

ConnectME Authority
Grant Review Team Recommendations
Summary of Fifth Round Grant Applications
Review Date: November 2, 2010

Below are summaries and recommendations from the Review Team regarding applications submitted for the fifth grant round.¹ Of the 18 applications submitted, 16 scored more than 50 points, the floor for funding as stated in our rule. The team recommends all 16 for funding for a total grant amount of \$1,523,669, and total project amount of \$2,320,867, with one condition for the Town of Orrington application. See also the companion spreadsheet for details.

There were no preliminary challenges to the pre-application letters and not all that submitted pre-application letters submitted complete applications.

The scoring criteria are specified in the ConnectME rule. The four categories are Cost-Benefit for 35 points; Community Support for 10 points; Project Scope for 35 points; and Project Value for 20; for a total of 100 points. Scores below 50 cannot be funded. The two areas that caused the most team concern and point deductions was applicant's financial commitment – less than 50% match resulted in lower project scope score; and high funding requested per customer eligible to be served resulted in lower cost-benefit scores.

Applications recommended for grant awards:

1. Aroostook County – Sinclair, \$171,500, 84 points.
The County of Aroostook, on behalf of the Unorganized Territory of Sinclair is seeking ConnectME Grant funding to provide high speed broadband internet service to the un-served rural Township of Sinclair. Working with Time Warner Cable, the primary service provider in the region, the project seeks to install high speed broadband infrastructure into the major village area of the community. Once completed, it is anticipated that over 75% of the total un-served area of Sinclair will have access to broadband internet service (247 households and 7 businesses). By introducing broadband service to this target area in Sinclair, a variety of functions will be greatly affected such as; educational opportunities for residents of all ages, marketing and purchasing options for a variety of local businesses, better access to service providers in emergency situations, cable television, digital telephone, and finally, the ability to research and benefit from all the opportunities that high speed internet has to offer. The application contained numerous support letters and petitions with over 130 names.

2. Town of Baldwin – East Baldwin, \$21,847, 88 points.
The Town of Baldwin and the Baldwin Broadband Expansion committee representing them seek to acquire enough grant money to bring broadband service to approximately 95% of the un-served households in the East Baldwin

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section of town partnering with Time Warner Cable. This project targets areas in East Baldwin that are un-served with the chance of a provider offering services to this area extremely remote due to their low density and lack of economic viability. This low population density has hindered the growth of broadband service leaving approximately 20% of the estimated 626 households in the area without broadband services. The awarding of this grant along with the West Baldwin grant will allow the Town of Baldwin to boast an approximate 95% broadband coverage area. The Town of Baldwin also received a grant in the fourth round to serve a separate unserved area of the town.

3. Town of Baldwin – West Baldwin, \$90,441, 73 points.

The Town of Baldwin and the Baldwin Broadband Expansion committee representing them seek to acquire enough grant money to bring broadband service to approximately 90% of the un-served households in the West Baldwin section of town. This project targets areas in West Baldwin extending from Route 113 and Douglas Hill Road that are currently serviced by Time Warner Cable. These areas are un-served with the chance of a provider offering services to these areas extremely remote due to their low density and lack of economic viability. This low population density has hindered the growth of broadband service. The awarding of this grant along with the East Baldwin grant will allow the Town of Baldwin to boast an approximate 95% broadband coverage area.

4. Cornerstone Communications – Charleston, \$146,374, 82 points.

The Bradford Road Broadband Project addresses a difficult-to-serve “pocket problem” of the sort that the ConnectME Authority will be asked to address more frequently in future grant rounds and will provide broadband internet access services to all the residences and businesses within a significant remaining unserved area of the town of Charleston. Broadband service is available to almost all the rest of the town through one or another of the existing service providers – FairPoint, Cornerstone, or Premium Choice. Cornerstone will install fiber optic and copper cable along certain unserved roads in the town of Charleston, in Penobscot County. The project will serve all the households on those roads, which are presently un-servable, either by FairPoint DSL service from their Corinth central office, by Cornerstone’s DSL service that covers most of the remainder of the roads of Charleston from remote terminals in Charleston Village and West Charleston, or (with the exception of a few houses situated on high land) by the wireless service offerings of Cornerstone or of Premium Choice Broadband from their radios on Charleston Hill.

