

Broadband to the North Country

June 8, 2015

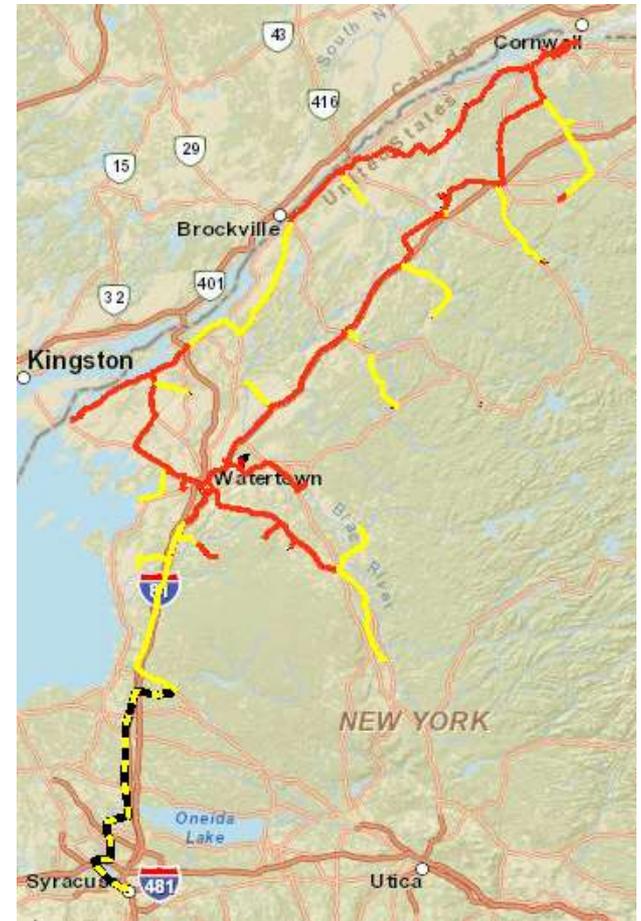
AGENDA

1. Brief DANC Overview
2. Current Network
3. Customers/locations
4. Recent Initiatives
5. Demonstration Trial



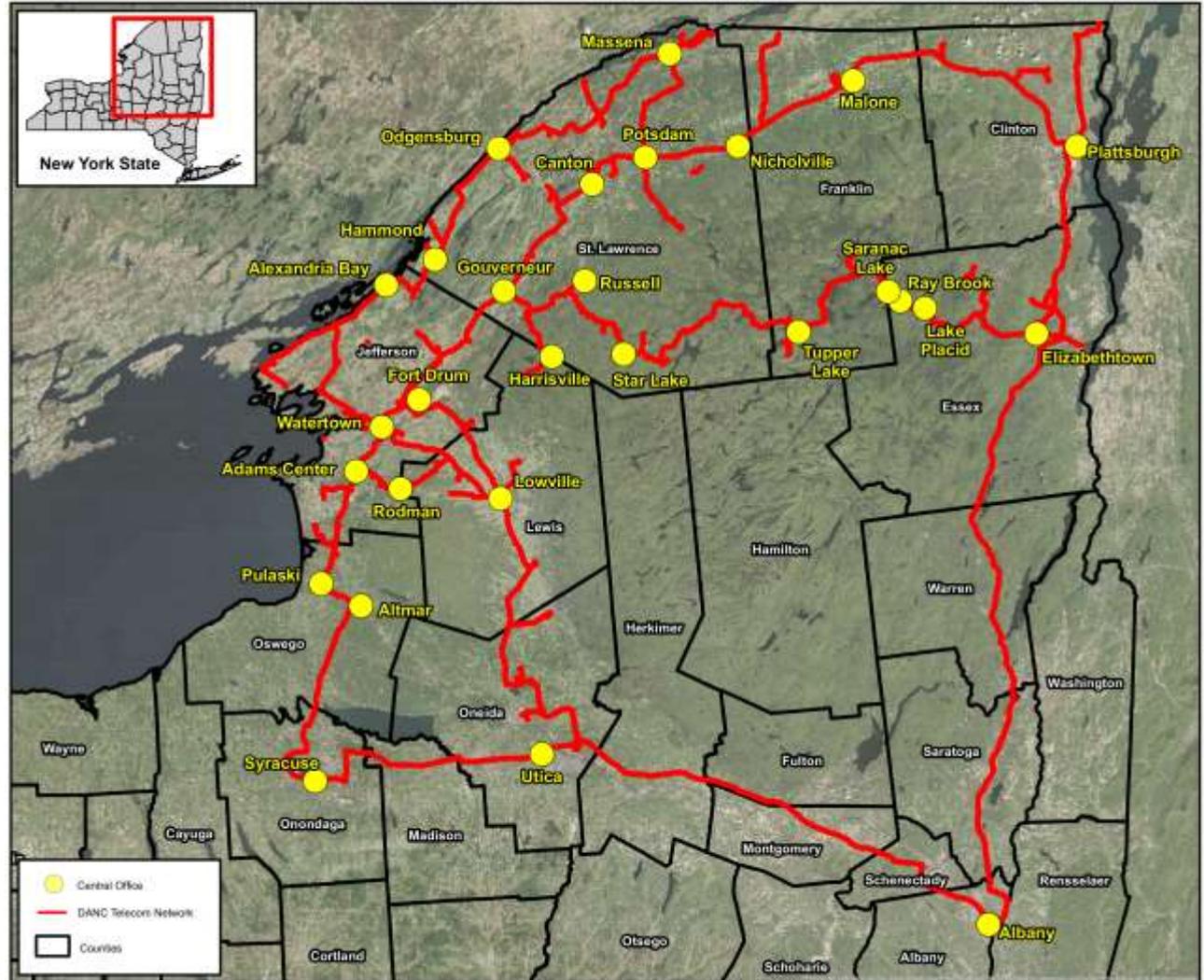
TELECOMMUNICATIONS

- ❑ Completed in 2003, carrier class Open Access Telecommunications Network connecting our region to collocation facilities in Syracuse.
- ❑ Goal was to bring competition to the area, choices in service and prices.
- ❑ Originally 550 miles of fiber optic cable and 10 Central Offices installed
- ❑ Authority is a wholesale service provider, not a retail service provider
- ❑ Focus on middle-mile transport with some private network builds.
- ❑ Economic Development initiatives



CURRENT NETWORK

- 1250 Miles of Fiber
- 21 Central Office locations
- World class carrier network
- Largest Public network in NY
- Leased wavelengths to Albany



Network Customers



nationalgrid



windstream.



