

## “Excellent” - Attendees Praise MITS Symposium

If the success of a conference is measured by the accolades of the participants, MITS’ December 3 and 4 Technology Symposium was a smash hit. The evaluations speak for themselves.



“The entire agenda flowed with each previous agenda item to tie together the entire symposium, Congrats!”  
“Excellent-Pertinent info

on a variety of subjects.” “Informative for all knowledge levels.” “Enjoyed the variety and wealth of information.” “Logical flow to programs, fantastic and well-organized binders.”  
“Excellent presentations - enjoyed the variety and expertise of the speakers.” “Speakers were professional and yet congenial.”

It was important to explore how telecommunications, computer networks and the Internet are contributing to Montana’s social and economic development, but it was the speakers and attendees who brought enthusiasm and life to the event. Secretary of State Bob Brown began the program with an interesting historical perspective on the development of Montana’s economy. Montana Senators Greg Jergeson and Sam Kitzenburg followed with observations on Montana’s bright spots and reasons for hope. Montana’s Chief Business Officer, Dave Gibson, outlined his office’s analysis of the state’s current status, including an outline of future plans.

The program moved to an examination of existing telecom networks as Mike Strand - MITS, Ron Warnick - Vision Net, Kathy Duff - MAIN and Mike Sheard - [iConnect Montana](#) described the “plumbing” now in place. Thelma McClosky-Armstrong, Eastern Montana Telemedicine Network Director, highlighted telehealth applications in Montana. The audience appreciated Dr. Lynn Churchill’s web-based education and business ventures presentation as well as Northern Telephone General Manager Wayne Vick’s applications of video via the net. The Jim Darcy Elementary School Honor Choir moved the large crowd with presentations of patriotic and Christmas songs.

U.S. Congressmen Max Baucus, Conrad Burns and Denny Rehberg expressed their support of the symposium via videotape while Brian Wolf, Montana’s new Chief Information Officer, shared the challenges his office faces to ensure state government maximizes use of information technology. Following Brian, Ken Overcast, a Grammy -nominated country singer, entertained with a rousing and hilarious recital.

The second day was kicked off by Jay Driscoll, Legislative Assistant to Senator Baucus with his observations of 9-11 from a Washington perspective. Barb Ranf, Chief of Staff to Governor, Martz, outlined the state’s response to current security chal-

lenges as well as her views on the economy going forward. Mike Strand highlighted current legal and regulatory issues in telecom while MITS’ Jack Sterling and GCI’s Martin Cary discussed the E-Rate Program and how it is being used creatively in Montana and Alaska to enhance our children’s learning environment. David Lowe of NTCA provided insights into the convergence of voice, data, and video networks.

The MITS Symposium also included a special program structured for residential consumer guests. The Montana PSC’s Tina Shorten and Vicki Nelson spoke on how the Commission assists consumers. Nemont’s Kathy Greenwood provided an informative interactive discussion of the basics of how a telephone company works. Bonnie Lorang talked about MITS’ role in telecom policy development. The consumers were treated to a demonstration of how interactive video conferencing works at the Helena Vision Net facility and toured [iConnect Montana’s](#) Helena fiber hotel. Their program was capped off with a tour of the newly renovated state capitol.



Capitol Tour

With 98% of the evaluations rating MITS’ symposium either “excellent” or “good”, we are challenged to host an equally exceptional event next year. *We can hardly wait!*

### MITS Board of Directors

**Tom Bangs - President**  
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**Central Montana Communications**  
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**Project Telephone Company**  
**Triangle Telephone Cooperative Assoc.**  
**Valley Telecommunications**

## MITS Selects 2002 Officers

**Tom Bangs** of Inverness was elected president of the MITS Board of Directors at the Dec 4 annual meeting in Helena. Tom is also a director for Triangle Telephone Coop and Central MT Communications. Roy Neufeld of Larslan was elected to the vice president post, while Ben Boreson of Opheim was elected secretary-treasurer. Roy and Ben are directors of Nemont Telephone Coop and Project Telephone Co. All three officers have served as MITS directors since 1994. Other MITS directors include Rick Pokorny of Big Sandy and Vernon Stoner of Outlook. Rick also serves as a Triangle and Central director while Vernon is a Project director.



Tom Bangs

## Great Kids Say Great Things!

53 very talented, young Americans treated our December Technology Symposium participants to a display of old-fashioned patriotism. The 4<sup>th</sup> and 5<sup>th</sup> grade Honor Choir from Helena's Jim Darcy public school performed an array of memorable patriotic and holiday tunes. Choir director Jeannine Johnson introduced the group by explaining how important patriotism is to these students, whose school bears the name of local hero, soldier and helicopter pilot Jim Darcy. Darcy lost his life in Vietnam. Their enthusiasm and voiced commitment to old-fashioned values left many in the audience tearfully touched.



