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BY ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

**Re: East Kentucky Network, LLC d/b/a Appalachian Wireless
Mobility Fund Supplemental Filing - WT Docket No. 10-208**

Madam Secretary:

East Kentucky Network, LLC d/b/a Appalachian Wireless ("EKN") seeks to update and modify the project descriptions, and corresponding timelines, currently on file for certain census tracts won by the company in the FCC's Mobility Fund Auction. In particular, EKN seeks to reflect the company's changed business plan to deploy a 4G network in its census tracts, instead of a 3G network as originally indicated.¹ Enclosed is an updated project description and timeline reflecting the company's changed business plan for each of the relevant census tracts.

EKN participated in the FCC's Mobility Fund auction held in 2013.² In that auction, EKN was a successful bidder for 19 census tracts in Kentucky for a total bid of \$4.4 million. These census tracts cover approximately 1300 road miles spread over 8 counties and consist of approximately 3500 square miles. The census tracts won are extremely rural in nature. For example, Breathitt County has 28 persons per square mile, Morgan County has 36 persons per square mile, and Jackson County has 39 persons per square mile.

When filing its original project descriptions and timelines, EKN indicated that it would be building a 3G network for each census tract. Accordingly, each of EKN's Mobility Fund census tracts are currently subject to a two-year buildout deadline of July 18, 2015.³ By this deadline, EKN expects to submit drive testing results which show that its network covers 75% or greater of the designated road miles in at least 7 of the census tracts awarded to EKN in the Mobility Fund auction.⁴

¹ These census tracts include: T21025920600, T21025920700, T21071920400, T21071920900, T21095970100, T21095971300, T21153970300, T21153970400, T21175950100, T21195930100, T21195930700, T21195931300.

² See "Mobility Fund Phase I Support Authorized for 54 Winning Bids," Public Notice, DA-13-1591 (rel. July 18, 2013 (Attachment A)).

³ *Id.*; 47 C.F.R. § 54.1006(a).

⁴ These census tracts include: T21071920700, T21095971000, T21109960300, T21133950100, T21133950200, T21195930200 and T21195930600.

Since the time of the 2013 Mobility Fund Auction, EKN has reevaluated its network needs and the needs of its end-users. EKN has decided that it would be efficient, and better serve the expanding needs of its end-users, to deploy a 4G network in its Mobility Fund census tracts. Accordingly, all new network construction in the company's Mobility Fund census tracts will include a 4G network build.⁵ Allowing EKN to update its Mobility Fund reporting to reflect the 4G network build, and the corresponding updated build-out deadline (i.e., July 18, 2016), will allow the company sufficient time to build out its network and put the company on par with other winning bidders who are also deploying a 4G network in their winning census tracts.⁶

EKN seeks to be treated no differently than any other winning bidder that has designated a 4G network build-out. For the census tracts modified to a 4G network build, EKN will be subject to the 4G broadband speed requirements specified in the FCC's Rules and it will be subject to the three year build out requirement based on the date (i.e., July 18, 2013) the company was originally authorized to receive support from the Mobility Fund.

Allowing EKN to modify its project description and timeline to reflect the company's decision to build-out a 4G network is in the public interest. **First**, EKN's end-users will benefit from an enhanced 4G network that will provide broadband services at speeds that are increasingly demanded by today's consumers. **Second**, the FCC will get more "bang for their buck" by having Mobility Fund support go towards the deployment of an up to date modern 4G network. **Third**, delays related to site acquisition, government approvals and construction have slowed the company's network build-out. If EKN's 4G network build-out is subject to a two-year, instead of a three-year deadline like other 4G providers, the company will be forced to walk away from numerous census tracts, thereby substantially reducing the likelihood that consumers in those tracts will receive service anytime soon -- a result that is not in the public interest and is contrary to the Commission's stated goals of the Mobility Fund.⁷

⁵ In addition to deploying 4G equipment for all new construction, EKN is also in the process of updating existing 3G network equipment to 4G.

⁶ The census tracts the company seeks to change to a 4G network build include: T21025920600, T21025920700, T21071920400, T21071920900, T21095970100, T21095971300, T21153970300, T21153970400, T21175950100, T21195930100, T21195930700, T21195931300.

⁷ See *Mobility Fund Phase I Auction Scheduled for September 27, 2012 Notice and Filing Requirements and Other Procedures for Auction 901*, Public Notice, DA 12-641 at ¶ 7 ("Phase I of the Mobility Fund will provide up to \$300 million in one-time support to address gaps in mobile services availability by supporting the build-out of current-and next-generation mobile networks in areas where these networks are unavailable.").

Accordingly, EKN respectfully requests that the enclosed supplemental material be associated with the following census tracts in order to reflect the company's decision to deploy a 4G network and to reflect the corresponding changed build-out deadline of July 18, 2016: T21025920600, T21025920700, T21071920400, T21071920900, T21095970100, T21095971300, T21153970300, T21153970400, T21175950100, T21195930100, T21195930700, and T21195931300.

Please contact the undersigned at (703) 584-8678 if you have any questions about this submission.

