



STATE OF MAINE
CONNECTME AUTHORITY
138 STATEHOUSE STATION
AUGUSTA, MAINE
04333-0138

JEAN WILSON
CHAIR

MITCHEL W. DAVIS
RICHARD B. THOMPSON
SHARON REISHUS
AUTHORITY MEMBERS

December 21, 2009

On behalf of the ConnectME Authority I am pleased to announce the **fourth grant round** of our broadband infrastructure funding program. We are looking for creative solutions for expanding affordable broadband service to the unserved areas of Maine. For this round, we are again requesting smaller, focused proposals, with a suggested grant limit for each project of \$100,000, funding no more than 50% of the total project, while recognizing that we can be flexible for exceptional proposals.

Legislation creating the ConnectME Authority provides for funding from a 0.25% surcharge on in-state communications services. Due to the limited funding, we are asking that interested applicants submit brief, pre-application letters describing a project or projects by **January 29, 2010**. We will share the pre-application letters with existing or incumbent broadband service providers for review, for two purposes. First, to ensure that the area proposed to be served by your project is, indeed, an unserved area with no broadband expansion projects planned by other providers in the near term. Second, to encourage collaboration between providers or other grant applicants that might enable a partnership to provide broadband service more widely or to avoid overlap. For that reason, do not include confidential or proprietary information in your pre-application letter.

We also require that prospective applicants indicate in their pre-application letter that they have communicated with nearby incumbent or existing broadband service providers for current and future plans for expansion in the proposed project area. The intent of this contact is to minimize overlap and challenges, and to prevent ConnectME Authority funds from being used in areas where private investment is or will deliver broadband service.

We recommend that applicants find partners among the various providers of broadband services or community-based organizations to use the grants as seed money to get operational infrastructure installed. The amount of local public and private funding will be considered when reviewing the full applications. Applicants should be aware of federal funds that may also be available from the USDA Rural Utilities Service (<http://www.usda.gov/rus/telecom/arra-broadband.htm>) and the National Telecommunications and Information Administration (<http://www.ntia.doc.gov/broadbandgrants/>).

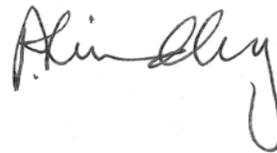
Please review the ConnectME Rule and Statute, which can be found online at <http://www.maine.gov/connectme/>. Pay particular attention to Section 6(D) of the rule which describes the application and evaluation process. Please be aware that the Authority has stated its primary funding activities will be targeted at areas where residents do not currently

have access to terrestrial broadband service, as defined in our rule. Ideally, each project should be capable of providing broadband service to all residents of the target area.

Governor Baldacci and the Maine State Legislature recognize the importance of making broadband services available throughout our entire State. Future economic opportunities depend on our ability to have these services affordable and available to all residents of Maine. While many providers have made great strides in most parts of the State, we must seek ways to encourage deployment in all of our unserved areas.

Included is a questionnaire derived from the rule to guide your response. Again, please be aware that the pre-application letter and some of the information in the full application may be made available to existing broadband service providers, as required by law. Please contact Phillip Lindley, Executive Director (207) 624-9970, phil.lindley@maine.gov for further information or questions.

Sincerely,

A handwritten signature in cursive script that reads "Phil Lindley". The signature is written in black ink and is positioned above the printed name and title.

Phil Lindley
Executive Director

Items applicants should briefly address in the pre-application letter:

1. A description of the area proposed to be served by the project with a strong indication that it is an unserved area;
2. A description of the communications with nearby incumbent or existing broadband service providers for current and future plans for expansion in the proposed project area;
3. A description of the proposed project, including: the type of service to be provided, indicating the technology used; the estimated upstream and downstream speeds of the service to be provided; and an estimate of the time required to complete the proposed project;
4. The total amount of funding requested from the Authority;
5. The applicant's financial capability and commitment to the project in addition to the funding requested from the Authority and other funding sources;
6. The percentage of households in the unserved area that will have access to the new service and the estimated number of customers who will benefit from the project who are currently unserved;
7. Public-private partnerships that have been established and an indication of community support for the proposed project; and
8. A description of the applicant's experience relevant to the proposed project.

Note: Recent legislative changes to the ConnectME Authority statute, 35-A M.R.S.A. §9204 (2)(C) state that in awarding grants, the Authority shall give priority to those proposals that, relative to other proposals, extend access to broadband service to a higher percentage of an unserved area within a municipality or other appropriate geographic area.

Please limit the pre-application letter to three pages in length. The pre-application letters should be received no later than **January 29, 2010**. Full application packages may be available by February 15, 2010. Completed detailed applications are due March 15, 2010.

Submit pre-application letters to:

ConnectME Authority
Phillip Lindley, Executive Director
Statehouse Station 138
Augusta, ME 04333-0138