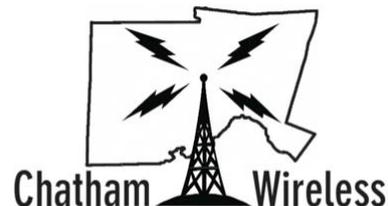


03/07/2014

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



Re: Connect America Fund, WC Docket No. 10-90: Next-Generation Network
Experiments in Rural America, Order Released January 31, 2014;
Expression of Interest Letter

Dear Commissioners:

Chatham Wireless LLC hereby expresses interest in providing Gigabit, fiber-to-the-home and wireless broadband services to rural high cost and extremely high cost areas in Chatham County by utilizing the FCC Next-Generation Network Experiments in Rural America program, and responds to the Commission's questions as follows:

• Identity and nature of the submitting entities:

Chatham Wireless LLC is a locally owned and operated Internet Service Provider in Chatham County NC. We have been providing fiber and wireless broadband services since 1997. Our mission is to bring better bandwidth to Chatham county using fiber to the home (FTTH) and wireless in remote areas.

• Identification of the proposed service area for the experiment, including census block number, with any relevant information regarding the number of locations that could be served, including schools, libraries, and other anchor institutions:

As made obvious by the FCC's illustrated maps for rural high cost unserved rural areas, Chatham County has a palpable need for modern levels of broadband (see Figure one). We offer to service the high cost unserved and under-served census blocks in tracts 37037020800 (Town of Pittsboro) and 37037020401 (Town of Siler City) with fiber to the home (FTTH) up to Gigabit speed. Our goal is to build out fiber to the home for 80% of locations in Pittsboro and at least 50% of locations in Siler City. Due to existing partnerships with both towns, we expect to have relatively easy access to right of ways to complete this project. We have been using three towers owned by Town of Pittsboro for wireless broadband since 2003 and expect to have a similar agreement completed with Town of Siler City in the next couple of months. Obtaining grant funding will allow us to deliver fast Gigabit connections to most of the homes in these small rural towns. It will also allow us to deliver fast wireless services at the edges of the fiber coverage area.

We offer to service the high cost unserved and under-served census blocks in tracts 37037020200, 37037020300, 37037020500, 37037020600, and 37037020702 using radio towers connected with fiber or wireless. We expect to use 8 existing county towers through a partnership with Chatham County and to build an additional 25 towers to cover areas without good existing tower infrastructure. We expect to be able to offer 10 down 2.5 up service to at least 50% of our wireless coverage area.

• **The broadband technology or technologies to be deployed:**

We will be using Corning fiber optic cable to deliver FTTH in Siler City and Pittsboro. We will be building a point-to-point based network with Gigabit speed. On the edges of the network, we plan to have fiber runs to some of our towers to increase the amount of customers who can access our remote wireless services. We will use new fiber connections to 10 towers close to the Pittsboro and Siler City networks and 24ghz or 5ghz wireless back-haul to connect 15 towers in remote areas.

These towers will be using a mixture of licensed and unlicensed equipment to provide last mile service. We mainly use equipment from the US based Ubiquiti networks(UBNT). We have deployed equipment in 900mhz, 2.4ghz, 3.65ghz, and 5ghz. We expect to eventually add 24ghz equipment and white space gear once available.

We expect to be able to cover more than 80% of these census tracts with some type of wireless service. Our wireless services start at 4 Mbit down, 1 Mbit up and are available up to 20 Mbit down, 5 Mbit up depending on location.

• **Contemplated service offerings (e.g., description of voice service, broadband speed tiers, nature of video service, if any) and pricing of such offerings:**

Chatham Wireless broadband tiers and pricing as of 3/7/2014:

\$45 - 4 Mbit down, 1 Mbit up
\$60 - 6 Mbit down, 1.5 Mbit up
\$80 - 8 Mbit down, 2 Mbit up
\$100 - 10 Mbit down, 2.5 Mbit up
\$180 - 20 Mbit down, 5 Mbit up

Once we have Gigabit service available for FTTH we expect pricing to be around \$150/month for Gigabit service with tiered services down to 10Mbit for around \$35/month. The pricing on these tiered packages will be finalized during the grant application.

We do not offer our own branded voice service, but do actively resell phone services from Vonage, 8x8, and others. These services tend to work very well on our network so we focus on supporting them rather than rolling our own service for VOIP.

We do not offer video services at this time.

- **If known, expected State and/or local or Tribal governmental participation in and/or support for the project (e.g., expedited permitting, access to rights of way, matching funds, etc.):**

We currently have a partnership with both the Town of Pittsboro and Chatham County to use space on existing municipal towers for wireless broadband delivery. We expect this support to continue and expand from six towers in use today to fourteen. We also expect to complete a similar agreement with Siler City for three more towers with-in the next couple of months.

Our business plan includes expanding these agreements to include right of way access for FTTH projects in Pittsboro and Siler City proposed in this expression of interest.

- **Whether the proposal is expected to require one-time or continuing estimate of the amount of funding requested :**

We expect this project to initially cost as follows:

FTTH access for 80% of Pittsboro - \$3 million*

FTTH access for 50% of Siler City - \$1 million*

Fiber back-haul for 10 towers in surrounding areas - \$1.6 million*

retrofitting 11 existing towers with new wireless gear - \$15k/tower - \$165k

adding additional 25 towers in under-served areas - \$25k/tower - \$625k

*Fiber numbers are approximate and will be fully vetted before grant application

We are asking for the following in recurring costs over the first three years:

5 new staffing positions in sales and installation/support - \$40k each - \$200k/year

3 new fiber lines for bandwidth to support this project - \$4k/month each - \$144k/year

Figure 1:

FCC - Connect America Fund Phase II – CAM v4.0 Illustrative Map with Funding Threshold \$52

