# HOUSE SELECT COMMITTEE ON HIGH SPEED INTERNET ACCESS IN RURAL AND URBAN AREAS



# REPORT TO THE NORTH CAROLINA HOUSE OF REPRESENTATIVES

December 2010

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# HOUSE SELECT COMMITTEE ON HIGH SPEED INTERNET IN RURAL AREA AND URBAN AREAS



### December 14, 2010

# TO THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES:

Attached for your consideration is the report of the House Select Committee on High Speed Internet in Rural and Urban Areas established by the Speaker of the House of Representatives pursuant to G.S. 120-19.6(a1) and Rule 26(a) of the Rules of the House of Representatives of the 2009 General Assembly.

Respectfully submitted,

Representative Bill Faison

Chair

House Select Committee on High Speed Internet in Rural and Urban Areas

# PREFACE

The House Select Committee on High Speed Internet in Rural and Urban Areas was authorized by the Speaker of the House of Representatives on October 27, 2009. The charge of the committee was to study the availability of high-speed Internet access in rural areas and in low-wealth, urban areas of the State having a population of 100,000 or more according to the most recent federal decennial census. In addition, the committee was authorized to:

- (1) Consider whether rural and underserved urban areas have adequate access to high-speed Internet and offer proposals to assure access to high speed Internet in these areas.
- (2) Examine the impact of high-speed Internet access on education, small businesses, agriculture, and medical services.
- (3) Evaluate the economic impact of high-speed Internet access for individuals, cities, counties, and the State of North Carolina.
- (4) Identify technical issues associated with providing high-speed Internet access, including the availability of necessary equipment.
- (5) Identify the potential costs to Internet providers.
- (6) Examine rate considerations, including whether customers will pay the total costs or whether the costs will be spread through the rate- making process.
- (7) Explore the impact of recent legislation allowing phone companies to provide cable service and high-speed Internet access.
- (8) Study administrative actions that can result in immediate promotion of broadband access and usage within the State.
- (9) Make specific recommendations as to how North Carolina can take advantage of opportunities for and eliminate any related barriers to broadband access and adoption.
- (10) Study broadband account usage limits and tiered pricing based, in part or in whole, on data consumption, and penalties and fees for exceeding those limitations.

- (11) Study local government owned and operated communication services.
- (12) Study the use of 911 Funds by Public Safety Answering Points (PSAPS).
- (13) Study any other issue the Committee deems relevant.

The letter of authorization, which includes a listing of the full membership of the Committee, is included in Appendix A of this report.

Representative Bill Faison was appointed to chair the Committee. A committee notebook containing the committee minutes and all information presented to the committee will be placed on file in the Legislative Library.

### **COMMITTEE PROCEEDINGS**

The House Select Committee on High Speed Internet in Rural and Urban Areas held four meetings from September 2010 through December 2010. At each meeting, the Committee provided interested parties an opportunity to be heard on the issues and received additional comments from the public. Among the parties presenting testimony were broadband services providers, representatives of the e-NC Authority, municipalities that provide service to their citizens, MCNC, and various education and business organizations, public officials, concerned citizens, and citizen advocacy groups. All the parties acknowledged the critical importance of high speed internet access. Service providers view high speed internet as an important part of their future business plans, while citizens see it as a necessity for educating their children, conducting their small businesses, and participating in the culture of the information age. Universally available high speed internet deployment is essential for North Carolina's economic growth and prosperity.

# September 10, 2010 Meeting Summary

The Committee held its first meeting on September 10, 2010. The Chairman gave a brief overview of the Committee's charge to examine the availability of high speed internet in the State, and to consider the feasibility of legislation to facilitate joint efforts to ensure that North Carolina citizens have access to high speed internet. The Chair noted that the availability of high speed internet may become the new backbone of our economic and educational growth.

