Iowa, and improve services delivered by critical community and public safety entities. This is a technology that we are familiar with and have installed extensively throughout SE Iowa. We look forward to extending fiber mainline throughout these three counties.

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

There are no tribal governments in the selected areas. The census blocks mapped by Connect America that we have selected are mainly unincorporated.

**Existing Providers**

These census blocks are served by the price cap carriers, Windstream and CenturyLink, that apparently have chosen not to provide qualifying broadband services to them.

**Services to be offered**

LISCO will offer voice, video and data services over the proposed FTTH network. Pricing will be competitive with services currently provided in the surrounding area and similar to what LISCO currently charges. Representative pricing is as follows:

<b>Service Type</b>	<b>Residence</b>	<b>Business</b>
<b>Voice Service</b>	\$26.00	\$26.00

*Equal Access Carrier*

**Data Services**

5 Mbps/5 Mbps	\$50.00	\$70.00
10 Mbps/10 Mbps	\$65.00	\$85.00
50 Mbps/50 Mbps	\$90.00	\$140.00
100 Mbps/100 Mbps	\$120.00	\$170.00

**Video Services**

Local Broadcast Only (18 channels)	\$21.95
LISCO Family Plan TV (180 channels)	\$65.00

Movie and Extended Sports Channels are also available

**Bundle Services:** *(Triple Play Residence only, double play packages also available)*

Voice	Local telephone with voicemail, Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, and 1500 minutes long distance	
Data	100 Mbps/100 Mbps	\$131.00
Video	LISCO Family Plan TV	

**Funding**

LISCO seeks \$17,500,000 in one time funding to complete this project. This is the present value at 10-yr treasury interest rates for the annual listed FCC price support for these census blocks.

**Project Timeline**

LISCO intends to enlist Kadrmas, Lee, and Jackson (KLJ) engineering firm to assist with the engineering design as soon as the contract is negotiated. LISCO worked with KLJ in its Fairfield, Iowa overbuild.

Thank you for considering our Expression of Interest in your decision about the amount of funding that will be allocated in the Rural Broadband Experiments. We commend the FCC in this effort to connect rural communities.

Sincerely,

David L. Magill  
VP Administration & Legal Affairs  
Local Internet Service Company (LISCO)