



March 6, 2014

**Via Electronic Comment Filing System**

Ms. Marlene H. Dortch  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: WC Docket No. 10-90 –Expression of Interest in Conducting Rural Broadband Experiment

Dear Ms. Dortch:

Enclosed for electronic filing via the Electronic Comment Filing System ("ECFS") in compliance with Federal Communications ("FCC") Order, FCC 14-5, is the attached non-binding Expression of Interest ("EOI") for Alliance Communications Cooperative, ("Alliance") regarding the Connect America Phase II network experiments. Alliance appreciates the opportunity to file the non-binding EOI.

If you have any questions or concerns on the attached EOI, please contact me.

Respectfully Submitted

A handwritten signature in blue ink that reads "Don Snyder". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Don Snyder  
General Manager  
[Don@Alliancecom.net](mailto:Don@Alliancecom.net)  
605-594-3411

Attachments (Non-binding EOI)

*wired differently*

## Non-Binding Expression of Interest – Phase II Rural Broadband Experiment

Alliance Communications Cooperative, (“Alliance”) respectfully submits this Expression of Interest (“EOI”) for Connect America Phase II Rural Broadband Experiments per Federal Communications Commission (“FCC”) Order, FCC 14-5. This is stage 1 of the FCC’s Phase II experiment proposals, and Alliance anxiously awaits release of the Stage 2 formal proposal requirements.

### Background

Alliance is a current provider of Internet, telephone and cable TV in portions of South Dakota, Minnesota and Iowa. It has a long proven success rate of deploying rural high-speed last mile broadband networks. Alliance has been serving its customers since the 1950’s by providing telephone service. Over the years, Alliance expanded its service offering by acquiring and merging exchanges in order to provide high quality voice and broadband services. In 2005, Alliance began an aggressive multi-million dollar plan to bring fiber optic technology to all of its customers. Management and staff remained committed to the fiber build plan, exchange by exchange, to ensure its customers would be able to receive advanced technology. By the end of March 2014, all of Alliance’s customers will be connected via fiber. As an Incumbent Local Exchange Carrier, Alliance has Eligible Telecommunication Carrier (“ETC”) status in the following areas: Alcester, Baltic, Brandon, Carthage, Crooks, Garretson, Howard, Hudson, Lyons, Oldham, Ramona, and Valley Springs in South Dakota; Hills and Steen in Minnesota; and Alvord, Inwood, Larchwood, and Lester in Iowa. Alliance has been and currently is a recipient of Universal Service Funding and has extensive experience with the requirements of filing reports and maintaining support.

Alliance is proud to provide small town personal service and prides itself in bringing its customers high quality services and looking for opportunities where it can expand its fiber reach in order to bring broadband to areas currently lacking service. Alliance is looking forward to bringing this level of service and small town commitment to more areas of Rock County, MN

### Proposed Service Area

The proposed service area covers the following census tract numbers: **27133570100, 27133570200, and 27133570300**. Alliance is considering a project that is estimated to provide broadband access to a total of approximately 1,600 locations once completed, with 843 available Eligible High Cost Locations per the FCC Public Notice. The proposed area is in Rock County, Minnesota and will reach into the towns and rural communities of Jasper, Beaver Creek, Hardwick, Kenneth, Magnolia and Kanaranzi. Alliance currently has fiber in its Minnesota exchanges (in parts of Rock County) and would be looking to expand its FTTP footprint to other locations listed above as well. This project would allow Alliance to extend its reach by building out its fiber to deliver broadband.

In reviewing the proposed service area, Alliance would be able to provide high speed, quality broadband to areas of Rock County, including areas that are currently lacking service (as defined by the FCC and National Broadband Map data). Many locations in these areas are listed below along with a list of Community Anchor Institutions (CAIs) that could be served as well.

Public Services:

- Quinten Aanenson Air Field
- Blue Mound State Park
- Rock County Rural Water
- City of Hardwick – City Hall & Fire Department
- City of Kenneth - City Hall & Fire Department
- City of Magnolia - City Hall & Fire Department
- City of Beaver Creek - City Hall & Fire Department

Health

Residential access to health care systems networks; Rock County is within 40 miles of two large health care systems (Avera & Sanford) located in Sioux Falls, South Dakota

Education

Residential access to primary and secondary educational institutions; school districts within the service area include Luverne and Hills-Beaver Creek  
Southwest Youth Services (non-profit)

The proposed area sits in the southwestern corner of the State of Minnesota bordering South Dakota. Luverne, MN, is the county seat. As of the 2010 US Census Data, 9,687 people resided within the county, with approximately 4,266 housing units. The median household income is \$45,660, with 11.9% below poverty level. Population density is approximately 20.1 persons per mile.