Angie Bailey (Assistant Director, E-NC) was recognized to present an overview of the State Broadband Data & Development (SBDD) Grant that was awarded to the e-NC Authority. Additionally, Ms. Bailey informed the committee that the e-NC Authority requested and applied for SBDD Supplemental Funding totals: \$4,587,122 (federal) and \$1,196,580 (match, including \$400,000 from Golden LEAF) which would give an extension of the current grant, Oct 2010-Oct 2014. She noted that successful implementation of the grant would require the removal of e-NC's current sunset of Dec. 31, 2011 and continued recurring operating funds for e-NC (currently \$442,035).] After Mrs. Bailey's remarks, Chairman Faison brought forth legislation to repeal the e-NC sunset. Rep. Tolson moved to adopt the legislation, and with no opposition from the Members, the legislative proposal was adopted unanimously.

Joe Freddoso (President and CEO, MCNC) was recognized next to present to the committee. Mr. Freddoso gave an overview of the federal stimulus grants that MCNC had applied for and discussed the use of the grants. Mr. Freddoso explained that MCNC was reaching out to companies with a strong North Carolina foundation. The focus of the grant is to build the middle mile infrastructure to twelve underserved counties and partially to additional counties. Mr. Freddoso discussed the advantages of this project and how it would benefit the counties and the State in efforts to expand broadband for the entire State.

After Mr. Freddoso's remarks, Chairman Faison opened a discussion concerning counties and broadband. The counties of Orange, Caswell, Nash and Chatham wanted to extend the broadband authority now provided to cities to also include counties. Due to the need for extensive communication between the providers and counties, Chairman Faison appointed a subcommittee to address this issue. Representative Kelly Alexander was named subcommittee chair, with Representatives Angela Bryant, Marilyn Avila and Earl Jones serving also.

# **October 13, 2010 Meeting Summary**

The Committee held its next meeting on October 13, 2010. The Chairman called the meeting to order and introduced staff, members and visitors. As the first order of business, Rep. Alexander was recognized to present recommendations from the subcommittee on expanding broadband authority to include counties. The following are highlights of the subcommittee members' deliberations:

- Counties should have the same authority as the municipalities which would focus on the underserved and unserved areas.
- The subcommittee found that the full Committee should recognize what has already taken place and regularize those accomplishments while maintaining open talks in order to move forward.
- Rep. Earl Jones recommended that counties be given broadband authority and also recommended looking to private sectors for key infrastructure.
- Rep. Angela Bryant recommended that counties have the same authority as cities to negotiate with private provider as well as full statutory authority to serve the county's under-served areas.

## November 23, 2010 Meeting Summary

The third meeting of the Committee was held on November 23, 2010.

Herb Crenshaw (Vice-President Government Affairs, AT&T) was recognized to present to the committee. Mr. Crenshaw's informed the committee that AT&T was not opposed to a local government providing telecommunications services to its residents if that is what the citizens desire to do. Mr. Crenshaw stated AT&T does not support legislation that would limit how municipalities may use funds available to them to provided broadband services to its citizens. However, whatever local government desires to do in this arena should be in the public interest and the rules should be fair to all - not necessarily level. Mr. Crenshaw gave a number of examples where AT&T partnered with local entities to provide broadband service.

**Todd Edwards (President, Network East)** was recognized to present to the committee. Mr. Edwards told the committee how his company represented satellite companies and provided its customers with satellite service for broadband. He discussed satellite broadband service is the last-mile option for those without the option of a wired line. In addition, he told the committee about the data upload and download speeds of broadband technology. Mr. Edwards noted that, as companies improved their technology, the upload and download speeds to the users would improve.

Jack Cozort (President, Cozort Government Relations) was recognized to present to the committee. Mr. Cozort updated the committee on the status of broadband deployments by the cities of Wilson and Salisbury.

Jane Smith Patterson (Executive Director, e-NC) and Stephanie Jane Edwards (Data Administrator/GIS Specialist, e-NC) were recognized to present to the committee. Ms. Edwards discussed the data collection process for the deployment of broadband mapping as well as the process of keeping the map updated in the coming years. Ms. Edwards demonstrated the map and how users have the ability to view broadband availability by technology type, or any combination thereof, and how users can query information on available providers, technology types, and maximum advertised upload and download speeds at any given location. Map users would also have the ability to search and zoom to an address in order to view availability at a given home, business, or other locations.

# **December 14, 2010 Meeting Summary**

The House Select Committee on High Speed Internet in Rural and Urban Areas met on December 14, 2010 to adopt its findings and recommendations and approve its final report to the Speaker and members of the House of Representatives.

