InterBel
Telephone Cooperative, Inc.

March 6, 2014

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Attn: Wireline Competition Bureau

RE: WC Docket No. 10-90
Rural Broadband Experiment – Expression of Interest
InterBel Telephone (CLEC)
OCN #483959

Dear Ms. Dortch:

InterBel Telephone Cooperative, CLEC Division, located in Northwest Montana, would like to formerly request participation in the FCC Rural Broadband Experiment. Described below are the details and background of our CLEC today, which has been operating in the towns of Eureka, Rexford and their outlying areas, since 1999. This is a Price Cap area; with the incumbent being Frontier Communications.

BACKGROUND

InterBel CLEC is a division of its ILEC parent company InterBel Telephone, a Cooperative formed in 1962 and located in Northwest Montana on the Canadian border. The study area of our ILEC surrounds the CLEC in its entirety (SEE Service Boundary Map attached). The size of the CLEC area is 12.3 square miles with 1,291 total establishments (residential and business). InterBel currently services 97% of the CLEC customers, accounting for 1,249 access lines.

InterBel first offered service in the CLEC area, December 1999, after constructing an over-build of the entire area. The purpose for bringing service to this area was to provide broadband and other services not being offered at the time by the incumbent. InterBel was the first to offer broadband in this Price Cap area and still today remains the only facility based provider of broadband. InterBel CLEC is not an ETC and has not used USF money to fund this competitive area. Our interest in becoming part of the Rural Broadband Experiment includes a "one-time" funding request to bring fiber to the home (FTTH) for all our CLEC customers.

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Given the higher population density of this area, an average of 17.25 establishments per mile, the cost of an FTTH upgrade is below other rural areas, yet beyond the limits of what InterBel can justify without ETC status or some outside funding. We have currently built-out fiber to anchor tenants, including 3 schools and 2 rural medical clinics. Broadband speeds available to our anchor tenants are upwards of 100 Mps (Up/Down), as they are only limited by our middle mile backbone (currently at 1 Gig). The remaining customers are served with copper and have DSL available up to 6 Mps down/1 Mps up (priced at $40/month). Currently InterBel's take-rate for DSL is 84%. We would like to offer much faster speeds to our communities in consideration of business, education and economic development benefits.

GEOGRAPHIC AREA

InterBel proposes to serve our entire CLEC study area with FTTH (SEE Service Boundary Map attached). This would encompass a number of Census Blocks, inside Census Tract #300530004, (SEE Census Block Map attached).

InterBel is located in a mountainous region of northwest Montana. Our corporate office and warehouse are in the town of Eureka, just 7 miles from the Canadian border. Being a border town, we have a number of part-time and full-time Canadian owners and a significant amount of International (Canadian) long distance calling.

TECHNOLOGY

InterBel removed its legacy switch and upgraded the Central Office to a soft-switch in 2008. Our BLC (Broadband Loop Carrier) access equipment is being upgraded from 1 Gig to 10 Gig, this year (2014). We currently serve customers with a mix of FTTH and Copper. Our ISP offers broadband only (no dial-up). Technology used is both traditional switched telephony and VoIP. We have route redundancy to our service area and the outside world.

COST & FUNDING REQUESTED

The following table is a summary of the cost estimates to upgrade FTTH. A detailed spreadsheet analysis is attached (SEE FTTH Cost Estimates).

ENTIRE CLEC STUDY AREA FTTH UPGRADE	$5.3 MILLION
AVERAGE COST PER ESTABLISHMENT	$4,139
AVERAGE ESTABLISHMENTS PER ROUTE MILE	17
AVERAGE ESTABLISHMENTS PER SQUARE MILE	105
TOTAL ESTABLISHMENTS	1291
TOTAL ACTIVE ACCESS LINES TODAY	1249

If FTTH funding were to become available, InterBel could begin construction this year, complete the majority of construction in 2015 and plan to finish the remainder in 2016. Our ability to be involved with the technology testing and IP transitions is immediate, given the network we operate today with InterBel (CLEC).

In summary, we would like to express our willingness to work with the FCC on the Rural Broadband study and the testing of new technology with VoIP services. The importance of the transition for rural areas to Ethernet and VoIP cannot be understated. Our experience with the major task of upgrading from a legacy central office switch (in 2008) went relatively smooth, given the proper planning and preparation. I would expect the same as we plan and prepare for the FCC Rural Broadband Experiment. Although small, InterBel's size provides the ability to be more flexible for testing purposes and should be viewed as a benefit. In addition, our proximity and calling activity to Canada could provide valuable testing on the International side.

Thank you for consideration of our Expression of Interest and the opportunity to receive one-time funding for our FTTH upgrade. We would welcome being part of the FCC study. If you have any questions please give me a call at 406-889-3311 or email me at rwilson@interbel.com.

Sincerely,

Randy Wilson
General Manager

Attachments: 3

- Service Area Boundary Map
- Census Block Map
- FTTH Cost Estimates