**Broadband Technology**

Alliance anticipates using Fiber to the Premises (FTTP) for this proposed project area in order to build a high-speed, robust, scalable broadband network. The FTTP network architecture would provide a robust, broadband networking solution that offers virtually unlimited bandwidth and the flexibility to meet the customer demand for two-way, interactive, multimedia-based services for years to come. FTTP technology will enable Alliance the ability to offer a variety of communications and entertainment services, including carrier-class telephony, high-speed Internet access, digital multimedia, video, Voice over Internet Protocol (VoIP), and interactive, two-way broadband services. Alliance has extensive experience with building and maintaining an extensive FTTP network.

**Service Offerings**

The service offerings anticipated by Alliance consists of voice service, high-speed broadband service, and video service. The following speed tiers and service offerings (along with estimated pricing) are expected to be available to all homes and businesses passed, including CAIs within the proposed project area:

Telephone	\$20.00
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Broadband (Range From)

3Mbps Down X 1.5 Mbps Up	\$34.95
100 Mbps Down X 15 Mbps Up	\$214.95
Cable/IP TV (Basic – 75 channels)	\$41.95

Other offerings include Elite Choice (51 channels), High Definition, and Premium Channels.

Alliance is planning on offering these services at or around these pricing levels and is dedicated to providing quality broadband and communications services at a reasonable price comparable to neighboring providers (utilizing the same technology offering similar services) or urban rates. However, these prices are subject to change depending on total cost of construction, actual amount of support received, video content costs, and other expenses or expense increases unforeseen at this time.

Alliance estimates the project to be completed within a period not to exceed 24 months. Due to the nature of the climate in the proposed service area, the construction would need to be scheduled around the Minnesota construction season.

**Other Government Participation**

This project is anticipated to include participation with the Rock County board. The local government is supporting Alliance with the project by providing financial support to assist with the costs to build a FTTP network in the census tracts listed above. In addition, access to rights of ways will be facilitated along with expedited permitting. The county is anxious to see Alliance extend its fiber reach into the rural communities within the county, and Alliance is excited to have the support of Rock County for this project.

**Funding**

Alliance estimates this project to have a total cost of approximately \$12,000,000. Under the Rural CAF Experiment program, Alliance would be looking at requesting government funding of \$3,500,000. The requested funding amount is anticipated to be a lump amount in support of \$3,500,000, as a one-time funding request to aid in the cost to build the FTTP network. The remainder for the financial support from this project will come from a joint equity agreement and understanding between Alliance and Rock County. Both Alliance and Rock County have had discussions about each of their anticipated levels of committed resources (financial or otherwise) and both have agreed that in order to provide scalable, robust, and reliable broadband services to Rock County residents that both entities will need to commit substantial resources on their part to complete this project. The level of support (for each of the parties) has not been fully determined at this time and will greatly depend on the level of support received from this program as well. The funding request is due to the estimated cost to build a robust fiber network in the proposed service area and with construction to take place over a reasonable 2 year timeframe. Alliance is ready to start this project as soon as funding is secured, and in anticipation for some level of support, Alliance has already taken critical engineering and project design steps to help start as soon as fiscally possible. The funding support under the Rural CAF Experiment program would help offset this cost and allow Alliance to build an efficient, state of the art FTTP network.

## **Conclusion**

Alliance appreciates the opportunity that the FCC is providing by allowing rural local exchange carriers to submit an Expression of Interest for the Rural CAF Experiment. As stated above, Alliance is considering a FTTP network build within Rock County in Minnesota. The fiber network would provide the residents, businesses and CAI's with a high-speed, robust, scalable broadband network. The network architecture Alliance is considering would provide a broadband networking solution that offers virtually unlimited bandwidth to an area that has been lacking service.

Alliance has already been in conversations with the Rock County Board. The board is committed to supporting Alliance with the FTTP build. The board acknowledges the challenges its residents have with the current lack of high quality and dependable high speed broadband. The benefits that its communities would receive by having fiber built throughout are immeasurable. Alliance already provides this type of high quality and robust broadband service to parts of Rock County, and through this project, both Rock County and Alliance would like to expand this quality and robust broadband to other locations and areas of Rock County as well. It is estimated that approximately 1,600 locations would be able to gain high speed broadband access upon the completion of the build.

Alliance is a very strong, healthy, dedicated and committed telecommunications provider. The staff is extremely knowledgeable and holds the wherewithal to complete the Rock County FTTP overbuild and to see it to full fruition while delivering advanced services to each person who lives and works within the proposed service area.