# FINDINGS AND RECOMMENDATIONS

The House Select Committee on High Speed Internet in Rural and Urban Areas Committee makes the following findings and recommendations:

- The sunset provision in S.L. 2003-42, pertaining to e-NC Authority, places e-NC at a disadvantage when applying for grants or entering into long-term agreements.
- The Committee recommends legislation repealing the sunset provision currently applicable to e-NC. (See Appendix B)
- There are barriers to the deployment of broadband for counties that want to provide broadband service to the unserved and underserved areas within their boundaries.
  Privately-owned providers are generally opposed to counties providing broadband services to their citizens.
- The Committee recommends legislation that will allow counties to have the same rights as municipalities to deploy broadband [to the unserved and underserved areas within their boundaries]. (See Appendix B)
- There is progress being made in the deployment of "middle mile" service, however, "last mile" deployment to unserved and underserved areas remains insufficient. Providers are reluctant to install the required last-mile technology in some areas due to the high cost of installation and the lack of an adequate number of customers required to meet their stated revenue goals.
- Satellite technology is a viable alternative when wire-line service is not available, but that in most instances it is still cost-prohibited for many citizens.
- The mapping of broadband availability in North Carolina has improved and that updating maps can play an important role in the deployment of broadband within North Carolina.
- North Carolina has received over \$250 million to fund various projects to implement and improve broadband throughout the state. (see Appendix C)

# **APPENDIX** A



## Office of the Speaker North Carolina House of Representatives Raleigh, North Carolina 27601-1096 HOUSE SELECT COMMITTEE ON HIGH SPEED INTERNET IN RURAL AREAS

# TO THE HONORABLE MEMBERS OF THE NORTH CAROLINA HOUSE OF REPRESENTATIVES

**Section 1.** The House Select Committee on High Speed Internet in Rural Areas (hereinafter "Committee") is established by the Speaker of the House of Representatives pursuant to G.S. 120-19.6(a1) and Rule 26(a) of the Rules of the House of Representatives of the 2009 General Assembly.

**Section 2.** The Committee consists of the 11 members listed below, appointed by the Speaker of the House of Representatives. Members serve at the pleasure of the Speaker of the House of Representatives. The Speaker of the House of Representatives may dissolve the Committee at any time.

Representative Bill Faison - ChairRepresentative Angela BryantRepresentative Jim GulleyRepresentative Phillip HaireRepresentative Kelly Alexander
Representative Jim Gulley Representative Phillip Haire Representative Kelly Alexander
Representative Phillip Haire Representative Kelly Alexander
Representative Kelly Alexander
Representative Thom Tillis
Representative Joe Tolson
Representative Roger West
Representative Earl Jones
Representative Marilyn Avila
Representative Lorene Coates

**Section 3.** The Committee may study the availability of high-speed Internet access in rural areas and in low-wealth, urban areas of the State having a population of 100,000 or more according to the most recent federal decennial census. In conducting its study, the Committee may:

(1) Consider whether rural and underserved urban areas have adequate access to high-speed Internet and offer proposals to assure access to high speed Internet in these areas.

- (2) Examine the impact of high-speed Internet access on education, small businesses, agriculture, and medical services.
- (3) Evaluate the economic impact of high-speed Internet access for individuals, cities, counties, and the State of North Carolina.
- (4) Identify technical issues associated with providing high-speed Internet access, including the availability of necessary equipment.
- (5) Identify the potential costs to Internet providers.
- (6) Examine rate considerations, including whether customers will pay the total costs or whether the costs will be spread through the rate- making process.
- (7) Explore the impact of recent legislation allowing phone companies to provide cable service and high-speed Internet access.
- (8) Study administrative actions that can result in immediate promotion of broadband access and usage within the State.
- (9) Make specific recommendations as to how North Carolina can take advantage of opportunities for and eliminate any related barriers to broadband access and adoption.
- (10) Study broadband account usage limits and tiered pricing based, in part or in whole, on data consumption, and penalties and fees for exceeding those limitations.
- (11) Study local government owned and operated communication services.
- (12) Study the use of 911 Funds by Public Safety Answering Points (PSAPS).
- (13) Study any other issue the Committee deems relevant.