5. Town of Hiram – North, \$166,892, 61 points.

The 18-member Hiram Broadband Expansion Committee, which has members from both north and south Hiram, determined the need for high speed internet access through a survey conducted at the March, 2010, Hiram election and town meeting, and through door to door interviews in the unserved areas. One hundred and fifty-two residents responded to the survey or were interviewed.

Seventy-nine residents from both north and south Hiram noted their dependence on dial-up services, cell phone based services, and satellite and expressed their need for high speed internet service. The unserved "Notch Road" area addressed by this proposal extends from where Time Warner service stops on the Brownfield Road (Rt. 160) about 1.4 miles south of Notch Road up through Notch Road and the related Branch Roads. An estimated about 7.6 miles of road and 82 houses are unserved in this area. The Town of Hiram and the Hiram Broadband Expansion Committee, an 18-member committee of town residents, has collaborated on this application. Applicant received the enthusiastic support of the Sacopee Valley Health Center, MSAD 55, the South Hiram Fire Department, and the Hiram Library. The provider is Time Warner Cable.

6. Town of Hiram – South, \$65,946, 69 points.

The town of Hiram is physically separated into north and south sections by a mountain range (the Hiram hills). South Hiram currently receives high speed internet service from both Time Warner Cable and Fairpoint Communications, with some overlap between the two providers. Three areas of South Hiram, with a total of 72 households, remain unserved by either provider. These areas include part of Triptown Road with 52 households; part of Durgintown Road with 6 households, and part of the River Road with 20 households. This grant request seeks funding only for the more densely populated 52 household unserved area of Triptown Road, which would cover 67% of the unserved households in South Hiram.

7. Island Telephone Co. (TDS) – Isle au Haut, \$51,312, 60 points.

Island Telephone Company/TDS Telecom serves the islands of Isle au Haut, Frenchboro, Matinicus and Swans Island off the coast of Maine. TDS has provided broadband service to most of the residents on these islands and currently have projects underway to serve all but the last sixteen homes near Head Harbor on Isle au Haut. Given the high cost to serve these last few homes, TDS is currently unable to cost justify serving these customers with broadband. The Isle Au Haut Community Development Corporation (a 501c3 nonprofit entity) approached TDS requesting that broadband be extended to these homes.

The project will require the replacement of the existing cabinet, new broadband equipment and an increase in the backhaul facilities that serve this location. The resulting network will allow TDS to serve each of these sixteen homes with broadband speeds at or above 5 mbps resulting in 100% broadband coverage of these Islands. The residents of the Islands have numerous challenges given the isolation of living on these remote islands; broadband will connect these citizens with significant educational and economic opportunities. Broadband access will also assist in retaining and attracting new residents and businesses to the islands.

8. North Country Broadband – Abbot, \$191,384, 88 points.

Premium Choice and Cornerstone present this proposal as a partnership for the Abbot Broadband Project in collaboration with the Town of Abbot. 100% of the households in the Abbot Broadband Project's service area will have access to North Country Broadband's new fiber-based services. By actual count, 215 business and residential structures will be within the scope of the project, including at least 14 small-business or town-government structures. The project will place fiber optic cable passing the homes and businesses within the service area, with fiber drops, optical network terminals, and battery backup installed at customer premises. Backhaul links to Cornerstone's and Premium Choice's existing networks will be provided over a combination of fiber optic and point-to-point radio links. Broadband plans with speeds of up to 10.0Mbps/2.0Mbps will be offered, with an expected standard service plan of 3.0Mbps/768Kbps, and a basic service plan of 1.5Mbps/512Kbps.

Both Premium Choice and Cornerstone have independently determined that there are impediments, both geographical and technical, to the provision of service to this portion of the town by either of the companies independently, using their present technologies.

9. North Country Broadband – Shirley, \$174,260, 88 points.

Like the Abbot project, this one will install fiber optic cable along the roads of the Town of Shirley, in Piscataquis County. The project will serve virtually all the households within the town, all of which are presently un-servable either by FairPoint's DSL service from their Greenville central office, by Cornerstone's DSL service in Monson or Blanchard, or by Premium Choice's wireless internet service from its towers in Sangerville or Greenville. The entire settled area of the town is beyond the reach of existing service providers; factors including terrain contours, foliage cover, and the physical arrangement of limit the reach of their services. 100% of the households in the Shirley Broadband Project's service area will have access to North Country Broadband's new fiber-based services. By actual count, 199 business and residential structures will be within the scope of the project, including at least 12 small-business or town-government structures.

