



THEODORE R. KULONGOSKI
Governor

April 29, 2010

The Honorable Lawrence E. Strickling
Assistant Secretary for Communications and Information
U.S. Department of Commerce NTIA
1401 Constitution Ave., NW
Washington, DC 20230

Dear Mr. Strickling:

When the Recovery Act funded the Broadband Technology Opportunities Program (BTOP) to expand and enhance the infrastructure and use of broadband throughout America, Oregon recognized the opportunities this program could afford its citizens and quickly mobilized a task force to establish a list of high-priority areas in the state. Each broadband provider was asked to submit any plans they might have for use of BTOP funds which afforded Oregon a head start on its evaluation.

The National Telecommunications and Information Administration (NTIA) is authorized to consult with states in the identification of unserved and underserved areas and in the allocation of grants to fund projects. You, acting upon this authorization, expressed the high value of state input in the NTIA review process and invited each state to provide such input. In response, I am providing priority areas identified for broadband investment in Oregon and highly recommending the following specific BTOP projects that affect Oregon and the associated total dollars committed to Oregon, including match amounts.

The projects that best meet Oregon's needs and their total costs are the following:

For Public Computer Centers:

BTOP NTIA Grant App# 4194: City of Portland: \$11,688,724

BTOP NTIA Grant App# 6073: Oregon Coast Community College: \$ 923,601

For Comprehensive Community Infrastructure:

BTOP NTIA Grant App# 4342: Western Independent Networks: \$13,584,230

BTOP NTIA Grant App# 5306: CoastCom: \$24,270,073

BTOP NTIA Grant App# 5354: Bend Cable Communications: \$6,312,522

BTOP NTIA Grant App# 6783: Cascade Locks: \$508,203

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Other projects that focus on Oregon and meet our state's unique needs due to terrain, diversity of land use, and the demographics of its population (with 10 counties having less than one person per square mile) also should be given strong consideration. When the BTOP was announced, I identified the following high-priority areas and objectives that meet the greatest need. Project applications that best address one or more of the following areas through infrastructure expansion, computer centers and/or broadband adoption are considered priorities:

1. Expanding the Provision of Tele-health and Telemedicine
2. Educational Opportunities through Distance Learning
3. Impacts to Commerce and Economic Development through Job Growth
4. Expanding Public Safety in Rural Areas
5. Expanding E-Government

In addition to addressing the above areas, my review looked for several key elements including ability to implement, project sustainability, clarity of plan, reliable details supporting job and demand projections, replication of existing broadband network infrastructure, reasonableness of project costs, and whether the applicant engaged with and found support in the community its project would serve. I also considered comments from interested parties in the review process.

A total of 39 applications proposed projects that identified Oregon as an area that would be served if the project were adopted. Of those proposals, I am highly recommending only the six strongest proposals, even though many of the remaining proposals have merit. Even with this interest in addressing broadband needs in Oregon, many areas of the state will continue to be in need and I hope this may be addressed with additional funding opportunities.

While the final decision for grant awards rests with NTIA, I am confident your consideration of those Oregon BTOP projects recommended here will fulfill the goals of the Recovery Act and have dramatic and lasting social and economic impacts in Oregon.

Thank you for the opportunity to provide input into the NTIA application review process and I look forward to your positive response to my recommendations.

Sincerely,



THEODORE R. KULONGOSKI
Governor

BROADBAND PROJECT SUMMARY

NTIA ID: 5395	Applicant Name: CoastCom, Inc	Applicant Location: Newport, Oregon
Program Type: CCI	Project Title: Coastal Oregon Middle Miles Broadband Partnership	Project Type: Comprehensive Community Infrastructure
Project Area: Oregon Coast	Counties in Project: Tillamook, Lincoln	Permanent Jobs: 184 Jobs
Overall Cost of Project: \$24,270,073	Grant Request: \$16,947,209	Matching Funds Available: \$7,322,864

Description of Project:

This project is a public/private partnership with CoastCom, Inc., Tillamook Lightwave, and LS Networks to build an open access fiber optic network from Portland to some of the most rural and remote portions of the Oregon Coast. This middle mile project includes support for Smart Grid initiatives, community anchor institutions, education, health care, public safety and last mile service providers.

