

Dear Chairman Ashe,

Thank you for sending these questions this evening, that I will use to present testimony beginning at 8.30 am tomorrow. I hope no one will be offended if I try to hurry through these, and leave time to answer questions, all between 8.30 to 9.00 a.m. I also offered to present an update to Chairman Bill Botzow's committee. However because all this was scheduled today, with some overseas guests changing itineraries to now meet in New York in the early afternoon, I must do all possible to be driving south from Montpelier by 9.40 a.m. Thank you for your understanding of this, and thanks again for invitation to meet.

Following are your questions and my answers:

Chairman Ashe: We understand that with the approximately \$117 million federal award VTel committed to, among other things, providing Tri-Band 4G LTE wireless broadband to 57,009 households, 3,775 businesses, and 714 anchor institutions, including all 33,165 unserved households and anchor institutions in Vermont.

VTel Response: VTel never committed to serving "all" unserved households and anchor institutions in Vermont. Rather, VTel applied for and received funding from RUS to deploy a wireless broadband network that consisted of 119 wireless sites intended to serve a 5,055 square mile footprint. At the time that VTel submitted its application to RUS in 2010, VTel determined that there were 61,497 homes, businesses, and institutions located in this footprint, of which 33,165 were unserved.

Among the specific questions we have are:

- **Chairman Ashe Question 1: Of these 33,165 unserved locations, how many are now served by VTel?**

VTel Response: As noted above, VTel committed to use RUS funds to deploy 119 wireless sites, but it has actually constructed

152 sites. Those sites allow VTel to provide wireless broadband service in 4,782 of the proposed 5,055 square mile footprint, or 95% of the RUS service area. VTel estimates that the number of homes, businesses, and institutions located in VTel's coverage area exceeds 70,000. VTel has not attempted to map each individual location that was identified as unserved in 2010 to determine whether the home, business, or anchor institution can receive wireless service from VTel today, in part because no addresses were provided to us. However, based on the geographic coverage of its network, VTel estimates that it can provide wireless broadband to at least 95% of these locations, and the actual percentage that could be served once the network is fully deployed is almost certainly higher.

- **Chairman Ashe Question 2: Has VTel provided the Department of Public Service with updated mapping data indicating the location of households served by the WOW project?**

VTel Response: VTel has offered to provide the DPS with its network coverage by census block, which enables careful evaluation of all streets and neighborhoods served, in RUS census blocks and statewide. This level of reporting is consistent with the information that VTel provides to the FCC on Form 477. VTel has declined to provide data by individual street address because: (1) it is impossible for any wireless carrier to determine with precision the reach of its network to an individual street address; (2) as far as VTel is aware, no other carrier – including such national carriers as Verizon, AT&T, Sprint, or T-Mobile – provide detailed coverage information to the DPS; and (3) Vermont law (30 V.S.A. § 202(e)(c)(1)) authorizes DPS to request the “voluntary disclosure” of deployment information from telecommunications service providers and permits providers such as VTel to decline to provide such information.

- **Chairman Ashe Question 3: How many towers in ARRA territory have been built? Of those, how many are**

operational? If they are not all operational, when will they all be operational?

VTel Response: VTel has built 131 wireless sites using RUS funds, of which 123 are operational today. The last few are fully built and being tested, but need sufficient backhaul in order to provide commercial service. VTel also used its own funds to construct an additional 21 sites to serve its customers, 12 of which are providing commercial service today.

- **Chairman Ashe Question 4: What is the service capacity of each tower; i.e, approximately how many households can be served by a tower?**

VTel Response: Tower capacity varies considerably depending upon a variety of factors, including: height, type of equipment, simultaneous data users, and other factors. VTel has not determined how the capacity of each tower corresponds to the number of households in the coverage area and thus is unable to answer this question.

- **Chairman Ashe Question 5: Understanding that the RUS grant was officially closed in September 2015, are there RUS-funded facilities still in construction or in the permitting process and, if so, how many? Aside from those, is VTel planning to build additional towers with RUS funds?**

VTel Response: As noted above, there are 17 wireless sites that are not yet ready for release of commercial service (8 funded by RUS and 9 built with VTel's funds), and the remaining costs to bring these sites on line to provide robust high-speed commercial service to customers will be borne by VTel, not RUS.

Michel Guite
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