Sincerely,



Todd Slamowitz
Marc A. Paul

Attorneys for East Kentucky Network, LLC

Enclosures

**East Kentucky Network, LLC d/b/a Appalachian Wireless
Mobility Fund (WT Dkt. No. 10-208) Supplemental Filing**

ATTACHMENT 1

Updated Project Description and Statement of Technical Feasibility

This updated project description and statement of technical feasibility is being provided by East Kentucky Network, LLC d/b/a Appalachian Wireless ("EKN") to update the material currently on file for the following Mobility Fund census tracts: T21025920600, T21025920700, T21071920400, T21071920900, T21095970100, T21095971300, T21153970300, T21153970400, T21175950100, T21195930100, T21195930700, and T21195931300.

In sum, the project descriptions, timelines and statement of technical feasibility currently on file with the Commission reflect EKN's original intent to deploy a 3G network prior to the company's 3G network build-out deadline of July 18, 2015. After additional analysis by the company of its network and the needs of its end-users, the company has instead decided to move forward with a 4G network build in the census tracts referenced above. With the decision to deploy a 4G network, the company's build-out deadline will be July 18, 2016. This Attachment seeks to update the company's project descriptions, timelines and statement of technical feasibility to reflect the company's changed business plans.

The deployment of the most up to date 4G technology in the census tracts referenced above will enable EKN to meet its public interest obligations to provide rural citizens with access to advanced telecommunications and information technologies that are reasonably comparable to those available in urban areas. In the census tracts awarded to the company as part of the Mobility Fund Auction, EKN has identified rural areas that lack high-quality coverage, where citizens have no access to wireless network signals or where coverage is

insufficient to allow mobile usage without dropped calls. Use of support from Auction 901 will allow EKN to improve coverage and expand its 4G network footprint, and to cover operating and maintenance expenses expected in remote areas that present a challenging business case for EKN (or any carrier) to serve.

In the areas where EKN seeks to serve, consumers have access to data speeds that are insufficient to stream high quality video and transmit large files without significant delay. Installation of 4G service will significantly increase data speeds and provide residents of these areas with services comparable to those in urban areas of the country. This serves the public interest by not only facilitating reliable voice communications, but also allowing consumers to make more efficient use of smart phone devices that provide access to a wide variety of software applications. In every area where coverage is improved, rural citizens will see significant public safety benefits, including improved access to 911, E911 and other important communications.

EKN has already begun successfully rolling out 4G services in parts of its existing network. EKN has familiarity with the challenges of deploying 4G technology and has established relationships with 4G equipment and handset vendors. EKN understands the challenges of deploying a high-speed data network in a rural area and is fully confident that the technology it has chosen is technically feasible and that it has the necessary expertise to deploy a technically capable network solution that meets the FCC's coverage and data throughput requirements.

Prior to Auction 901, EKN completed a preliminary network design and budget proposal, which informed its Auction 901 bidding strategy. Following Auction 901, the company finalized its network design and its budget, based on the then-current status of its network and then-current costs associated with purchasing the necessary 3G equipment. Since that time, the company has

needed to redesign its network on numerous occasions due to the difficulty in obtaining access to certain site locations.

To date, for those initially planned site locations where EKN has not had to modify its planned deployment, the company has been able to promptly begin construction, order equipment, and begin installations in a rapid, but orderly fashion. To facilitate this rapid deployment, the company has already ordered and installed equipment needed to upgrade its switching office, so that all new network equipment that is installed is capable of providing service immediately.

For the remaining site locations where some delays have occurred or a redesign of the company's network has been required, EKN still expects construction, installation and testing to occur over approximately a one-year period. The pace of deployment will vary depending upon a number of factors, including for example, equipment availability, cell-site preparation, zoning and permitting approvals, weather and other factors discussed above.

In particular, EKN has encountered serious challenges to constructing towers in remote mountainous areas throughout its service area, including the areas of the census tracts referenced above. In these census tracts, there are no existing towers available for co-location, and accordingly, EKN must find suitable locations to construct its own towers in order to provide for seamless coverage with its existing network. Suitable land for tower sites is limited since mountainous terrain requires the company to locate towers at higher elevations.

Once suitable land is identified, access to it must be secured -- a real challenge in some areas dominated by local coal companies. Even then, EKN must obtain state and federal regulatory approvals, construct access roads, add electric power, and complete tower construction. This process has proved to be especially challenging and time consuming,

particularly since the census tracts awarded to EKN require numerous sites to meet the build-out requirement. Despite all of these obstacles, EKN remains optimistic that it will achieve 75% or greater 4G coverage for each of the census tracts referenced above by July 18, 2016.

With the decision to deploy a 4G network in the twelve census tracts referenced above, the company now has increased equipment expenditures as compared to its original budget proposal filed in conjunction with Auction 901. EKN's increased expenditures will likely cause costs for this project to exceed the Mobility Fund support the company will receive for each of the twelve census tracts. EKN understands that the FCC's Auction 901 funding commitment is limited to the support amount, and that EKN will be responsible for providing the capital needed to meet the Commission's coverage and service requirements. The company has done an internal analysis of the technical feasibility of meeting the FCC's coverage requirements and it is confident that the combination of support and internally provided capital will be sufficient.

There have been no changes to the planned spectrum EKN intends on using for its Mobility Fund project as set forth in its FCC Form 680 for Auction 901.

Questions regarding this Attachment should be addressed (703-584.8678) to EKN's counsel Todd Slamowitz and Marc Paul of the law firm Lukas, Nace, Gutierrez & Sachs, LLP.