

INTERNET FREEDOM FOR ALL

March 9, 2020

Lynn M. Retz, Executive Director Kansas Corporation Commission 1500 SW Arrowhead Rd Topeka, KS 66604

RE: APPLICATION OF IDEATEK TELCOM, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN KANSAS

Dear Ms. Retz,

Enclosed please find an APPLICATION OF IDEATEK TELCOM, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN KANSAS.

Feel free to contact me if you have any questions.

Very Truly Yours,

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Ethan S. Kaplan GENERAL COUNSEL

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Application of IdeaTek)Telcom, LLC as an Eligible)Telecommunications Carrier for Purposes of)DocReceiving Federal Universal Service Support)As Awarded Under the Rural Digital)Opportunity Fund Auction (Auction 904))Program.)

) Docket No. 21- <u>WLDT-343</u>-ETC

APPLICATION OF IDEATEK TELCOM, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN KANSAS

COMES NOW, the Applicant, IdeaTek Telcom, LLC (IdeaTek), by its undersigned counsel, and pursuant to the Telecommunications Act of 1996, 47 U.S.C. § 214(e)(2) (the "Act") and the rules of the Federal Communications Commission ("FCC"), 47 C.F.R. §54.201, and hereby requests that the State Corporation Commission of the State of Kansas ("KCC" or "Commission") designate IdeaTek as an Eligible Telecommunications Carrier ("ETC") pursuant to the provisions of 47 C.F.R. 54.201(d) in certain additional geographic areas in Kansas. IdeaTek seeks this ETC designation so that it may receive new support from the Federal Universal Service Fund ("FUSF"), including support from the Federal Communication Commission's ("FCC") high-cost FUSF programs through funds awarded under the Rural Digital Opportunity Fund ("RDOF") auction program ("Auction 904"). Designation of IdeaTek as an ETC in certain areas of Kansas, as requested in this application, will serve the public interest. In support of this application, IdeaTek states as follows:

I. BACKGROUND

1. IdeaTek is headquartered in Buhler, Kansas and is a subsidiary of IdeaTek Equity Group, LLC. IdeaTek is in good standing with the Kansas Secretary of State, proof of which is attached in **Exhibit A**. IdeaTek's principal place of business is 111 Old Mill Lane, Buhler, Kansas 67522.

2. IdeaTek has operated a facilities-based fiber optic telecommunications network since 2005. In March of 2006, IdeaTek, under its former name, "Wildflower Telecommunications"¹, applied for and was subsequently approved for a Certificate of Convenience as a Competitive Local Exchange Carrier in Kansas in Docket No. 06-WLDT-1005-COC ("06-1005 Docket") and a Certificate to provide interexchange and operator services in Docket No. 08-WLDT-1077-COC ("08-1077 Docket").

3. In 2007, IdeaTek applied for and was granted designation as a competitive ETC for federal universal service funding in certain CenturyLink exchanges in Docket No. 07-WLDT-1395-ETC ("07-1395 Docket").

4. In 2008, IdeaTek applied for and was granted ETC approval for Kansas Universal Service funding in Docket No. 08-WLDT-724-ETC ("08-724 Docket") in those same CenturyLink exchanges.

5. In 2019, IdeaTek applied for and was granted ETC approval for FUSF funding awarded by the FCC in the Connect America Fund Phase II Auction 903 in Docket No. 19-WLDT-102-ETC for certain census block groups in South Central Kansas.

6. IdeaTek's point of contact information is below:

Daniel P. Friesen CIO / Managing Partner 111 Old Mill Ln Buhler, KS 67522-0407 <u>daniel@ideatek.com</u> (620) 543-5003

¹ The name on Wildflower's certificates and ETC designations was changed to IdeaTek Telecom, LLC in Dockets No. 14-WLDT-587-CCN and 16-WLDT-487-CCN.

Copies of all documents should be served upon Daniel Friesen in addition to signatory counsel designated below.

A. IDEATEK'S CAPABILITIES AND SERVICE PLANS

7. IdeaTek's management team has significant experience in the industry with the construction of over 3,300 miles of new fiber optic infrastructure within the state of Kansas. Ideatek has been a certificated CLEC in Kansas since 2007. It offers and provides voice, data transport, and broadband services to a wide-range of customers across the State of Kansas, including, but not limited to, residential households, small businesses, Fortune 100 enterprises, as well as a variety of schools and local governments. At the bedrock of Ideatek's core values and mission is reaching and providing unserved and underserved customers with fiber-based and high-speed wireless broadband services. In nearly all of its service territories, Ideatek is and remains the only gigabit-fiber provider.