**Section 4.** The Committee shall meet upon the call of its Chair. A quorum of the Committee shall be a majority of its members.

**Section 5.** The Committee, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and Article 5A of Chapter 120 of the General Statutes.

**Section 6.** Members of the Committee shall receive per diem, subsistence, and travel allowance as provided in G.S. 120-3.1.

**Section 7.** The expenses of the Committee including per diem, subsistence, travel allowances for Committee members, and contracts for professional or consultant services shall be paid upon the written approval of the Speaker of the House of Representatives pursuant to G.S. 120-32.02(c) and G.S. 120-35 from funds available to the House of Representatives for its operations. Individual expenses of \$5,000 or less, including per diem, travel, and subsistence expenses of members of the Committee, and clerical expenses shall be paid upon the authorization of the Chair of the Committee. Individual expenses in excess of \$5,000 shall be paid upon the written approval of the Speaker of the House of Representatives.

**Section 8.** The Legislative Services Officer shall assign professional and clerical staff to assist the Committee in its work. The Director of Legislative Assistants of the House of Representatives shall assign clerical support staff to the Committee.

**Section 9.** The Committee may meet at various locations around the State in order to promote greater public participation in its deliberations.

**Section 10.** The Committee may submit an interim report on the results of the study, including any proposed legislation, on or before May 1, 2010, by filing a copy of the report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee shall submit a final report on the results of its study, including any proposed legislation, to the members of the House of Representatives on or before February 1, 2011, by filing the final report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee shall submit a final report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee terminates on February 1, 2011, or upon the filing of its final report, whichever occurs first.

Effective this the 27th day of October, 2009.

Ape Hackenerg

Joe Hackney Speaker

**Committee Staff** Brenda Carter, Attorney

Bill Patterson, Attorney Research Division 919-733-2578

Phyllis Pickett, Attorney Bill Drafting Division 919-733-6660

Karlynn O'Shaughnessy, Fiscal Analyst Fiscal Research Division 919-733-4910

Peter Capriglione, Legislative Analyst Information Systems Division 919-715-7840 **Clerk** Lavada Vitalis 919-715-3019

#### GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2011

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#### BILL DRAFT 2011-LR-1 [v.1] (09/03)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION) 9/3/2010 11:24:16 AM

Short Title:	Repeal e-NC Sunset.	(Public)
Sponsors:	Representative Faison.	
Referred to:		

#### A BILL TO BE ENTITLED

AN ACT TO REPEAL THE SUNSET PROVISION PERTAINING TO THE E-NC 2 3 AUTHORITY. 4 The General Assembly of North Carolina enacts: SECTION 1. Section 4 of S.L. 2003-425, as amended by Section 12.3(a) of S.L. 5 6 2006-66, reads as rewritten: 7 "SECTION 4. Sections 1 and 2 of this act become effective December 31, 2003, with the e-NC Authority hereby designated as the successor entity of the Rural Internet Access 8 Authority that will dissolve on that date, as provided by Section 5 of S.L. 2000-149. The 9 10 remainder of this act is effective when it becomes law. The e NC Authority created in this act is dissolved effective December 31, 2011. This act is repealed effective December 31, 2011. Part 11 12 2F of Article 10 of Chapter 143B of the General Statutes and G.S. 120 123(77), as enacted by this act, are repealed effective December 31, 2011." 13 SECTION 2. This act is effective when it becomes law. 14



#### GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2011

#### BILL DRAFT 2011-LR-6 [v.5] (12/01)

#### (THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION) 12/3/2010 11:29:15 AM

Short Title:	Broadband Parity for Counties & Cities.	(Public)
Sponsors:	Representatives K. Alexander and Bryant (Primary Sponsors).	
Referred to:		

