



INTERSTATE COMMUNICATIONS

105 N. WEST ST.
TRURO, IOWA 50257-0229

P.O. BOX 229
641-765-4201

March 7, 2014

Via Electronic Comment Filing System

Ms. Marlene H. Dortch
Federal Communications Commission
Office of the Secretary
445 12th 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 Interstate 35 Telephone Company, (I-35) regarding the Connect America Phase II network experiments. Interstate 35 Telephone Company 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,

Patrick McGowan
Vice President of Operations
pmcgowan@interstatecom.com
641-765-4201

Attachments (Non-binding EOI)

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

Interstate 35 Telephone Company, (I-35) 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 Interstate Communications anxiously awaits release of the Stage 2 formal proposal requirements.

Background

I-35 has a proven success rate of deploying rural high-speed last mile broadband networks. We have been in the telecommunications industry for 48 years deploying high quality voice and broadband services. As a telecommunications company, Interstate Communications has Eligible Telecommunication Carrier (“ETC”) status in the following exchanges: Truro, St. Charles, and St. Marys.

A family owned company since its inception, I-35 has strived to provide high quality service to its customers. Being a Rural Local Exchange Carrier (RLEC) has its challenges, challenges we have embraced and have overcome. From the formation of Iowa Network Services with other Iowa RLECs to the fiber to the home (FTTH) project we completed in 2012 (funded with Rural Utility Service loans) we have shown our commitment to rural Iowa. Currently we serve approximately 938 voice customers, 751 broadband customers and 341 IP video customers. We also resell Exede satellite internet service to customers outside our exchanges.

I-35 also participate in programs that assist our communities and the industry as a whole. Interstate 35 Community School District participates in the USAC Schools & Libraries program for discounted telecommunications services and we are new participants in the USDA Rural Economic Development Loans and Grants program (REDLG).

Proposed Service Area

The proposed service area covers the following census tract numbers: 19121060100, 19121060200, 19121060300, 19039960100, 19039960200, 19039960300, 19181020100, 19181020300, 19181020400, 19181020500, 19181020600, 19181020900, 19181021100, and 19181021200. The project is estimated to provide broadband access to a total of 4451 Eligible High Cost Locations once completed, with 550 locations considered as Extremely High Cost locations.

The list of census tract numbers are in Madison, Warren and Clarke counties, counties that include our RLEC exchanges where we have FTTH deployed.

Census tracts 19121060100, 19121060200, and 19121060300 include the following Community Anchor Institutions:

- Clarke Community Elementary & High School
- Clarke County Family Medicine
- Osceola Public Library
- Clarke County Treasurer
- Clark County Seat
- US Post Office – Osceola
- Clark County Dental Health
- American Leadership College
- Murray Elementary School
- US Post Office – Murray
- Southwestern Community College – Osceola Center
- Walmart Supercenter

Osceola is the county seat of Clarke County and has more jobs within the city itself than in the majority of the rest of the county. We have an industry partner that has fiber optics buried within and to the east of Osceola serving cellular towers.

Census tracts 19039960100, 19039960200, and 19039960300 include the following Community Anchor Institutions:

- Earlham Middle School
- Earlham Medical Clinic
- Badger Creek State Recreation Center
- US Post Office – Patterson
- Madison County Seat
- Madison County Health Care System
- Winterset Parks & Recreation
- West Bridge Care & Rehabilitation
- Madison County Veterinary Clinic
- Winterset Care Center North
- US Post Office – Winterset
- Madison County Hospital
- Winterset Elementary - High Schools
- Madison County Historical Society
- Madison County Sheriff
- Madison County Development Group
- US Post Office – Macksburg
- Pammel State Park
- Winterset-Madison County Airport
- US Post Office – East Peru
- Clanton Creek Recreation Area

Winterset is the county seat of Madison County and has more jobs within the city itself than in the majority of the rest of the county. Winterset is seen as having the potential for explosive growth in the next several years with the expansion to the south of West Des Moines and the construction of new grocery stores and gas stations. Our St. Charles exchange is approximately 12.7 miles away from Winterset.

Census tracts 19181020100, 19181020300, 19181020400, 19181020500, 19181020600, 19181020900, 19181021100, and 19181021200 include the following Community Anchor Institutions:

- Carlisle Community Schools
- Medicap Pharmacy
- Carlisle City Hall
- Carlisle Care Center
- Carlisle Public Library
- Hartford Upper Elementary School
- US Post Office – Hartford
- Southeast Warren Community School District
- US Post Office – Milo
- US Post Office – Lacona
- US Post Office – Liberty Center
- Lake Ahquabi State Park & Campground
- Milo Public Library
- South Central Co-Op
- Martensdale – St. Marys Community School District
- US Post Office – Martensdale
- US Post office – New Virginia
- New Virginia Public Library

Indianola is the county seat of Warren County and it and has more jobs within the city itself than in the majority of the rest of the county. Our St. Marys exchange is approximately 13.4 miles from Indianola, 9.1 miles north of New Virginia and 4.9 miles south of Martensdale.

Broadband Technology

Interstate Communications anticipates using fiber optic and fixed wireless deployments in a hybrid offering for this proposed project area in order to build a high-speed, robust, scalable broadband network. These technologies are chosen because they have become the two of the most common ways to offer

broadband in rural and urban environments. Fiber optic has the advantage as far as scalability and lifetime after investment. Fixed wireless is less expensive to deploy but does not have the throughput that some high usage customers may demand. On a case by case basis it will be decided which technology has the advantage of cost savings, geography and population density.

Service Offerings

The service offerings anticipated by Interstate Communications are voice service and high speed broadband service for all homes and businesses passed, including Community Anchor Institutions within the proposed project area. The voice service will include local and long distance offerings with voicemail, hosted PBX, and custom calling features. Broadband offerings will be tiers of speed (download speed/upload speed) 6Mbps/1Mbps, 15Mbps/3Mbps, and 50Mbps/25Mbps. I-35 estimates the project to be completed within 5 years.

Funding

I-35 is unable at this time to estimate the cost of these projects without conducting engineering studies for these designated census tracts. We would estimate that we would request continuing funding support for 5-7 years for each of the projects we will be working on.

Conclusion

Interstate Communications is excited to have the opportunity to expand our service area and serve our underserved neighbors and thanks you for accepting our Expression of Interest. Government support is vital to this venture because it is too expensive to deploy high-speed, robust scalable broadband to unserved last mile locations on our own. The hurdles removed by Government support could catapult these underserved areas into well served areas enhancing work from home capability, telemedicine, agriculture and remote education. Studies have shown that rural communities that have vibrant broadband access have greater economic growth and increased opportunities for their residents and businesses. Our own customers enjoy the benefits of broadband and we'd like to see that extended to these designated unserved or underserved areas.