8. In many of the Kansas communities where IdeaTek operates, such as the towns of Bentley, Andale, Mount Hope, Meade, Fowler, Plains, Cottonwood Falls, and Strong City the incumbent telephone provider (AT&T or CenturyLink) provides no qualifying broadband services in the area, and in much of IdeaTek's service territory there is no cable operator. IdeaTek also serves many unincorporated areas of Reno, Sedgwick, Harvey, Stafford, Chase, Ford, and Meade counties which have no cable or ILEC wireline service providers providing qualifying broadband speeds or broadband at price points above FCC urban rate levels. In some instances, these areas do not even have access to reliable mobile voice and data service.

B. RURAL DIGITAL OPPORTUNITY FUND

9. The Rural Digital Opportunity Fund reverse auction is the next phase in the FCC's reform and modernization of its universal service support programs supporting broadband

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deployment in unserved areas of the United States. Multiple funding mechanisms were developed under this reform. On July 11, 2014, the FCC adopted the *Rural Experiments Order²* and established a \$100 million, one-time program to award grants to qualified applicants meeting certain criteria for the deployment of fixed broadband services in census blocks deemed by the FCC to be unserved of voice services and by broadband speeds of at least 4 Mbps downstream and 1 Mbps upstream. In 2015, the FCC established a cost model where ten price cap carriers accepted an offer of support for deploying and maintaining voice and broadband service in the high-cost areas in their respective states. In 2018, the FCC made eligible funding for census blocks via CAF II Auction 903 in states where the price cap carriers declined the offer of model-based support, in other extremely high-cost census blocks nationwide (excluding NY, AK, PR, VI), and certain other census blocks that were removed from the offer of model-based support. To be eligible, a census block could not have been served with voice and broadband of at least 10/1 Mbps (based on Form 477 data) by an unsubsidized competitor or price cap carrier.³ Most recently, the FCC established the RDOF Phase I auction (Auction 904) as a continuation of its efforts to accelerate deployment of high-speed fixed broadband service capable of speeds of at least 25 Mbps download and 3 Mbps upload to unserved and underserved Americans in rural areas not yet reached under the FCC's program goals.⁴

10. On June 15, 2020, the FCC released a public notice providing instructions on the "Short Form" application process to become a qualified bidder for Auction 904,⁵ for which IdeaTek subsequently applied. The Short Form application established baseline qualifications

² See Connect America Fund; ETC Annual Reports and Certifications, WC Docket Nos. 10-90, 14-58, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8769 (2014) ("Rural Experiments Order").

³ See Rural Digital Opportunity Fund Phase I Auction Scheduled For October 29, 2020; Notice and Filing Requirements and Other Procedures For Auction 904, 35 FCC Rcd 6077, 6079 (rel. June 11, 2020).

⁴ See Rural Digital Opportunity Fund; Connect America Fund, WC Docket Nos. 14-259 and 10-90, Report and Order, FCC 20-5, Paragraph 4 (Feb. 7, 2020).

⁵ See Instructions and Tutorial Available for Short-Form Application to Participate in Auction 904; Short-Form Filing Window Scheduled to Open on July 1, 2020, 35 FCC Rcd 6077, 6325 (rel. June 15, 2020).

used to determine whether an applicant had the legal, technical, and financial qualifications to participate in an FCC auction for universal service support.⁶ These qualifications included:

- a. Legal standing;
- b. Industry experience;
- c. Financial qualifications evidenced by submitting an audited financial statement and proving that certain key financial metrics are met;
- d. Technical capabilities evidenced by providing proof of both general technical feasibility of deployment plans as well as the overall technical capability of the applicant's staff and resources needed for execution and operation of its selected service methods.

11. On September 23, 2020, the FCC issued a public notice approving IdeaTek's Short Form application (among others) as complete, noting that it has "…been determined to be financially and operationally qualified to participate in the auction."⁷

12. Auction 904 ran between October and November of 2020. One-hundred and eighty bidders were awarded an aggregate amount and ten year disbursement of \$9.23 billion to provide fixed broadband and voice services to over 5.2 million locations in forty-nine states.⁸ Bids were accepted at four service tiers, each with varying speeds (25/3 Mbps up to 1000/500 Mbps), usage allowances, and latency tiers, (high and low). IdeaTek bid at the 1000/500 Mbps service tier with low latency.

13. On December 7, 2020, the FCC announced the winners of the RDOF reverse auction which included total assigned support to IdeaTek of \$23,590.60 for 89 locations.⁹

⁶ 47 CFR §1.21001; §54.315.