**Jim Darcy Honor Choir  
(4<sup>th</sup> and 5<sup>th</sup> graders)**

MITs applauds the enthusiasm, discipline, and commitment of the young Jim Darcy performers

We'd like to share some of the backstage comments heard from the young performers who were in awe, not only of the numbers of attendees, but also by the charter bus MITs provided for their transportation to and from their Helena valley school.

"Did you see the *REAL* bus we rode here in?" "Do you know how *THICK* those seats are in that bus?" "Is this the White House?" "This must be a *VERY* expensive hotel." "Are there famous people in there?"

Great Kids! We are proud to have met them.

## EAS Hearing Date Set

Consumers will soon have a chance to voice their support or opposition to expanded local calling areas in the Billings region at a public hearing set by the Montana PSC. A **January 31<sup>st</sup>** public hearing (scheduled for 1:00 pm in the Fortin Education Center Auditorium at Rocky Mountain College) has been set by the PSC, with Commissioner Jay Stovall acting as hearing examiner.

Representatives from Project, Triangle and Qwest telephone companies will present their extended local calling area proposals including the various customer options and calling plan prices, according to Martin Jacobson, counsel for the PSC. The hearing will then be opened for public testimony and comments. Public comments may also be submitted to the PSC through their Web-based comment form at <http://psc.state.mt.us/PublicComment/PublicComment.htm> Public comments, written or electronic,

must be submitted no later than the date of hearing and should include a reference to the case docket number, D99.5.129.

If approved, a Billings area local calling region will be established, making it the largest local calling area in the state. Calls between Absarokee, Belfry, Billings, Bridger, Broadview, Columbus, Crow Agency, Fort Smith, Fromberg, Hardin, Huntley, Joliet, Laurel, Lodge Grass, Molt, Park City, Pompeys Pillar, Rapelje, Red Lodge, Reedpoint, Roberts, Shepherd, Worden and Wyola will all be local calls included in the monthly rate for local telephone service. If the proposals are adopted, monthly rates for customers in the affected Triangle & Project communities will be approximately the same rate now paid by Qwest customers in the Billings region.

## PSC's Mike Lee Tapped for Joint-Board Staff



**Mike Lee**

Mike Lee, veteran economist for the Montana Public Service Commission, was recently appointed as staff to the FCC-State Joint Board on Universal Service. His selection by the president of NARUC, the National Association of Regulatory Utility Commissioners, is both prestigious and demanding, given the national importance of current universal service issues.

"Mike has been our lead economist for many years and is one of the hardest working and most insightful telecom economists at any state Commission. He will do great work for rural America and also on universal service issues generally," said Montana PSC Commissioner Bob Rowe in supporting the appointment. Commissioner Rowe currently serves on the Universal Service Joint Board.

FCC and state staff work rigorously on issues formally referred to the Joint Board as well as issues that may be referred to the Board at some future date. Staff meets regularly via teleconferencing, divides up workload, and completes research and analysis required for the Board's consideration of universal service issues. The Joint Board is now formally reviewing the definition of Universal Service as well as the Lifeline/Linkup Program, which assists low-income telecom consumers. Federal universal service programs are particularly important to Montana phone subscribers. Montana receives nearly \$50 million annually from the programs. This funding is used by Montana's phone companies to continue to provide high quality phone service offered at affordable rates.

## iConnect Montana - "Fiber Hotels"

### Growing, Growing, Growing

iConnect Montana's tenant lists for its Helena and Billings data centers (also known as "Fiber Hotels") continue to grow. These Fiber Hotels offer telecommunications, e-commerce, Internet-based and other data-intensive businesses a cost effective opportunity to physically locate their telecommunications, computer, and networking equipment in clean, professionally engineered and managed, controlled-temperature environments. In addition to the physical and environmental advantages offered by the data centers, easy interconnectivity among tenants and ready access to multiple fiber network providers are also provided.

The **Helena Data Center** tenant list includes: Montana Internet Corporation - Qwest Communications - Vision Net - AT&T Broadband - Innovative Solutions Group - Corban Communications - Cutthroat Communications and iTRC.



Helena Fiber Hotel Cage

The **Billings Fiber Hotel** tenant list includes: MAIN, Inc. - Visionary - Vision Net - Connect Service - Project Telephone - Montana Technological Services - Triangle Telephone Cooperative - Touch America - Cutthroat Communications - Corban Communications - Western Wireless - AT&T Broadband and Global Crossing.

## FCC Orders Increase in Subscriber Line Charge

Beginning January 1, 2002, residential and single-line business customers served by rural telephone companies will see an FCC mandated increase on their local telephone bills. The FCC has ordered an increase in the Subscriber Line Charge or SLC from \$3.50 to \$5.00. The Subscriber Line Charge appears on local telephone bills. It is designed to help local telephone companies recover costs of connecting individual phone lines to the interstate long distance network.