BTOP Goals: (Y/N)				Oregon Goals: (Y/N)	
	<u>CCI</u>	<u>PCC</u>	<u>SBA</u>		
• Underserved/Unserved	Y			• OR Tele-Health/Tele-Medicine	Y
• Anchor institutions	Y			• OR Distance Learning	
• Public Safety Agencies	Y			• OR Economic Development	Y
• Economic Growth	Y			• OR Public Safety	Y
• Demand for Broadband	Y			• OR E-Government	Y
• Oregon Specific	Y			• Oregon-Based Applicant	Y

Recommendation:

This project proposes to build an open access fiber optic network to reach some of the most rural areas of Oregon's coast. Two of the counties included in the proposal are Tillamook County which is currently underserved at 58% coverage and Lincoln County with only 70% coverage. The company has received much support from the communities involved and has received commitments to the project from 57 anchor institutions and community support entities. The project, if funded, will also serve the Siletz Tribe which is a segment of the population desperately lacking access to affordable and reliable broadband service. The project also leverages 5 other funded projects and 1 BTOP. The project would create 184 jobs in an area hard hit by the recent economic downturn and suffers from an unemployment rate of 10.4%, higher than that national average of 9.7%.

BROADBAND PROJECT SUMMARY

NTIA ID: 5354	Applicant Name: Bend Cable Communications, LLC	Applicant Location: Bend, OR
Program Type: CCI	Project Title: Central Oregon Fiber Alliance	Project Type: Comprehensive Community Infrastructure
Project Area: Central Oregon	Counties in Project: Deschutes, Crook, Jefferson	Permanent Jobs: 48 jobs
Overall Cost of Project: \$6,312,522	Grant Request: \$4,418,765	Matching Funds Available: \$1,893,757

Description of Project:

Central Oregon Fiber Alliance bringing High Capacity Middle Mile Optical Rings to Connect Underserved Communities and Provide Affordable Optical Capacity to Community Anchors and Businesses.

BTOP Goals: (Y/N)				Oregon Goals: (Y/N)	
	CCI	PCC	SBA		
• Underserved/Unserved	Y			• OR Tele-Health/Tele-Medicine	Y
• Anchor institutions	Y			• OR Distance Learning	Y
• Public Safety Agencies	Y			• OR Economic Development	Y
• Economic Growth	Y			• OR Public Safety	Y
• Demand for Broadband	Y			• OR E-Government	Y
• Oregon Specific	Y			• Oregon-Based Applicant	Y

Recommendation:

The review team highly recommends this project as it will benefit Oregonians in the service area.

The Central Oregon Fiber Alliance proposes bringing high capacity middle mile optical rings enhancing service in its Bend area footprint as well as bringing connectivity to the four extended area communities of Madras, Prineville, Sunriver and La Pine in Central Oregon. This project, if granted funding, would deploy a regional 40 Gbps fiber ring that would tie every major anchor institution as well as businesses together and offer the opportunity for these customers to purchase 100 Mbps up to 1 Gbps service. The network construction would bring immediate employment for 14 fiber technicians for a minimum of 1 year and 2 permanent company positions. The overall project will create 59 full time positions for the duration of the build with an estimated 48 permanent jobs created, an immediate boost to an area which has been especially hard hit by the recent economic downturn. This project will provide new data transport infrastructure for the region for decades to come for health, education, public safety and economic growth and development. The total cost of the project is \$6.3M and BendBroadband will provide a 30% match of \$1.9M.

BROADBAND PROJECT SUMMARY

NTIA ID: 4342	Applicant Name: Western Independent Networks	Applicant Location: Tualatin, OR
Program Type: CCI	Project Title: Marion, Lane, Linn, Benton, Washington, Clackamas, Yamhill	Project Type: Comprehensive Community Infrastructure
Project Area:	Counties in Project:	Permanent Jobs: 103 Jobs
Overall Cost of Project: \$13,584,230	Grant Request: \$9,508,961	Matching Funds Available: Direct: \$1,922,069; In-Kind: \$2,153,200

Description of Project:

The Oregon Broadband Partnership (OBP) is a public-private partnership that will construct 125 miles of fiber and create an open network with 24 interconnection points providing access to 100% of the types of the entities targeted by BTOP.