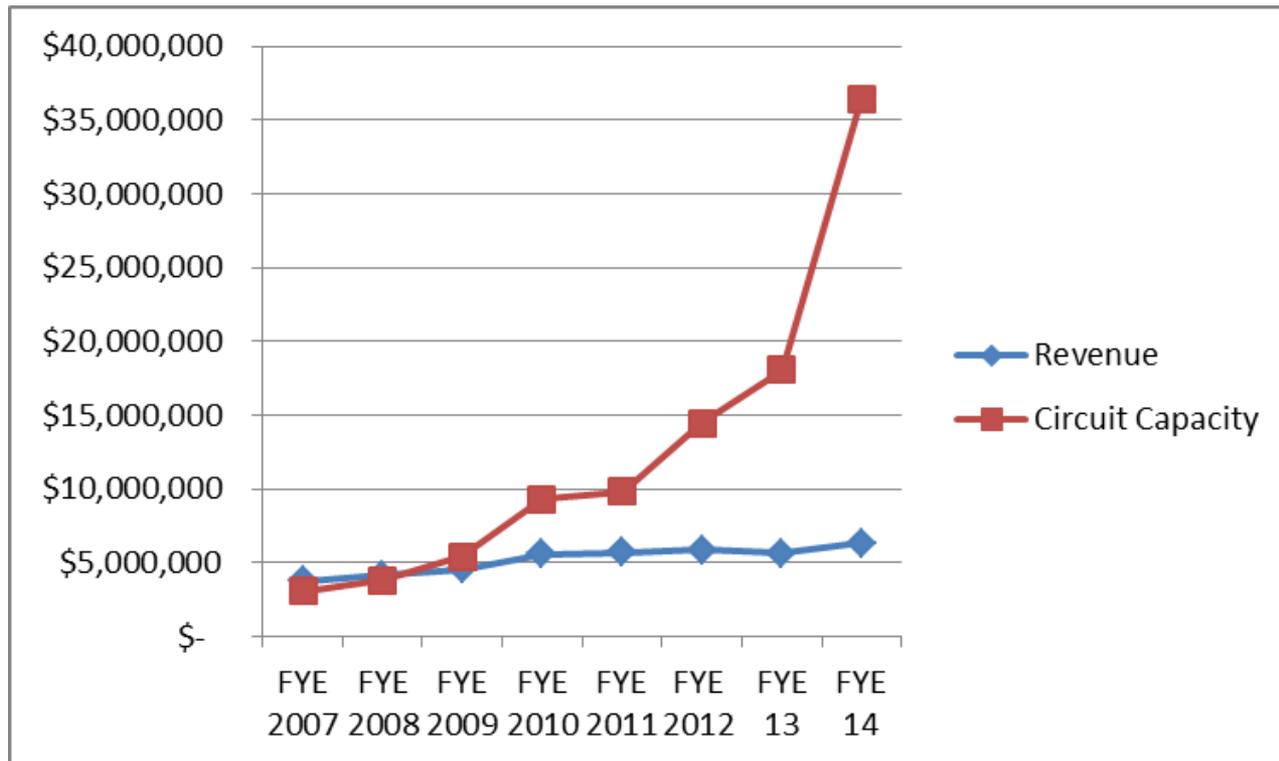
Sprint



Over 85 healthcare locations across Northern. NY



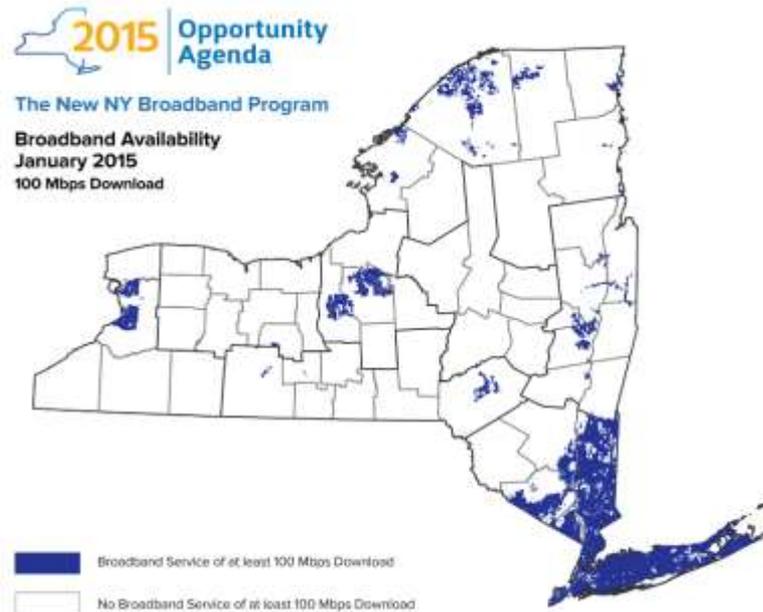
CUSTOMERS – Aggregate Usage versus Revenue