⁷ See Rural Digital Opportunity Fund Phase I Auction; Status of Short-Form Applications to Participate in Auction 904; Corrections Due September 23, 2020, 35 FCC Rcd 9875-9876 (rel. September 1, 2020). ⁸ https://auctiondata.fcc.gov/public/projects/auction904

⁹ See Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced; FCC Form 683 Due January 29, 2021 35 FCC Rcd 13888, 13917 (rel. Dec. 7, 2020).

Specifically, the RDOF funding areas awarded to IdeaTek are certain census blocks that are generally found in the western half of rural Sedgwick County. The specific blocks are attached hereto as **Exhibit B**, and an online map can be found at <u>https://www.fcc.gov/reports-research/maps/rdof-phase-i-dec-2020/</u>.

14. Included in the June 11, 2020 public notice were details related to IdeaTek's requirements to submit its "Long Form" application.¹⁰ Among the requirements is an obligation to obtain certification as an ETC in the support areas won no later than June 5, 2021.¹¹

II. IDEATEK MEETS THE STATUTORY AND REGULATORY PREREQUISITES TO BE DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER.

15. For IdeaTek to receive the 23,590.60 awarded under Auction 904, IdeaTek must obtain from the KCC designation as an ETC in the areas for which the grant was awarded. Pursuant to Sections 214(e) and 243 of the Act, the KCC is authorized to designate IdeaTek as an ETC. Section 214(e)(2) of the Act requires state commissions to designate as an ETC, any common carrier that:

- (i) offers the services that are supported by the Federal universal service support mechanism under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the service offered by another eligible telecommunications carrier); and
- (ii) advertises the availability of such services and the charges therefore using a media
 of general distribution.¹²

In its First Report and Order implementing Sections 214(e) and 254, the FCC designated the

¹⁰ See Rural Digital Opportunity Fund Phase I Auction Scheduled For October 29, 2020; Notice and Filing Requirements and Other Procedures For Auction 904, 35 FCC Rcd 6077, 6165 (rel. June 11, 2020). ¹¹ Id. at 6166-6167. See also 47 CFR § 54.315(b)(5).

 $^{^{12}}$ *Ia.* at 6100-6167. *See also* 47 CFK § 54.515(0)(5)

¹² 47 U.S.C. 214(e)

specific features a carrier must provide or agree to provide to be designated as an ETC, addressed further below.¹³

A. Ideatek Will Provide Service as a Common Carrier

16. IdeaTek meets the Federal ETC requirements as it is a telecommunications carrier as defined in 47 U.S.C. § 153(44) and 47 C.F.R. § 51.5(a), and is a telecommunications carrier for the purposes of Part 54 of the FCC's rules. IdeaTek is, therefore, considered a common carrier under the Act.

B. <u>IdeaTek Offers Voice Telephony and Broadband Internet Access Services</u> <u>Supported by the Federal Universal Service Support Mechanisms.</u>

17. IdeaTek certifies that it will offer the voice telephony and broadband internet access services that are supported by federal universal service support mechanisms throughout the census block areas for which ETC designation is received.

a) The voice telephony services which are supported by the federal USF program are services which provide:

i) Voice grade access to the public switched network or its functional equivalent;

ii) Minutes of use for local service provided at no additional charge to end users;

iii) Access to the emergency services provided by local government or other public safety organizations; and

iv) Toll limitation services to qualifying low-income consumers.¹⁴

¹³ Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776, 8809-25 (1997) ("First Report and Order").

¹⁴ See 47 C.F.R. § 54.101(a).

b) The broadband internet access services supported must provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service.

18. IdeaTek provides Federal USF supported voice telephony and broadband internet access services pursuant to Section 54.101(a).

a) Ideatek operates a voice network switch and media gateways which are interconnected with the appropriate IXC's, ILEC tandem and end office switches which enable its voice customers access to the public switched network. Within its internal network, IdeaTek uses digital IP-based voice technology¹⁵ to transport voice services from the customer premise over fiber optic lines to the IdeaTek switch. IdeaTek's voice technologies offer both traditional functional-equivalent voice landline or POTS service as well as other more advanced voice services such as hosted PBX and SIP trunking which all have access to the PSTN;

b) IdeaTek does not charge for local service minutes of use. Local calling is free for all standard voice lines, and IdeaTek's local calling scope is much larger than the associated ILEC local calling scope;

c) IdeaTek provides 911 services to all its voice customers and is directly connected with the 911 tandems associated with its service areas;

d) IdeaTek can block toll calling for any customer upon that customer's request. This toll block feature is provided free of charge to all customers; and

¹⁵ See K.S.A. 66-2017(d)(1).

e) IdeaTek provides fiber optic based broadband internet services with speeds up to 1 Gbps download / 500 Mbps upload for residential users. It routes traffic from a fiber ONT/modem at the customer premise to our internal network and then out to internet service points of presence we maintain with multiple providers. These points are where IdeaTek hands off customer internet traffic to another Internet carrier and serves to provide access to/from all or substantially all Internet endpoints.

