

MAR 10 2014



FCC Mail Room

Post Office Box 1 • Charleston, Maine 04422

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

March 7, 2014

Re: **Expression of Interest – Rural Broadband Trials**
WC Docket No. 10-90

Dear Ms. Dortch and Commission Staff:

Cornerstone Communications, LLC, by this letter wishes to express our interest in participating in the Commission's rural broadband experiments to be conducted under this Docket, which proposes to make use of Connect America funding to accomplish the goal of providing state-of-the-art broadband to unserved high-cost areas.

Cornerstone is a facilities-based Competitive Local Exchange Carrier serving customers in the Maine Highlands area of central Maine. Our operations currently comprise both DSL service and, more recently, fiber-to-the-premise (FTTP) service in selected areas. Much of our network expansion has been funded in part by state grants from Maine's ConnectME Authority. Although Cornerstone is not currently designated as an Eligible Telecommunications Carrier, if we are successful in pursuing this grant we will immediately apply for ETC designation before both your Commission and the Maine Public Utilities Commission.

Background:

The goal is to construct fiber optic cable to support FTTP services in the proposed Maine Highlands service area (see below). Middle-mile facilities will be leased from Maine's existing statewide ARRA-funded Three-Ring Binder cable project, where available, or constructed by us where necessary, to bring Internet bandwidth to the service area.

Geographic Territory:

Cornerstone proposes to bring FTTP Internet service to 15 towns and townships in the Maine Highlands region under this project. The following Census Tracts designated as "eligible" by the Commission will be included within the scope of the project:

State	County	Tract ID	Eligible High-Cost Locations	Extremely High-Cost Locations	Annual Support
ME	23019	23019015000	9	0	\$ 22,948
ME	23019	23019015500	35	3	\$ 87,091
ME	23019	23019020500	32	1	\$ 85,189
ME	23019	23019031200	9	0	\$ 49,501
ME	23021	23021960600	136	8	\$157,702
ME	23021	23021960700	151	4	\$ 83,665
ME	23021	23021960800	432	41	\$238,620

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List of Anchor Institutions:

- School Administrative District 4: One high school, one elementary school, and one administrative office.
- School Administrative District 41: One high school, two elementary schools, and one administrative office.
- School Administrative District 46: One high school, one elementary school, and one administrative office.
- Regional School Unit 64: One high school, one middle school, three elementary schools, and one administrative office.
- Regional School Unit 68: One middle school, one elementary school, and one administrative office.
- Foxcroft Academy: A private high school serving all RSU 68 high-schoolers.
- Highview Christian Academy, Charleston: Combined elementary and high school.
- Faith School of Theology, Charleston.
- Penquis Higher Education Center, Dover-Foxcroft.
- Tri-County Technical Center, Dexter.
- Public Libraries: Bradford, Charleston, Corinth, Dexter, Dover-Foxcroft, Garland, Guilford, Milo, Sangerville, and Sebec.
- Municipal Offices: In 15 of the towns within the project area.
- Hospital: Mayo Regional Hospital, 25-bed critical access hospital in Dover-Foxcroft.
- Health Clinics: Corinth, Dexter, Dover-Foxcroft, Guilford, Milo, and Sangerville.
- Piscataquis County Government: Superior, District, and Probate Courts, Registries of Deeds and Probate, District Attorney offices, Sheriff offices, Prison.
- Charleston Correctional Facility and Youth Development Center: State prison facilities.

Government Participation:

Cornerstone intends to seek the participation of county and municipal government in the funding and other support of this project, should this application be granted. We will also seek support from Maine's ConnectME Authority, the state's agency for promotion and partial funding of broadband projects in rural areas.

Proposed Technology:

Cornerstone is proposing to construct Fiber-To-The-Premise (FTTP) cable facilities throughout the Maine Highlands coverage area of this project, to reach businesses and residences who are currently "on the grid" by attaching to existing utility poles. Our network will comprise a mix of Active Ethernet and GPON technologies as service conditions may require. We intend to provide a range of standard, affordable plans in the 10 Mbps to 50 Mbps range; higher speeds up to 100 Mbps or more will be provided upon demand and by contract.

Estimated Cost:

While we have not yet conducted detailed engineering, our preliminary look at the project's requirements suggests that the estimated project cost will be in the range of **\$18,000,000 to \$23,000,000**. We will provide much more refined numbers at the time of a more formal proposal later in the process.

Project Timeline:

Cornerstone believes that this project could be completed within 30 months of the initial availability of funding. However, significant project timeline influences will include the responsiveness of the pole-owning utilities' make-ready work, availability of fiber-optic cable and of electronics, and the difficulty of construction in Maine during winter months.

Scalability:

Cornerstone's project will be designed to provide a fiber at the curb for each household passed by our construction. A simple addition of fiber electronics (Active Ethernet or GPON service cards) will accommodate customers as the acceptance of the project's services grows past the initial 25% to 40% "take rate" in the early years. And the ability to deliver more and faster services over fiber-optics continues to expand. Thus, the project is fully scalable, both with respect to growth in numbers of customers, and with respect to broadband speeds and the variety of services.

Thank you for your consideration of Cornerstone's expression of interest in the Commission's Rural Broadband experimental trials. We look forward to working with the Commission staff to develop a more complete and precise Proposal in the near future. In the meanwhile, feel free to contact me by e-mail at <andy.hinkley@ccmaine.net> or by phone on (207) 659-9900 if you have any questions.

Respectfully yours,



Andrew H. Hinkley, President
Cornerstone Communications, LLC