#### A BILL TO BE ENTITLED

1	A BILL TO BE ENTITLED
2	AN ACT PROVIDING THAT COUNTIES HAVE THE SAME AUTHORITY AS CITIES TO
3	ENGAGE IN PUBLIC ENTERPRISES RELATED TO CABLE TELEVISION
4	SYSTEMS.
5	The General Assembly of North Carolina enacts:
6	SECTION 1. Article 15 of Chapter 153A of the General Statutes is amended by
7	adding a new section to read:
8	"§ 153A-274.1. Cable television systems.
9	(a) The term 'city' as used in Article 16 of Chapter 160A of the General Statutes shall
10	be deemed to include a county, to the end that counties may exercise the same powers as cities
11	with respect to the acquisition, construction, establishment, enlargement, improvement,
12	maintenance, ownership, operation and contracting for the operation of cable television systems
13	as authorized by G.S. 160A-311(7).
14	(b) References to a 'city' or 'municipality' in G.S. 40A-3, G.S. 40A-42, G.S. 132-1.1,
15	G.S. 160A-199, G.S. 160A-209, and G.S. 160A-319 that relate to cable television systems are
16	deemed also to refer to a county."
17	SECTION 2. This act becomes effective July 1, 2010.

\*2011-LR-6-v-5\*

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### Broadband Sub-Committee Meeting Minutes Rep. Kelly Alexander, Jr. Presiding December 1, 2010 1:00 PM Lob 421

The meeting was opened at 1:10 PM by Rep. Kelly Alexander, Jr. Rep. Alexander presented a draft piece of legislation that under item 8 would grant counties the same power as cities for internet systems, which is exactly what the committee has been discussing. He also stated to vote as a recommendation up which would go before full committee meeting to be debated on December 14<sup>th</sup>, he asked if anyone wanted to speak pro or con in reference to this. Rep. Bryant Thought the committee should want to hear pro or con in reference to this matter. Brad Phillips from Time Warner suggested that the draft not be approve, it doesn't deal with the core of the problem. Steve Brewer from Century Link also stated not to approve. Rep. Avila doesn't want to move in draft area. Dwight Allen, NC Alliance didn't approve of draft, too broad. Rep. Alexander stated if this was to be adopted it does not preclude the development of the rules or public private partnership. Rep. Bryant asked if there were any piggy back from the counties. NC Telephone cooperative stated that this is the broadest proposal he has seen. Rep. Bryant recommended that counties need to do what they should do needs to work out details. Rep. Avila made a motion for unfavorable report counties have authority for further discussion at full committee. A motion by Rep. Bryant recommended that counties have some authority as cities to provide broadband services and should be considered on an equal par with cities in any efforts to iron out issues related to local governments providing broadband services. Motion passed favor 2, meeting adjourned at 1:23 PM.

Respectfully Submitted,

Rep. Kelly Alexander, Jr Presiding Chair Marjorie H. Conner Committee Assistant

# **APPENDIX C**

# Overview

# The following information is provided by The e-NC authority and OERI and be found from the following Link - <u>http://e-nc.org/public/nc\_recovery\_projects</u>

Rural Utilities Service (RUS) Broadband Initiatives Program (BIP) and the National Telecommunications and Information Administration's (NTIA) Broadband Technology Opportunities Program (BTOP), both created under the American Recovery and Reinvestment Act, awarded more than \$7 billion to projects across the country to improve broadband infrastructure, public outreach for broadband (including broadband adoption), public safety networks and public access computer centers.

From that, 81 North Carolina counties received more than \$250 million to fund **various projects** across the state. Below is an outline of tasks associated with e-NC's federal grant (through the State Broadband Data and Development Program) followed by a complete list of North Carolina BTOP and BIP grant awardees.

### The e-NC Authority

### \$8,313,545 (Federal grant + match funds)

#### Counties: Statewide

Summary: This award of more than \$8.3 million will be used to support e-NC's continued efforts around broadband planning, mapping and capacity building. Specifically to:

- Continue accurate collection, validation and display of state-level data to North Carolina Broadband map that will also be used toward the development of a National Broadband Map.
- Partner with the NC Center for Geographic Information and Analysis (CGIA) to identify and apply best practices for updating statewide address files.
- Build capacity, particularly in underserved communities, through programmatic, outreach, research and advocacy activities.
- Hold Statewide Broadband Summits to showcase local broadband deployment pilots, broadband adoption techniques, best practices and sustainability options.
- Roll out a Technical Assistance Program to support extension of on-the-ground technical assistance and research.
- Update on-line training, information and tool-kits/applications for small and home-based businesses.
- Initiate a careful examination of best practices for measuring the impact of broadband deployment and capacity building on community and economic development.
- Improve computer ownership and Internet usage.
- Develop a comprehensive pilot program that will offer qualifying citizens in three economically distressed counties a comprehensive program of engagement, digital literacy training, technical support, subsidized equipment and broadband access.