In an October 2001 order, the FCC reduced access charges paid by long distance carriers to local telephone companies for using the local telephone companies' networks. The FCC balanced this reduction in costs for long distance carriers with an increase in subscriber line charges paid directly by local telephone customers. Much to the dismay of rural phone companies, the FCC neglected to require long distance companies to pass through any savings from reduced access charges directly to customers. As a result, consumers in rural areas will be paying increased local rates with no assurances of lower rates from their long distance carriers.

The FCC further indicated the SLC might increase up to \$6.00 on July 1, 2002 and \$6.50 on July 1, 2003. Multi-line businesses will see an increase in SLC charges to \$9.20 on January 1, 2002.

## PSC Sets Stage for CLEC 271 Forum

Competitive local exchange carriers (CLECs) Touch America, Montana Wireless, 3 Rivers Telephone Cooperative and New Edge Networks will participate in a January 9, 2002 forum to provide the PSC with Montana-specific information regarding their actual experiences in dealing with Qwest as customers and competitors in the Montana local service market. Those four were telecom carriers responded to an October PSC notice requiring identification of participants and issues related to Qwest's wholesale provisioning of service to competitive carriers in Montana. Although AT&T responded to the PSC's notice, the Commission determined that the issues identified by AT&T also were not "proper subjects" for the Jan 9 CLEC forum to be held at the Commission offices in Helena. The CLEC forum is another step towards

the PSC's recommendation to the FCC on whether or not Qwest has proven they have sufficiently opened local markets to competition to justify their entry into the long distance voice and data markets. Qwest and CLECs have, through lengthy and tenacious workshop procedures, resolved the majority of contested issues relating to whether it provides comparable service to retail and wholesale customers. The PSC will consider various "unresolved" issues identified in those workshops at an "omnibus" proceeding in March or April of 2002.

Other 271 issues (a reference to the section of the 1996 Federal Telecom Act detailing requirements Bell companies must meet prior to gaining FCC approval to provide long distance service) that the PSC must

resolve include final review of the third party testing of Qwest's Operations Support System (OSS); a public interest review; final approval of Qwest's Statement of Generally Available Terms, setting terms and conditions for companies to interconnect networks with Qwest; and establishing a Post Entry Performance Plan (PEPP) to minimize "backsliding" of service after completion of the 271 process. Additionally, some wholesale cost and pricing issues related to the 271 docket linger.

Staff has advised the PSC Commissioners that procedures in Qwest's 271 Montana application may be completed by late spring of 2002.



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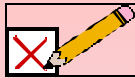
Mike Sheard      Mike Strand  
Bonnie Lorang

## Montana Telecommunications

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MITS welcomes your comments and inquiries on any of the articles in this publication. Please feel free to contact us or stop by our office.

### Mark Your Calendar



- **Jan. 4, 2002** - MUST Reply Comments due to FCC
- **Jan. 7-8, 2002** - NTCA Broadband Strategies, Phoenix, AZ
- **Jan. 9, 2002** - Qwest 271 CLEC Forum Hearing - Helena
- **Jan. 17, 2002** - E-Rate Filing Window Closes
- **Jan. 28 & 29, 2002** - Montana Council of Cooperatives Annual Meeting, Havre
- **Jan. 31, 2002** - EAS Public Hearing - Billings
- **Feb. 10-13, 2002** - NARUC Winter Committee Mtg.
- **May 20-22, 2002** - MSAE Annual Meeting, Big Sky

## The Cutting Edge “DSL” for Faster Internet Access



DSL, which stands for “digital subscriber line”, is a technology that enables traditional copper phone lines to be transformed into high-speed on and off ramps to the information superhighway. DSL, which can be provided over phone lines simultaneously with traditional voice telephony, is proving to be an effective tool to get broadband services to consumers whose growing appetite for faster Internet access is a direct result of increases in web surfing, MP3 downloading, and for sending and receiving large data files.

According to the DSL Forum ([www.dslforum.org](http://www.dslforum.org)), the number of DSL subscribers worldwide has recently exceeded 10 million as of June of 2001. According to Telechoice, Inc. ([www.telechoice.com](http://www.telechoice.com)) DSL lines in service in North America alone totaled 4,750,250 at the end of third quarter 2001.

Despite the downturn in the economy, new DSL deployments are maintaining relatively robust growth rates. However, DSL is still only in use on an estimated 0.01% of the global installed base of copper telephone lines. While not all of these lines would currently qualify for DSL service (due primarily do to distance limitations), efforts are underway to extend DSL’s reach to nearly every home and business in the U.S.A.

### MITS BITS

3 Rivers Telephone Cooperative has joined the Montana Universal Service Task Force (**MUST**), whose mission is to preserve and protect universal service in Montana. **MUST** is managed by MITS and includes: Nemont, Project, Valley, Triangle, CMC, Blackfoot, Clark Fork and Northern telephone companies.