



DATE: March 7, 2014

FROM: Gregory V. Berberich, CEO Matanuska Telephone Association, Inc.

TO: Federal Communications Commission

SUBJECT: Expression of Interest – Rural Trials, Docket No. 10-90

Submitting Entity

Matanuska Telephone Association (MTA) is a member-owned cooperative founded in 1953 to bring telephone service to rural, South-Central Alaska. MTA is an ILEC serving over 10,000 square miles in a high-cost area and has been designated an ETC and COLR by the Regulatory Commission of Alaska. MTA delivers some of the most advanced communications products available in the marketplace, including Local, Long Distance, Wireless, Internet, Business, Directory and Digital TV services.

Proposed service area

Portions of MTA’s service area are very remote and extremely high-cost to serve. MTA has identified those areas within our service area that are unserved by any provider of 3 Mbps downstream/768 kbps upstream and submits this Expression of Interest to upgrade these very remote locations in census tracts:

Census Tract	Community
02170000501, 02170000502	Big Lake
02020000101,02020000202,02020000203,02020000204	Chugiak/Eagle River
02170000300, 02170001300	Palmer
02170000102	Talkeetna
02122000100	Tyonek/Beluga
02170000402	Willow

In these areas there are approximately 1,500 residential customers and one school which are currently unable to access broadband above 768 kbps speeds.

Technology proposed

MTA’s preferred technology to deliver broadband is through fiber to the home, FTTH. However, FTTH requires very significant investment. Therefore, our alternative and less expensive solution is to extend fiber to the node, FTTN, where ADSL2+ or VDSL2 will provide service on existing copper. This will provide 10-100 Mbps to each customer, depending on the length of the copper loop from the node to the customer. Additional investment to shorten loops by extending fiber and adding nodes closer to the customers would allow all customers’ access to VDSL2 which could provide 50 to 100 Mbps per

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customer. Tyonek will be reached via undersea cable and the last mile will be upgraded as described above, although at a very high cost per customer. A lower cost option would be to build a high capacity microwave system that could provide enough capacity to provide a 10 Mbps offering but would limit future speed increases.

Service Offering

MTA will provide voice service as defined by ETC and COLR designations. When these projects are completed MTA will be able to provide broadband speeds of 10-100 Mbps. Customers in these newly served locations will have the same service packages and pricing available to them as all other Cooperative members.

Support and Participation

The areas MTA is proposing to serve are home to Knik Tribal Council, the Native Village of Eklutna, and the Native Village of Tyonek. During MTA's annual tribal engagement activities these Tribes have requested better broadband access for their members. MTA and the Tribes have agreed to try and identify new sources of funding for facilities upgrades in these areas and will continue to consult to try and fund broadband.

MTA has a demonstrated record of working collaboratively and successfully with the Matsu Borough School District to extend fiber and provide robust broadband to the majority of schools in MTA's service area. The areas included in this Expression of Interest include one school in Tyonek. MTA has full support of the District to purchase services when broadband facilities are available.

Existing Providers

MTA is the only terrestrial service provider in these locations. Wireless service is available in some areas but not all. Even where wireless service exists, it is not a reasonable substitute for a robust wired connection which provides much greater speeds and usage when compared to a similarly priced wireless data package.

Cost estimate

Total one-time cost to upgrade these unserved areas by extending fiber and deploying a FTTH strategy to existing nodes is \$15.5 million. Eighty-eight percent of these unserved locations can be reached with \$8.4 million in one-time investment. To upgrade the remaining 12% will require \$7.1 million, for a total of \$15.5 million.

MTA's entire service area is high cost and requires support to operate and maintain the current network. These proposed upgrades for MTA's remaining unserved areas will incur additional recurring costs over the life of the facilities, particularly since they are located in the most remote and costly locations in MTA's service area. At this time MTA has not discretely identified these recurring costs, but will provide that information as the formal process for funding broadband in rural areas unfolds.

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Project Timeline

If fully funded, these areas will be upgraded within two to three years.

MTA appreciates the opportunity to submit this Expression of Interest in the Rural Broadband Experiments and looks forward to future opportunities to expand broadband service. MTA is hopeful that the funding mechanisms developed will help provide much needed broadband service to our members.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory V. Berberich". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gregory V. Berberich
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