19. IdeaTek's residential voice base-rate service is \$25 per month for all-inclusive unlimited long distance and features including nationwide free local calling, seven digit dialing within the same area code, 911 service, Caller ID, Call Waiting, Voicemail, 3-way calling, Operator and directory assistance for a fee. IdeaTek's broadband service rates start at \$45.00 per month for 25 Mbps down / 5 Mbps up. A more popular ultra-speed gigabit service (1Gbps down / 100Mbps up) is also available. Customers are not required to bundle services, and Ideatek does not throttle customer usage.

20. IdeaTek uses advanced fiber optic infrastructure which is the basic component of its service quality and reliability. Its service nodes are generally served by redundant equipment/hardware, multiple network service points (ring network or mesh network topology), and multiple power sources (utility, battery, generator). Ideatek utilizes a distributed network design which does not rely on a single point or core (when feasible) but rather distributes resource needs and loads based on service availability. Ideatek maintains multiple, redundant network egress/ingress points.

21. Ideatek provides always available customer support and maintains at all times a network operation center which monitors its network, responds to trouble, and mitigates network issues. Ideatek maintains emergency equipment, material stock, and mobile generators for

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disaster situations such as ice storms and tornadoes. It stands up operation plans and response / staging locations for emergency situations as needed.

C. <u>Ideatek Provides Its Services Utilizing Its Own Facilities.</u>

22. IdeaTek operates a fiber optic network often known as fiber to the home (FttH) or fiber to the premise (Fttx). Fiber optics have the largest bandwidth capability of any current standardized transmission medium and are scalable to service demands far beyond current service needs in the broadband industry. The network operates natively on an Internet protocol (IP) and ethernet standards infrastructure and telephony service is delivered on an IP-based network session initiation protocol or SIP. IdeaTek's typical fiber installation consists of a 1 Gbps up/1 Gbps down fiber ont/modem placed at the customer premise with Ethernet ports, wifi capability, and telephony/POTS jacks.

D. <u>IdeaTek Will Provide Services Throughout Its Designated Service Areas.</u>

23. As stated above, Section 214(e)(2) of the Act and Section 54.201(c) of the FCC's Rules state that the Commission may, in the case of an area serviced by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an ETC for a service area the Commission designates, provided each additional requesting carrier satisfies Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's Rules.

24. The FCC Auction 904 bidding was offered on a census block group level. Within each block group are designated census blocks. IdeaTek therefore requests ETC service area designation for all census blocks awarded to IdeaTek in Auction 904. A full listing of IdeaTek's award census blocks can be found in **Exhibit B**.¹⁶ These census blocks include areas serviced by CenturyLink and AT&T.

¹⁶Auction 904 census block assignments and other details can be found at <u>https://auctiondata.fcc.gov/public/projects/auction904/.</u>

E. IdeaTek Will Implement and Advertise the Lifeline Program.

25. Ideatek participates in the Federal Lifeline program established by the FCC to eligible low income customers in its awarded locations and will advertise the same on our website and other advertisements in a form comparable to the attached **Exhibit C**.

F. IdeaTek Will Advertise the Availability of Such Services and the Charges

Using a Media of General Distribution.

26. IdeaTek currently does and will continue to advertise the availability of each of the supported services detailed above, throughout its certificated service area, by media of general distribution. The methods of advertising utilized may include websites, digital advertising, newspaper, radio, direct mailings, public exhibits and displays, and bill inserts.

27. IdeaTek uses the following language in its ETC-related advertising:

IdeaTek offers discounts to customers who qualify for income-assisted programs and is also required to provide service to all reasonable requests in its designated service area(s). Unresolved questions concerning service availability can be directed to the Kansas Corporation Commission's Office of Public Affairs and Consumer Protection department at 800.662.0027 or <u>public.affairs@kcc.ks.gov</u>.