# **BTOP Round I**

#### MCNC

#### Comprehensive Community Infrastructure (Middle Mile) \$28,225,520

<u>Counties</u>: Beaufort, Bladen, Columbus, Edgecombe, Greene, Harnett, Davie, Jackson, McDowell, Polk, Rutherford, Transylvania, Carteret, Craven, Johnston, Onslow, Pender, Robeson, Buncombe, Catawba, Cleveland, Haywood, Iredell and Lincoln

<u>Summary</u>: MCNC will build a sustainable middle-mile broadband network connecting urban central N.C. with underserved rural southeastern and western NC. The project addresses statutory goals by improving affordability and access for education, health care, community institutions and last-mile providers. Led by a proven team, the project is shovel ready and is supported by an \$11.76M cash and in-kind match.

#### Mitchell County Historic Courthouse Foundation Public Computing Project 239,194

Counties: Mitchell

<u>Summary</u>: In collaboration with Mitchell County Public Library and Mayland Community College, the Center will provide access to broadband programs and services that will address specific educational and communication needs of displaced workers, farmers, high school dropouts, residents wanting college courses, health care workers, EMS personnel, educators, government officials and small business owners.

#### One Economy Corporation Sustainable Broadband Adoption \$1,496,838

#### Counties: Wake

<u>Summary</u>: One Economy, the Broadband Opportunity Coalition and a diverse team of partners, propose to increase adoption rates among the unserved and underserved through a comprehensive and integrated program that includes digital literacy, online content, affordable connectivity and public education. The goal is to overcome barriers to adoption and maximize the opportunities inherent in the technology itself.

#### Fayetteville State University Public Computing Project \$1,012,401

Counties: Cumberland

<u>Summary</u>: The purpose of this activity is to educate vulnerable populations about broadband, provide training access and equipment and support FMHA and FSU in providing these services. Services provided will address economic growth and job creation in Fayetteville, North Carolina.

# **BTOP Round 2**

#### City of Charlotte Comprehensive Community Infrastructure (Public Safety) \$16,702,490

Counties: Mecklenburg

<u>Summary</u>: This approximately \$16.7 million award will allow public safety entities in the city to deploy an interoperable wireless public safety broadband network in the Charlotte/Mecklenburg County area. The project plans to construct 24 new wireless towers to complement six existing towers on the network, and bring over 11,000 public safety end users onto the system. As many as 890,000 people stand to benefit from this project.

#### MCNC

#### Comprehensive Community Infrastructure (Middle Mile) \$75,757,289

<u>Counties</u>: Alleghany, Anson, Ashe, Avery, Beaufort, Bertie, Brunswick, Buncombe, Cabarrus, Caldwell, Camden, Carteret, Caswell, Chatham, Chowan, Cleveland, Columbus, Craven, Cumberland, Currituck, Dare, Edgecombe, Franklin, Gaston, Gates, Graham, Granville, Halifax, Harnett, Haywood, Henderson, Hertford, Hyde, Jackson, Lee, Lincoln, Madison, Martin, McDowell, Mecklenburg, Mitchell, Moore, Nash, New Hanover, Northampton, Onslow, Pasquotank, Perquimans, Person, Pitt, Polk, Richmond, Robeson, Rockingham, Rutherford, Scotland, Stokes, Surry, Swain, Transylvania, Tyrrell, Union, Vance, Wake, Warren, Washington, Watauga, Wilson, and Yancey

<u>Summary</u>: MCNC's round two program is entitled the Golden LEAF Rural Broadband Initiative (GLRBI). The GLRBI bridges the prosperity gap by delivering broadband infrastructure to rural NC. It addresses the gap by building both middle mile infrastructure and direct connections to Community Anchor Institutions (CAIs) in the rural northeast, north central, northwest and south central portions of NC. In these 69 counties there are 5.9M residents, and 67 of the 69 counties fully qualify as underserved per the NTIA definition or have smaller underserved pockets within them. There are a total of 4,066 CAIs, including 1,718 K12 schools, 61 community college main/satellite campuses and 33 baccalaureate degree granting 4 year colleges and universities. In addition there are 254 public libraries, and 1,887 municipal, county and state public safety facilities. A comprehensive set of economic, education and public health statistics are included in the upload section. The GLRBI application included over 120 support letters from elected officials, education leaders, members of the governor's cabinet and counties along the build.