DANC Initiatives

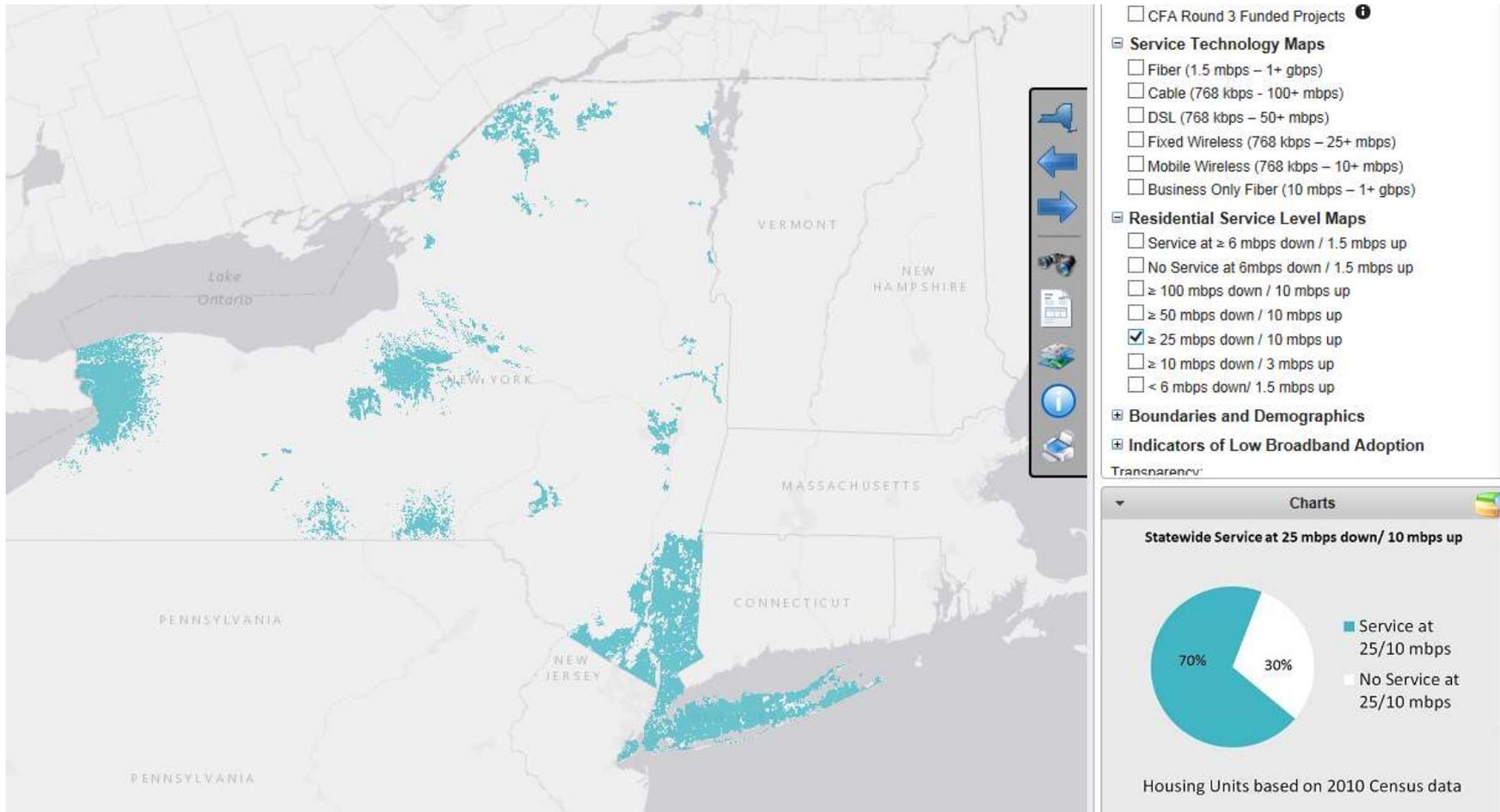
- **LAST Mile Loan Fund:** Foster last-mile builds in un-served or underserved (only 1 carrier) areas. Evaluate ways to utilize some of the existing DANC Middle Mile network.
- **Fund Amount:** \$1,000,000 Loan Fund
 - \$500,000 ConnectNY
 - \$500,000 DANC
- **Revenue Share**
 - No up-front cost
- **Public Emergency Network**
 - Linking 11 Counties for critical services and sharing opportunities.