10. Town of Orrington, \$46,854, 69 points.

Time Warner will be the service provider for this project and will serve all residences and businesses, (including non-profit organizations) of the Fields Pond Road and adjacent roads (100%) within the unserved area with broadband service. There are currently 38 households in the area and two non-profits serving the local community which are frequented by community groups, schools and researchers and an additional area consisting of rental lake side cottages (5) for travelers to the area. The applicant is a homeowner in the unserved area and the review team recommends that the Town of Orrington be the designated recipient of the grant. Town Manager, Paul White, indicated in the application that the town will ensure adequate oversight of the invoicing and funding of this

project.

11. Oxford County Tel and Tel Co. – Sumner et al, \$168,444, 100 points.
Positioned just north of the Lewiston Auburn areas this area has remained very rural in nature. This rural environment with many large properties and much distance between homes has proven to be cost prohibitive to serve with broadband technologies. This project will help to fund the construction of fiber optic backbone to these areas allowing the deployment of environmentally hardened DSLAM's (Digital Subscriber Line Access Multiplexer) to serve customers beyond the 18K foot distance from the Central Office. This project will involve over 18 miles of fiber optic cable and 13 DSLAM's to be installed and will be capable of supporting download speeds of 5 mbps and upload speeds of 1mbps. The total number of subscribers (households and businesses) to benefit from this project is 238.
12. Oxford West Telephone Co. – Bethel et al, \$174,625, 100 points.
This project is very similar to the Sumner project. The area in Bethel, West Bethel, and North Norway that will be served by this project is made up of fourteen roads that are very rural in nature. Over 23 miles of fiber optic cable and 15 DSLAM's would be installed for this project. The total number of subscribers to benefit from this project is 265.
13. Premium Choice Broadband – Long Pond, \$7,649, 90 points.
Premium Choice Broadband, in collaboration with residents in the Long Pond, proposes installing a remote wireless repeater site on a current tower located on Long Pond. The service provided would be up to 3Mbps downstream and up to 768kbps on the upstream. The desired coverage is on the southern part of the pond that due to line of sight issues cannot receive service now. This will bring Wireless High Speed Internet to 75 households in an area that is currently unserved.
14. Premium Choice Broadband – East Hancock, \$19,849, 95 points.
In collaboration with residents in East Hancock, PCB will deploy broadband internet service in rural Maine by installing a remote wireless repeater site on a current tower located on Schoodic Mountain in East Hancock, the desired coverage is Donnell Pond, Flanders Pond, Little Tunk Pond, and portions of Tunk Lake. This will bring Wireless High Speed Internet to 325 households in an area that is currently unserved.
15. Premium Choice Broadband – Ebeemee, \$13,394, 95 points.
In collaboration with residents in the Ebeemee Township, PCB will deploy broadband internet service by installing a remote wireless repeater site at the end of Fire Road 4, on the point that will cover the West Pond area with approximately 150 plus another 35 residences on the surrounding ponds. This will bring Wireless High Speed Internet to an area that is currently unserved.

16. Premium Choice Broadband – Gouldsboro, \$12,899, 95 points.

In collaboration with residents in Gouldsboro, PCB will deploy broadband internet service by installing a remote wireless repeater site on a current tower located on Schoodic Gouldsboro Point in Gouldsboro, the desired coverage area is Gouldsboro Point and a small unserved area in Steuben. This will bring Wireless High Speed Internet to an area that is currently unserved.

PCB challenged a fourth round grant in this area and has fulfilled its assertion that it would bring 74% coverage to this town. The coverage that was achieved was what was expected from the mapping done prior to the challenge. This would extend coverage to a pocket that was not expected to receive a signal at that time and was confirmed after the fact as a dead zone. 90% of the 80 homes in this area would be served by this project.

Applications not recommended for grant award:

1. ChebeagueNet – Chebeague Island, \$75,000, 44 points.

This project appears to primarily be to increase bandwidth availability to all Chebeague Island households through the introduction of DSL distribution technology. The review team scored this application low because of the small number of truly unserved households and that this appears to be an upgrade project building on an original Authority grant (first round).

2. Town of West Bath, \$195,000, 45 points.

The provider for this project was to be Lincolnville Communications who would install fiber to the home service for a small number of unserved customers (25). The review team scored the application low because of no match and a very high amount per potential customer served.