III. DESIGNATION OF IDEATEK AS AN ETC IS IN THE PUBLIC INTEREST.

28. **New Access to Qualifying Broadband** – Designation of IdeaTek as an ETC in the requested RDOF census tracts will meet the FCC's service requirements by bringing broadband to areas that currently do not have access to both voice and broadband services.¹⁷

29. **Benefits of Increased Competitive Choice** – By rule, a RDOF census block was only available for the Auction 904 if no unsubsidized competitor was currently servicing the block. Therefore, approval of IdeaTek's ETC's designation will bring competition, or at a

¹⁷ <u>Connect America et al., Report and Order and Further Notice of Proposed Rulemaking</u>, paras. 57, 72 (2016) (*Phase II Auction Order*). For a census block to be treated as served and excluded from the Phase II auction, it must be served with both voice and broadband meeting the Commission's service requirements at reasonable comparable rates.

minimum, qualifying service to the requested service areas.¹⁸ Competition tends to drive innovation and investment in networks, and therefore, the public interest benefits, and providers with services below the FCC's minimum service standards will likely be spurred to increase service levels to compete with IdeaTek. IdeaTek has seen this market behavior many times in Kansas where it will enter a market with stagnant service levels, invest significantly in the market, and then encounter new found competition by incumbent competitors.

30. Unique Advantages and Disadvantages of IdeaTek's Offering – IdeaTek is committed to a gigabit-speed fiber network build, which is the highest speed offering of the RDOF program. The opportunity for investment in these remote areas is a unique opportunity for the consumers of the proposed service area to obtain broadband services. This investment will bring broadband infrastructure with highly competitive speed offerings including some of the fastest speeds in all of Kansas and a lasting scalability for the future. IdeaTek does not believe there are any unique disadvantages related to its offering.

31. IdeaTek Has the Ability to Provide the Support Services Throughout the Designated Service Area Within a Reasonable Time – IdeaTek has constructed over 3,300 miles of fiber in the state of Kansas in the last 15 years and is well versed in the risks and challenges of service delivery in low density/high cost service areas. IdeaTek has developed deployment models and methods which enable it to deliver services in areas other providers will not deploy in. IdeaTek will also be further reviewed for technical and financial capabilities during the FCC's Auction 904 Long Form application process.¹⁹ The FCC required completion timeline is six years, and IdeaTek expects to have the network constructed in under half of that

¹⁸ Phase II Auction Order, paras. 72 (2016).

¹⁹ See Rural Digital Opportunity Fund Phase I Auction Scheduled For October 29, 2020; Notice and Filing Requirements and Other Procedures For Auction 904, 35 FCC Rcd 6077, 6165-6175 (rel. June 11, 2020).

time.

32. **Rural Investment and Sustainability** – Approving IdeaTek's ETC application will enable RDOF funds to flow to Kansas in the form of telecommunication infrastructure investment in significantly rural and remote areas of the state. Beyond the RDOF funds, IdeaTek will be investing private funding, hiring local Kansas workers for high-paying technology jobs, and utilizing local and regional contractors and small businesses in its projects and ongoing operations.

33. Broadband deployment continues to be a significant priority of both the Kansas executive and legislative branches, as evidenced by the 2018 creation of a statewide broadband task force under Kansas HB 2701, of which the KCC was a member.²⁰ During the hearings on HB 2701, there was significant testimony related to the need for more and better broadband deployment. IdeaTek's Chief Information Officer, Daniel P. Friesen, testified during the hearings that, among other things, Kansas ranks 40th in the Nation for overall connectivity, but the support of fiber optic networks will "remove all barriers for service for the foreseeable future."²¹

34. For these reasons, approval of IdeaTek's ETC application is in the public interest for Kansas and its citizens.

VI. RELIEF REQUESTED

35. IdeaTek expects final FCC approval of its Auction 904 bids in November of this year. It is likely this ETC application will be a last remaining step before IdeaTek can begin projects and investment in the requested ETC area in Kansas. As such, IdeaTek respectfully requests the Commission process this application on an expedited basis to ensure IdeaTek can

²⁰ Senate Substitute for HOUSE BILL No. 2701;

http://www.kslegislature.org/li/b2017_18/measures/documents/hb2701_enrolled.

²¹ Testimony by Daniel P. Friesen, IdeaTek Telcom, Buhler, Kansas, before the Kansas Senate Commerce Committee March 9th, 2018, attached as **Exhibit D**.

meet the FCC's deadlines without fail. As previously stated, these projects involve some of the most underserved areas for broadband in the state and it is a priority in this state to bridge that digital divide.

