

Pine Telephone System, Inc.

P. O. BOX 706 104 CENTER STREET
HALFWAY, OREGON 97834
(541) 742-2201 FAX (541) 742-4321

March 04 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 20024
Washington, DC

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 Pine Telephone System Inc.’s strong interest in participating in the Rural Broadband Experiments announced at the January 30th FCC Open_Meeting.

Background

Pine Telephone System, Inc. has been in business providing telecommunications service for over 60 years in a very remote area of Northeastern Oregon, with its headquarters in a town of 500 individuals, called Halfway, Oregon. Pine Telephone and its customers are a microcosm of the remote, sparsely populated areas of our country which will benefit the most from new and emerging telecommunications technologies. Therefore, a Rural Broadband Experiment in Pine’s geographic area would provide very relevant information to decision makers as to how best to deploy the new technology available, now and on the horizon. In 2001, Pine first began the journey of modernizing its telecommunication service by providing DSL to its customers. At first, there seemed to be limited interest in DSL service. Pine’s service area is populated with individuals whose average income is well below the national average, and therefore our customers’ election to take various services from Pine always has an economic factor in the customers’ decisions.

Since that time, Pine has continued to increase its broadband services, while remaining conscious of our customers' cost considerations, and Pine now offers a much larger menu of broadband and broadband-enabled services than back in 2001. At the present time, over Pine's service area, 96% of our customers are capable of being served by broadband, and the remaining 4% will be capable by year end 2014. Pine has been active in supporting local health and educational facilities. At this time, Pine provides broadband to the Halfway Oregon Charter School (50 Mbs) which enables a real time videoconference capability to the school and long distance learning, for subjects not offered at the Halfway School. The Superintendent of the school has testified before a committee of the Oregon Legislature about the high quality of service, and consequently Pine has been contacted to establish the same type of service for schools outside Pine's service area. Pine's broadband service is available at the Halfway Library (20 Mbs), the Richland Library (6 Mbs outside Pine's service area, utilizing fixed wireless technology) and the Pine Eagle Clinic (20 Mbs). Pine has also been requested to serve the Keating Library, outside of Pine's service area, due to the fact that the Keating Library's internet is only 1.5Mbs. The solution will be a wireless design, which Pine's in-house Cisco certified engineer has become more and more proficient in as newer and more robust wireless technology has emerged. The Keating project also exemplifies the question of whether stronger broadband capability should be limited by policy to service within the ILEC's service area, or also allowed to provide quality service for others outside the ILEC's service area, using the newest wireless technologies leveraged on Pine's existing network.

Geographic Territory

Pine Telephone System, Inc. would like to expand its broadband services to serve Keating, located in Keating, Oregon with 20 Mbs of service as well as increase its system wide Broadband Speeds to accommodate future applications requiring more bandwidth.

Pine is in the process of identifying the relevant tract/blocks for the proposed project with assistance from the Oregon PUC.

Eligible Telecommunications Carrier (ETC) Status

Pine Telephone System, Inc. is an eligible ETC

List of Anchor Institutions served or with Potential to be served by Pine:

Halfway Charter School
Halfway Library
Pine Eagle Clinic
Richland Library
Keating Library
City of Halfway
Halfway Community Center
Keating Grade School

Proposed Technology

FTTH Technology is in place in Halfway along with some Wireless and VDSL services. Pine Telephone System, Inc. would like to upgrade backhaul to 1 Gigabit and increase the area of our Wi Fi footprint in our local service area to provide for our customers' new and updated wireless devices.

Pine Telephone System, Inc. also serves Richland, outside our service area, with wireless service of up to 10 Mbs.

Project Timeline

Pine Telephone System, Inc. would be in a position to implement the service improvements in 2014.

Scalability

Pine Telephone System, Inc. would like to have the capability to continue upgrading broadband speeds and services and enable wireless cable TV, VOIP service and increase our Wi Fi footprint.

Total Business Investment

Requesting \$350,000 dollars

Investment Needed

This is a onetime funding

Leveraging Funds

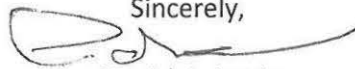
Pine Telephone System, Inc. will attempt to leverage funds by applying to the State of Oregon for additional support of the project.

Total Project Cost

\$350,000 dollars

Thank you for considering Pine's Expression of Interest in participating in the Rural Broadband Experiments. We commend the FCC in this effort to strengthen connections to rural communities and identify the best technological solutions. We hope we can play some part in helping the FCC close the digital divide.

Sincerely,



Patrick L. Lattin
General Manager
Pine Telephone System, Inc.