#### Olive Hill Community Economic Dev. Corp. Public Computing Project \$448,742

#### Counties: Burke

<u>Summary</u>: This project will provide comprehensive broadband access, academic classes, and training for job-skills development, educational attainment, and business creation to underserved and vulnerable populations in eastern Burke County, an area experiencing high unemployment (over 14 percent), low educational attainment (32.4 percent of adults have not graduated from high school), and poor social service infrastructure. The program funds a public-private partnership to redevelop the former Waldensian Mills textile plant in downtown Valdese, North Carolina. **WinstonNet** 

#### Public Computing Project \$926,537

#### Counties: Forsyth

<u>Summary</u>: This approximately \$926,000 award, with \$696,000 in matching contributions, will allow WinstonNet to improve broadband access for communities with the greatest need in Forsyth County, NC. The project plans to upgrade public computers workstations and provide new equipment for 38 public computer centers.

#### NC Central School of Law Public Access Computer Center \$2,000,000

Counties: Statewide (N.C. Historical Black Colleges)

<u>Summary</u>: North Carolina Central University's School of Law will receive a nearly \$2 million grant to upgrade broadband service while expanding access to its legal education programs. The project will use videoconferencing to bring low-income residents greater access to legal services and extend classes to four partner Historically Black Colleges and Universities and 22 legal assistance sites. The project also plans to hold legal writing seminars for undergraduates to better prepare them for law school and increase minority representation in the legal profession, as well as to provide legal classes geared towards middle and high school students.

# **BIP Round 1**

#### Skyline Membership Corporation Last Mile Project

# **\$28,985,294** (70% grant, 30% loan) – NC/Tennessee project w approx 93% in NC Counties: Alleghany, Ashe

<u>Summary</u>: Skyline Telephone Membership Corporation; High Country Fiber: \$8,695,588 loan and \$20,289,706 grant. This funding will substantially expand the provision of advanced fiber-to-the-home services via a fiber optic network with combined speeds exceeding 20 mbps to households, local businesses and anchor institutions in Alleghany and Ashe counties in rural, northwestern North Carolina.

### French Broad Electric Membership Corp. Last Mile Project

## \$1,775,692 (65% grant, 35% loan)

#### Counties: Madison

<u>Summary</u>: French Broad Electric Membership Corp.; French Broad Electric BPL Project: \$621,492 loan \$1,154,200 grant and \$216,615 in private investment. This project provides broadband internet access to Spring Creek, Laurel, Beech Glenn and areas of Marshall and Mars Hill, North Carolina. The technologies used include fiber optics as the middle mile backhaul, and broadband-over-power lines as the last mile medium to provide service to the subscriber. This technology combination utilizes existing infrastructure, and minimizes project cost.

#### Utopian Wireless Corporation Last Mile Project \$460,993 (75% grant, 25% loan)

#### Counties: Columbus

<u>Summary</u>: This \$460,000 award to Utopian Wireless Corporation will bring WiMax infrastructure to rural communities in and around Riegelwood, NC and will provide broadband access to underserved household and businesses. The Utopian Wireless Corporation's project stands to benefit approximately 3,000 people, 450 businesses, and 30 other community institutions. In addition to the jobs this project will create upfront, it will help drive economic development.

### Country Cablevision Inc. Last Mile Project

### \$25,297,000 (75% grant, 25% loan)

### Counties: Mitchell, Yancey

<u>Summary</u>: The YMRB project, using this award of \$25.3 million, will promote social and economic development in a rural, economically distressed area of North Carolina by delivering critical digital services (TV, data and Voice Over Internet Protocol). More than 33,000 people, approximately 1,900 local businesses and 120 community institutions stand to benefit from this improved service. Not only will this project create jobs upfront, it will help drive economic development.