36. IdeaTek, through this application, has also provided deployment plans and locations that are typically not disclosed to the public and which are considered strategic to its business. These details can be used by IdeaTek's competitors to get a "jump" on a competitive response; an additional reason for an expedited review of this application.

WHEREFORE, IdeaTek respectfully requests the Commission issue an expedited order approving this application and designating IdeaTek as an ETC for the areas identified herein so that it can meet the FCC's program requirements, the broadband priorities of the state of Kansas, and IdeaTek's own mission to deliver world class broadband to the underserved in Kansas.

Respectfully submitted,

Ethan S. Kaplan, KS SC#24307 General Counsel IDEATEK TELCOM, LLC 111 Old Mill Lane Buhler, Kansas 67522 (855) 433-2835 Fax: (620) 487-2307 ekaplan@ideatek.com

COUNSEL FOR IDEATEK TELCOM, LLC

VERIFICATION

STATE OF KANSAS

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COUNTY OF RENO

I, Daniel P. Friesen, upon oath first duly sworn, state that I am Chief Innovation Officer and managing member of Ideatek Telcom, LLC and am authorized to make this Verification on behalf of Ideatek Telcom, LLC. I further state that I have read the foregoing application, am familiar with the contents thereof, and the statements are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Daniel P. Friesen, CIO

Subscribed and sworn to before me this $\underline{\mathcal{S}}^{\mathsf{k}}$ day of March, 2021. Notary Public My appointment expires: 12525 NOTARY PUBLIC - State of Kansas BROOKE B. MYERS My Appt. Expires

How do I qualify for Lifeline?

There are two ways:

OPTION 1 – Be a participant in an least one of the following governmental assistance programs:

- Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps
- Medicaid
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance (FHPA)
- · Veterans Pension & Survivors Pension Benefit
- Tribal programs

You may qualify for this service through a child or dependent if one participates in any of the above programs.

OPTION 2 – Qualify by income level:

Customers must provide either three consecutive months of statements as documentation of income OR a copy of a tax return from the previous year.

Number of people in household	Income same or lower than the amount listed for household size
1	\$17,226
2	\$23,274
3	\$29,322
4	\$35,370
5	\$41,418
6	\$47,466
7	\$53,514
8	\$59,562
If more than 8, add this amount for each extra person	Add \$6,048

135% of the 2020 Federal Poverty Guidelines

How do I apply?

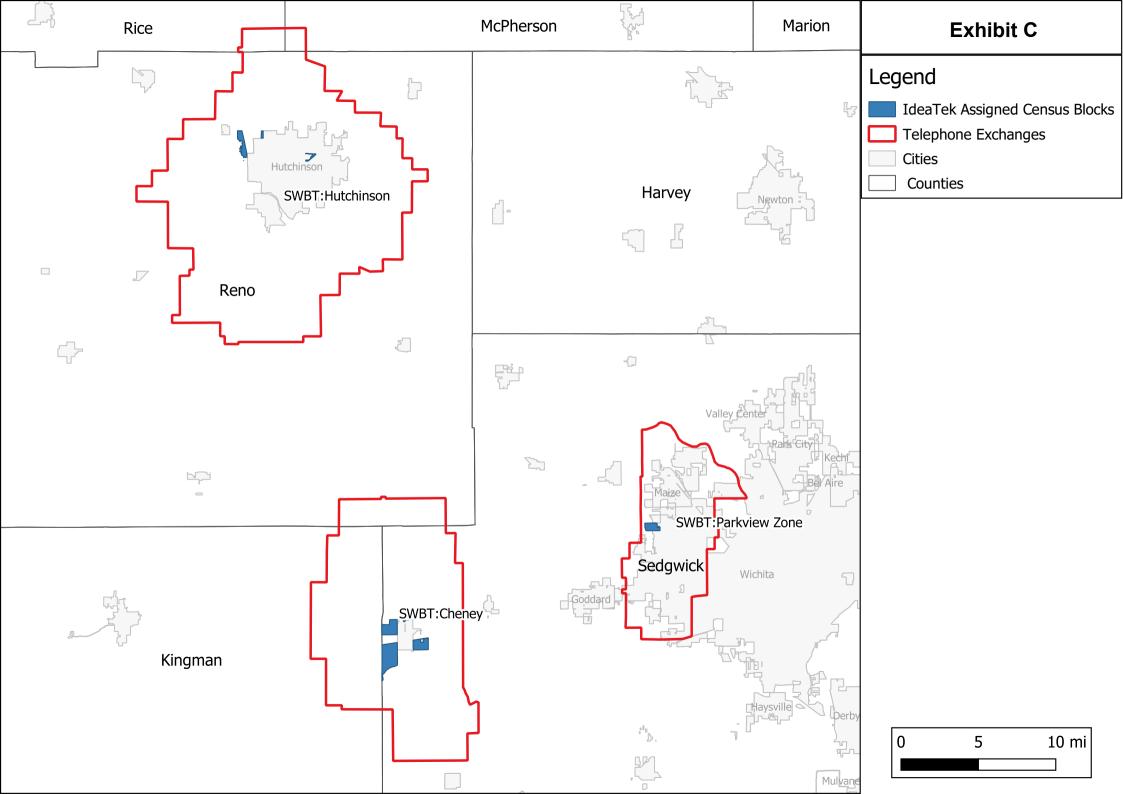
Call our helpful IdeaTek Freedom Connect Navigator, and we will walk you through the application process step by step. **888-774-5370.**