The Opportunity - \$500 Million Grant

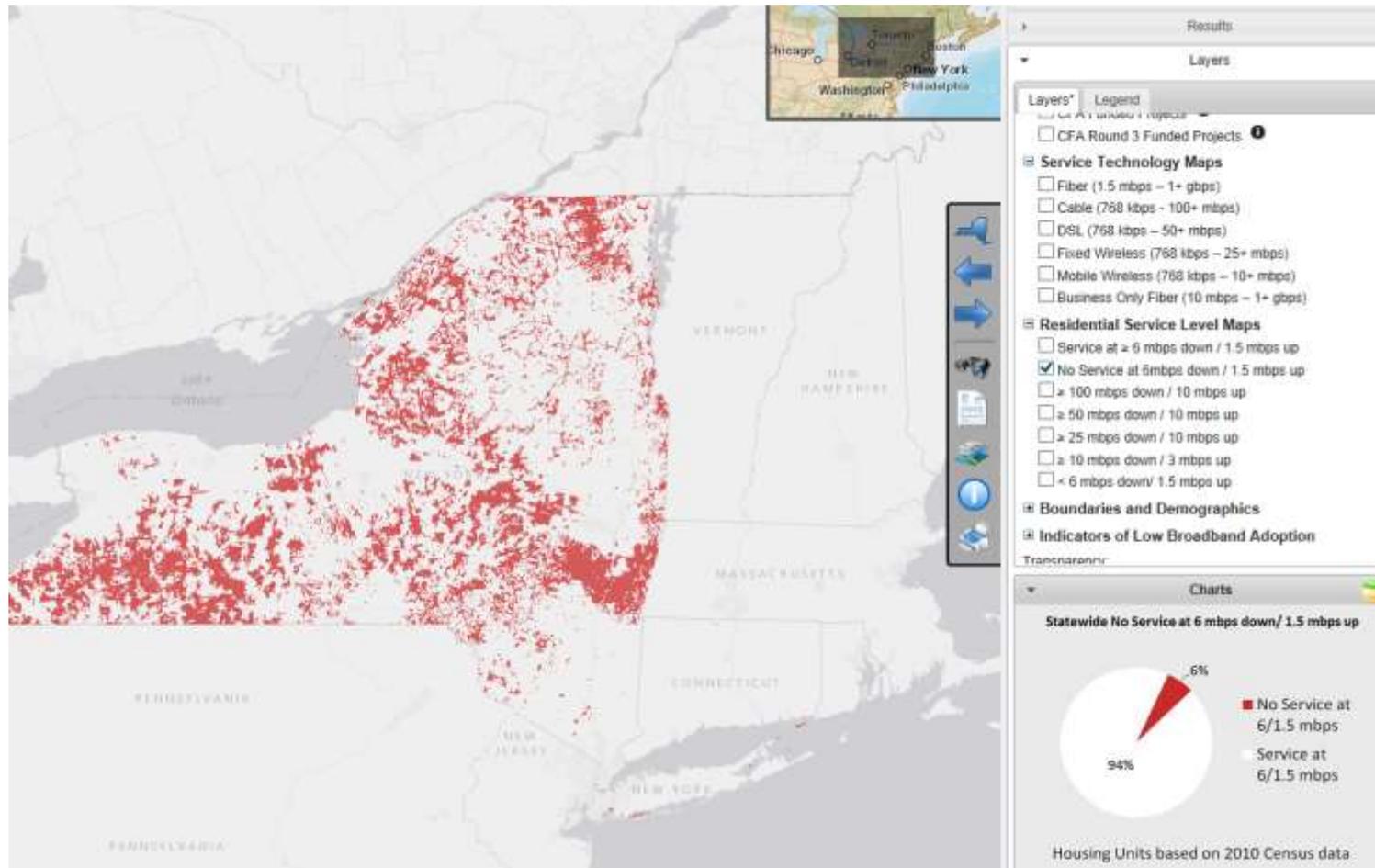


REDC Region	County	Population	County Square Miles	Population without Access at 6 Mbps	% Population Unserved at 6 Mbps	Population without Access at 100 Mbps	% Population Unserved at 100 Mbps
North Country	Hamilton	4,836	1,806	2,536	52%	4,836	100%
North Country	Essex	39,370	1,915	6,570	17%	36,270	92%
North Country	St. Lawrence	111,944	2,818	17,744	16%	96,844	87%
North Country	Franklin	51,599	1,696	11,799	23%	44,399	86%
North Country	Jefferson	116,229	1,755	16,229	14%	85,529	74%
North Country	Clinton	82,128	1,116	8,428	10%	58,428	71%
North Country	Lewis	27,087	1,290	7,487	28%	27,087	100%

25 Mbit/s Map



No service at 6 Mbit/s



Grant Information – Broadbandforall initiative Announced Wednesday

The Plan: Universal Broadband Access by the End of 2018

To accomplish this, Governor Cuomo will invest \$500 million to jumpstart the New NY Broadband Program utilizing capital funds from bank settlements to incentivize the private sector to expand high-speed broadband access in underserved and unserved areas.

Broadband providers and communities will utilize this funding to deliver service in a given area, and must adhere to the following qualifications:

- **Matching private-sector investments.** Broadband providers will contribute, on average, at least 50 percent of the capital needed, which will push the size of the program above \$1 billion. The State's investment will serve to stimulate competition in the broadband market where none or little exists; improving affordability and quality of service.
- **Unprecedented broadband speed.** Broadband providers must provide Internet access rates of at least 100 Mbps, with funding priority given to those delivering the highest speeds at the lowest cost. In certain limited cases, providers may offer 25 Mbps rates to the exceptionally remote unserved and underserved areas of the state (more than three times the current standard) scalable to 100 Mbps or more - if this provides the best means of achieving universal broadband access to the region.
- **Local input to guide development.** Building on the successful Connect NY model, each Regional Economic Development Council (REDC) will submit a comprehensive plan to the State that: 1) identifies unserved and underserved areas; 2) aggregates demand across residential, institutional and business sectors; 3) details the most cost-effective means to provide universal access; and 4) leverages state-owned assets where possible.

Mohawk Networks Benefits

- ❑ Very few residential providers – good opportunity to offer a new solution.
- ❑ Still a need in many areas.
- ❑ Existing relationship.
- ❑ Utilize existing DANC Fiber tied to Mohawk Networks Towers
 - Redundancy built in
 - High capacity – discussing 10 gbit/s speeds
 - Scalable – Start small and grow as needed
- ❑ Demonstration in Lewis County – Test reach and speeds. Show the ability for technology to work outside immediate area.