### Atlantic Telephone Membership Corp.

### Last Mile Project

#### \$16,003,418 (70% grant, 30% loan)

#### Counties: Columbus

<u>Summary</u>: Through this award of \$16 million, Columbus County ACCESS will provide an all Fiber-tothe-Premises (FTTP) network for high-capacity data, voice, and video services to critical community facilities and public safety entities. More than 8,700 people, approximately 270 local businesses and 35 community institutions stand to benefit from this improved service. Not only will this project create jobs upfront, it will help drive economic development in the community that creates jobs for years to come.

#### Wilkes Telecom, Inc. Last Mile Project

### \$21,611,000 (70% grant, 30% loan)

#### Counties: Wilkes

<u>Summary</u>: This \$21.6 million award to Wilkes Telecom, Inc. will provide last mile fiber optic high speed broadband, video, and voice services to underserved rural areas in Wilkes County, North Carolina. Wilkes Telecom's project stands to benefit approximately 8,500 people, 3,300 businesses, and 45 other community institutions. Wilkes Telecommunications estimates that this project will directly create at least 160 jobs upfront and help drive economic development.

#### **Lumbee River Electric Membership Corporation**

#### Last Mile Project

#### \$19,947,739 (75% grant, 25% loan)

Counties: Robeson

<u>Summary</u>: This \$19.9 million award to Lumbee River Electric Membership Corporation will provide an advance Fiber-to-the-Home (FTTH) broadband services via a high speed fiber optic network designed for speed up to 100 megabytes per second to end users in our rural proposed funded service area. Lumbee River Electric's project stands to benefit approximately 27,000 people, 1,600 businesses, and 100 other community institutions. In addition to the jobs this project will create upfront, it will help drive economic development and create jobs for decades to come.

#### Yadkin Valley Telephone Membership Corporation

#### Last Mile Project

#### \$21,668,232 (50% grant, 50% loan)

Counties: Yadkin, Davie, and portions of Iredell and Alexander

<u>Summary</u>: This approximately \$21 million award, will allow Yadkin Valley Telephone Membership Corporation to offer a diverse Fiber-To-The-Home (FTTH) network to areas of six counties in the Piedmont area of western North Carolina. Approximately 12,803 people stand to benefit, as do roughly 606 businesses and 56 community institutions. In addition to the jobs this project will support upfront, it will provide a foundation for economic growth and job creation for decades to come.

#### Tri-County Telephone Membership Corporation

#### Last Mile Project

### \$14,147,215 (\$10,610,410 grant, \$3,536,805 loan, \$2,000,000 match)

Counties: Beaufort, Hyde, Washington

<u>Summary</u>: This approximately \$14.1 million award, matched by more than \$2 million in private contribution, will allow Tri-County Telephone to offer broadband service using FTTP technology in northeast Beaufort County and parts of Hyde and Washington Counties. This project will deploy an advanced fiber optic network with inherent capability to deliver broadband service speeds of 80 Mbps. Approximately 10,780 people stand to benefit, as do roughly 889 businesses and 32 community institutions. In addition to the more than 27 jobs the company estimates this project will create upfront, it will provide a foundation for economic growth and job creation for decades to come. The following are multi-state broadband recovery projects that could have an impact on North Carolina:

# University Corp. for Advanced Internet Development \$62,540,162

<u>Summary</u>: Internet2 and NLR – both non-profit organizations – propose the creation of the United States Unified Community Anchor Network (U.S. UCAN). This national-scale network will construct the middle mile essential to connect all community anchor projects funded by BTOP with one another and with more than 66,000 other anchors, to ensure a seamless national fabric of high-performance, open networks.

#### Communication Service for the Deaf, Inc.

#### \$14,988,657

<u>Summary</u>: Project Endeavor seeks to promote broadband adoption and educate 200,000 deaf/hard hearing consumers about the benefits of having broadband through an awareness and outreach campaign. The goal is to sign up 16,000 broadband users, offer discounted mini-notebooks and broadband connections to income-eligible consumers and employ 60 tiered support staff in a specialized CSD contact center.

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