Exhibit B

RDOF IdeaTek Assigned Census Blocks	
RDOF IdeaTek Assigned Census Blocks	

auction_id	bidder	frn	block_id	item	state	county	census_id
904	IdeaTek Telcom, LLC	15798648	201550001003012	KS-155-0001003	KS	Reno	201550001003
904	IdeaTek Telcom, LLC	15798648	201550001003018	KS-155-0001003	KS	Reno	201550001003
904	IdeaTek Telcom, LLC	15798648	201550012002005	KS-155-0012002	KS	Reno	201550012002
904	IdeaTek Telcom, LLC	15798648	201550012002010	KS-155-0012002	KS	Reno	201550012002
904	IdeaTek Telcom, LLC	15798648	201550012002012	KS-155-0012002	KS	Reno	201550012002
904	IdeaTek Telcom, LLC	15798648	201730095071001	KS-173-0095071	KS	Sedgwick	201730095071
904	IdeaTek Telcom, LLC	15798648	201730095071002	KS-173-0095071	KS	Sedgwick	201730095071
904	IdeaTek Telcom, LLC	15798648	201730107002008	KS-173-0107002	KS	Sedgwick	201730107002
904	IdeaTek Telcom, LLC	15798648	201730107002024	KS-173-0107002	KS	Sedgwick	201730107002
904	IdeaTek Telcom, LLC	15798648	201730107002101	KS-173-0107002	KS	Sedgwick	201730107002
904	IdeaTek Telcom, LLC	15798648	201730107002110	KS-173-0107002	KS	Sedgwick	201730107002
904	IdeaTek Telcom, LLC	15798648	201730107002111	KS-173-0107002	KS	Sedgwick	201730107002





BLAZING FAST FIBER INTERNET

TESTIMONY IN SUPPORT OF HB2701 Establishing the statewide broadband expansion task force

Testimony by Daniel P. Friesen, IdeaTek Telcom, Buhler, Kansas. Before the Kansas Senate Commerce Committee March 9th, 2018

Introduction

My name is Daniel Friesen, I am the chief innovation officer and managing member of IdeaTek Telcom which has been headquartered in Buhler, Kansas for nearly 15 years. We are a competitive service provider of broadband and voice services that does not receive funding from the Kansas Universal Service Fund. With less than 70 employees we have used private investment to build over 2,400 miles of fiber optic infrastructure all over our great state. We've connected rural homes, farms, schools, cell towers, and other service providers to real sustainable internet in areas other providers would dare not go, and we are focused now more than ever on the deployment of real, sustainable fiber optic broadband solutions for the unserved and underserved in Kansas.

We support HB 2701 with its creation of a broadband expansion task force as a crucial step toward resolving the gap in broadband deployment. I am familiar with this concept as I also currently serve on a similar working group created in 2017 by the Federal Communications Commission called the "BDAC" or the Broadband Deployment Advisory Committee. I was appointed to the position by FCC Chairman and fellow Kansan Ajit Pai.

State of Broadband in Kansas

There is increasing demand from our fellow Kansans for the government and our industry to resolve the problem of underserved and unserved broadband in homes, farms, and businesses across our state. This is not the first time for this call nor is it the first time for a solution to be proposed or even adopted. But this time there is a real demand from you, from me, from all of those who play a role in broadband deployment to come up with a final sustainable solution to broadband service deployment in this state.

Why?

Because fast broadband is no longer a luxury or a service of convenience. It has become a core utility that residents, business, students, and institutions depend on for daily living and operating just like they do for electricity and water. Yet, those of us that have a good broadband service are quick to forget that many in Kansas still do not. Consider, for example, there are Kansans still using dial-up internet today. This lack of service yet growing dependency and need has driven a momentum across this country to finally eliminate this disparity of broadband found in rural America.