BTOP Goals: (Y/N)				Oregon Goals: (Y/N)	
	<u>CCI</u>	<u>PCC</u>	<u>SBA</u>		
• Underserved/Unserved	Y			• OR Tele-Health/Tele-Medicine	Y
• Anchor institutions	Y			• OR Distance Learning	Y
• Public Safety Agencies	Y			• OR Economic Development	Y
• Economic Growth	Y			• OR Public Safety	Y
• Demand for Broadband	Y			• OR E-Government	Y
• Oregon Specific	Y			• Oregon-Based Applicant	Y

Recommendation:

The Oregon Broadband Partnership (OBP) is a public/private partnership that proposes to increase the capacity of Western Independent Network's (WIN) by constructing 125 miles of fiber optic cable and increase the connection points from 12 to 24 giving it a fiber footprint of 371 miles with the capability of offering speeds of up to 80 Gbps. This build out will greatly increase the number of customers served and will offer significantly increased speeds and services to many customers who, up until now, had been underserved or unserved. It also offers the capability for the anchor institutions in the proposed area to connect with one another which is non-existent or limited at best today. The WIN proposal will directly connect specific health facilities within the Oregon Health Network allowing Oregonians access to new health care services. It will also enhance the capabilities of the public safety entities by enhancing current services as well as establishing new connectivity between this critical agencies. These are 2 of NTIA's top CCI priorities. WIN plans on drawing on its already established partnerships utilizing existing facilities provided by 11 independent telephone companies serving smaller communities, decreasing the time to actual implementation. Overall project cost is \$13,584,230 with WIN meeting the 30% match with a direct cash match of \$1,922,069 and \$2,153,200 of in-kind match.

The applicant has received 39 letters of support for its application from various parties including city officials, law enforcement agencies, higher education institutes, private businesses and most importantly from Senators Wyden and Merkley as well as Representatives Schrader, Wu and Blumenauer. The review team recommends that WIN's application for funds be approved as it will significantly benefit Oregonians.

BROADBAND PROJECT SUMMARY

NTIA ID: 4194	Applicant Name: City of Portland	Applicant Location: Portland, OR
Program Type: PCC	Project Title: Connect Portland	Project Type: Public Computer Centers
Project Area: Portland	Counties in Project: Multnomah	Permanent Jobs: 83 Jobs
Overall Cost of Project: \$11,688,724	Grant Request: \$7,598,462	Matching Funds Available: \$4,090,262

Description of Project: Connect Portland addresses the critical need for broadband access by Portland, Oregon's most vulnerable residents. It brings together 18 partners and a 35% project match to double public computer capacity by adding 787 computers at 33 locations and will deliver targeted training and job-search help in 7 languages.

BTOP Goals: (Y/N)				Oregon Goals: (Y/N)	
	<u>CCI</u>	<u>PCC</u>	<u>SBA</u>		
• Underserved/Unserved		Y		• OR Tele-Health/Tele-Medicine	Y
• Anchor institutions				• OR Distance Learning	Y
• Public Safety Agencies				• OR Economic Development	Y
• Economic Growth		Y		• OR Public Safety	N
• Demand for Broadband		Y		• OR E-Government	Y
• Oregon Specific		Y		• Oregon-Based Applicant	Y

Recommendation:

This Public Computer Centers project proposal addresses the critical need for increasing internet access and training to Portland, Oregon's most vulnerable residents. The deep unmet needs are proven by data from the Multnomah County Library and Mount Hood Cable Regulatory Commission, and stem in part from the lack of computers at home. Portland's current public computer resources are strained and inadequate. The proposed project will double public computer capacity (adding 787 new desktops) at 33 strategically located, accessible locations, thereby enabling more residents to access the internet for distance learning courses, personal health research and important government information. Through the delivery of targeted training and job-search help in 7 languages, the proposed project will help unemployed persons increase their chances of finding jobs. Connect Portland is a regional alliance of 18 established community partners that reach and provide assistance to various types of vulnerable populations – low-income, senior, unemployed, and minorities. The Portland Office of Cable Communications, which will manage the project, has years of experience with large grant management.

BROADBAND PROJECT SUMMARY

NTIA ID: 6783	Applicant Name: Cascade Locks, City of	Applicant Location: Cascade Locks, OR
Program Type: CCI	Project Title: City of Cascade Locks Broadband Project	Project Type: CCI - Middle Mile
Project Area: Cascade Locks, Columbia Gorge and Warm Springs reservation	Counties in Project: Hood River and surrounding areas including Warm Springs reservation	Permanent Jobs: 4 JOBS
Overall Cost of Project: \$508,203	Grant Request: \$329,867	Matching Funds Available: \$178,336

Description of Project:

The City of Cascade Locks would like to connect fiber across the Columbia River to Washington State and then connect all the major institutions in its town to include City Hall, the local school, the Justice Court, the Emergency Services Center, the Port Marine Park, the planned County Health facility, and the Port Industrial Park and future home of the Confederated Tribes of Warm Springs.

BTOP Goals: (Y/N)				Oregon Goals: (Y/N)	
	<u>CCI</u>	<u>PCC</u>	<u>SBA</u>		
• Underserved/Unserved	Y			• OR Tele-Health/Tele-Medicine	Y
• Anchor institutions	Y			• OR Distance Learning	Y
• Public Safety Agencies	Y			• OR Economic Development	Y
• Economic Growth	Y			• OR Public Safety	Y
• Demand for Broadband	Y			• OR E-Government	Y
• Oregon Specific	Y			• Oregon-Based Applicant	Y

Recommendation:

This project offers a significant benefit for a relatively low cost and will have a significant impact on the town. This project extends broadband infrastructure to serve the City of Cascade Locks, Cascade Locks Schools, Port of Cascade Locks, Cascade Locks city Hall, Cascade Locks emergency Service Center, Port Industrial and Business park, Mount Hood Community College, Columbia Gorge community college, Columbia Gorge Education Service District and the Confederated Tribes of the Warm springs with aerial fiber-optic cable installed on existing City owned utility poles and the Port owned bridge. Cisco ME switches will be installed at each critical facility and connect a 1 Gbps Ethernet to a central Cisco 3560 aggregate switch to be installed at the City Hall, existing cable television/internet service utility head end. Microwave wireless connects will be provided among the educational institutions.

The project falls outside the recommended funding range because of its geographic location to and proximity to Washington State. It was originally included in a round 1 BTOP grant for OR/WA but was unable to participate due to the division of funds between states. The project will provide the benefits originally included in the Round 1 application by connecting to the facilities being funded by the NoaNet Broadband Infrastructure Project, which makes it possible for the proposed fiber connection to be constructed.

BROADBAND PROJECT SUMMARY

NTIA ID: 6073	Applicant Name: Oregon Coast Community College	Applicant Location: Newport, OR
Program Type: PCC	Project Title: Central Oregon Coast Public Computer Centers	Project Type: Public Computer Center
Project Area: Coastal Oregon	Counties in Project: Lincoln	Permanent Jobs: 9 Jobs
Overall Cost of Project: \$ 923,601	Grant Request: \$813,373	Matching Funds Available: \$110,228

Description of Project:

The Central Oregon Coast Public Computer Centers Project will 1) quadruple the number of public computer workstations available to rural residents of Lincoln County, Oregon, 2) offer assessment of computer skills, and 3) provide open instruction on computer applications with the goal of achieving a level of digital literacy necessary for college level work and the modern workplace.

BTOP Goals: (Y/N)				Oregon Goals: (Y/N)	
	<u>CCI</u>	<u>PCC</u>	<u>SBA</u>		
• Underserved/Unserved		Y		• OR Tele-Health/Tele-Medicine	
• Anchor institutions				• OR Distance Learning	Y
• Public Safety Agencies				• OR Economic Development	Y
• Economic Growth		Y		• OR Public Safety	
• Demand for Broadband				• OR E-Government	
• Oregon Specific		Y		• Oregon-Based Applicant	Y

Recommendation:

This Public Computer Centers project proposal addresses the critical need for internet access and digital literacy skills in the small rural communities of coastal Lincoln County, Oregon. The county faces extraordinarily high rates of unemployment and poverty and has a large senior population. By quadrupling the number of public computer workstations at established locations throughout the county (171 new computers), as well as providing instruction on basic computer applications and operation, the project will help needy residents obtain training and information that will improve their chances for employment and increase their overall well-being through increased language skills, access to health information and governmental participation. The program participants -- the Oregon Coast Community College (with locations in Lincoln City, Newport and Waldport), the public libraries (Lincoln City, Newport, Waldport and Siletz, and the Lincoln County One-Stop Center (for employment and social services programs) -- represent experienced, aware and active social institutions that span across the county. The project supporters estimate that over 3900 individuals will use the computers, over 900 will take basic computer classes and another 100 will use the computers to improve their English language skills.