Let's consider the current facts today:

- ★ The United States ranks only 9th in the world for fixed broadband speeds and an embarrassingly 46th in mobile broadband speeds, just ahead of the country of Albania¹
- ★ Kansas ranks 40th in the Union for overall connectivity.
- ★ Over half a million Kansans have no access to a fast broadband connection.
- ★ Another half a million Kansans only have access to a single wired provider, with no options to switch.
- ★ Nearly 200,000 Kansans have no option of a wired provider today ²
- ★ 29% of our Kansas farms do not have internet access today and 8% are still on dialup³

Let's Include Those Already Forging Ahead

While we commend this body and its leadership for taking the initiative to seek a range of opinion, we would respectfully encourage a broadening of the panel to include independent competitive providers like ourselves which are out in front, not just talking about this stuff, but actually doing it, forging ahead with new rural deployments everyday. As an underdog, as a small Kansas-based competitor in an industry often dominated by giant national corporations, we do not always get a voice in these decisions, and that might be because we often take a different view, but it is a view that needs heard more than ever as we tackle the complexities of broadband inequality.

A Competitive Viewpoint

We would first submit our state's lack of progress is **not** because of a lack of funding. Over **3.8 BILLION** dollars in subsidies has been provided in Kansas over the last twenty years with tens of millions of dollars continuing each year. Rather, our view from the outside has helped us form differing opinions, and that our current state of affairs in broadband can be more heavily attributed to the following:

1. **Our failure to invest in long term solutions.** There are many success stories in Kansas of fiber-to-the-home builds that have turned broadband deserts into technology-rich zones that grow our economy, our property values, and support a generation of children and young adults who rely more than ever on fast reliable

¹ "Speedtest Ranks Internet Access Speed In More Than 100 Countries." 14 Aug. 2017, <u>https://www.forbes.com/sites/kevinmurnane/2017/08/14/speedtest-ranks-internet-access-speed-in-more-t</u> <u>han-100-countries/</u>. Accessed 5 Mar. 2018.

² "Internet Access in Kansas: Stats & Figures - BroadbandNow." 30 Nov. 2017, <u>https://broadbandnow.com/Kansas</u>. Accessed 5 Mar. 2018.

³ "Farm Computer Usage and Ownership 08/18/2017 - USDA Economics" 18 Aug. 2017, <u>http://usda.mannlib.cornell.edu/usda/current/FarmComp/FarmComp-08-18-2017_correction.pdf</u>. Accessed 6 Mar. 2018.

broadband. Fiber optic builds essentially remove all barriers for service for the foreseeable future.

- 2. Our failure to support competition under the auspices that monopolies are best for rural and remote service. It's simply not true that only one provider can survive in certain areas of rural Kansas. It's unfortunate our current system often supports a single provider in an area even in the presence of competition. We need to encourage competition that generates better service delivery efficiency, more robust service products and less dependency on the government.
- 3. A lack of cooperation between our different government agencies and providers. The more remote the area, the more cost-effective a provider must be to deliver service. It is certainly important that this bill brings local, county, and state government together to work with providers on streamlining broadband installation while still respecting the important functions these governmental entities play.
- 4. A lack of creativity in support programs to make rural service business models sustainable. Rather than focusing on unsustainable subsidy money, our state should broaden our thinking to include innovative alternatives to long term subsidy models such as one-time construction assistance, tax breaks, and permit streamlining.

Conclusion and Recommendation

This bill is an extremely important first step in starting a real and open conversation about the issues facing broadband deployment in Kansas. Our rural communities, homes, farms and ranches represent a founding cornerstone of our state's agriculture and rural economies, and we can no longer continue to let these areas of Kansas fall farther and farther behind on issues of broadband. Whether it be for business growth and jobs, property values, agricultural development and even the long term survivability of these areas, these Kansans are depending on us for action now.

<u>Currently this bill includes no voting seat for rural independent competitive fiber providers like</u> <u>IdeaTek. As significant contributors to the broadband infrastructure in this state, we would</u> <u>strongly and respectfully encourage your consideration in including more voices like ours in this</u> <u>process.</u> We believe change is an important part of resolving our broadband issues, and therefore we believe this taskforce should include new seats at the table, creative thinkers, and competitors who are already out there attempting to deliver on this bill's goal - to deliver real sustainable broadband to Kansans that need it the most.

Thank you Madam Chairwoman and senators for this opportunity to appear today. I would be honored to take any questions you may have.