Project Reviewer's Biographies

<p>Roger White</p>	<p>Telecommunications Experience Twenty-five years of telecommunications industry experience working for GTE/Verizon in network planning, marketing, finance and regulatory affairs. Ten years of that experience was in network planning and network and product cost modeling.</p> <p>Nine years of professional experience with the Oregon Public Utility Commission Staff reviewing and analyzing cost models of major telecommunications systems, auditing telephone company financial records for jurisdictional separations, and reviewing access charge tariff filings.</p> <p>Education and Training: PhD Candidate Business: Economics/Finance, University of Texas MBA Finance and Quantitative Methods, University of Washington BS Mathematics, Minors Physics/Chemistry, University of Washington AA Electronics—Aberdeen Proving Grounds</p>
<p>Kay Marinos</p>	<p>Over 25 years of experience in the telecommunications industry; held positions with Verizon, Bell Atlantic, NYNEX, NECA, and GTE pertaining to regulatory matters, carrier and access services, demand, revenues, costs, rates and marketing.</p> <p>Five years of experience with the Oregon Public Utility Commission Staff managing federal universal service and competitive issues. Staff member of Federal-State Joint Board on Universal Service.</p> <p>Education and Training: PhD/ABD, Economics, University of Hawaii MA, Economics, University of Hawaii Certificate in Urban Planning, U. of Hawaii BA, Economics, Hofstra University</p>
<p>Shelly Jones</p>	<p>28 years in telecommunications within Sprint's Local, CLEC, Long Distance and Wireless divisions. Primary functions included managing all regulated products and services, including switched and special access services through proceedings with state commissions and the FCC; negotiating, mediating and arbitrating interconnection agreements under federal and state regulations; and providing technical and regulatory advise on policy and technical issues and regulatory matters regarding local number portability, numbering, FGC, SS7 and SIP signaling, phantom traffic, interconnection and reciprocal compensation.</p>
<p>John Reynolds</p>	<p>Telecommunications Experience</p> <p>Ten years of professional experience with the Oregon Public Utility Commission Staff reviewing and analyzing cost models of major telecommunications systems, auditing telephone company financial records for jurisdictional separations, and reviewing access charge tariff filings.</p> <p>Twenty-seven years of engineering experience with an operating telephone company (Pacific Bell) including significant assignments in Major equipment</p>

	<p>installation planning and scheduling, capital budgeting, long range planning, equipment maintenance engineering, transmission system design, and cost estimation.</p> <p>Education and Training MS, Engineering Economic Systems, Stanford University BS, Mechanical Engineering, Stanford University Telecommunications Systems Training</p>
<p>Suzanne Smith</p>	<p>Telecommunications Experience</p> <p>5 years professional experience with the Oregon Public Utility Commission auditing telephone company financial records for jurisdictional separations, reviewing access charge filings and representing the Commission on the Regional Oversight Committee.</p> <p>13+ years in the telecommunications industry working in diverse positions including provisioning, switching, circuit design, order fulfillment for both competitive local exchange carriers as well as incumbent local exchange carriers.</p> <p>Education and Training B.A., Political Science and English, St. Olaf College Certificate in Public Management, Willamette University's Atkinson Graduate School</p>
<p>Christopher Tamarin</p>	<p>Christopher Tamarin is the Telecommunications Strategist for the Oregon Business Development Department assisting communities with telecommunications infrastructure issues. He has seventeen years experience in marketing voice and data telecommunications services and equipment used in small and large communities by multi-location companies, electric utilities, healthcare providers, schools, and government agencies. He has five years teaching experience at Eastern Oregon University.</p> <p>Education and Training MBA from the University of Nevada MS in Telecommunications from the University of Colorado</p>