



Providing Professional Services to
the Telecommunications Industry Since 1994

April 27, 2010

Dan Villa
Education Policy Advisor
Governor Brian Schweitzer
PO Box 200801
Helena, MT 59620

Re: Montana recommendations for BTOP applications for broadband stimulus funding

Dear Mr. Villa:

It is our understanding that NTIA has asked Governor Schweitzer to submit Montana's priority recommendations for Round 2 BTOP applications for broadband stimulus funding. As you know, MITS represents five Montana rural telecommunications cooperatives and their affiliated companies.

Cumulatively MITS member companies provide services covering approximately two-thirds of the geographic area of Montana. The largest Montana city or town in which any MITS member provides telecommunications services as an incumbent provider is Glasgow, with an estimated population of 2,921.

The purpose of the ARRA broadband stimulus program is to facilitate broadband deployment in rural areas and broadband infrastructure in unserved and underserved areas. It is critical that Federal broadband funding within Montana be directed to sustainable projects that will extend broadband to Montanans who currently have little or no broadband access.

MITS companies and other rural providers have already made, and continue to make, significant financial investments in Montana's remote and frontier areas to deploy networks and infrastructure capable of delivering broadband applications including education, health care, and public safety. They have borrowed millions of dollars and incurred substantial long term debt to extend broadband into many of the State's most remote areas. Targeting ARRA funds to build new infrastructure in areas where broadband services are currently accessible over existing telecommunications networks will not be positive for rural and remote Montanans.

We respectfully urge Governor Schweitzer to resist recommending such applications for ARRA funding.

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BTOP projects should not be funded if they would in any way create the unintended consequence of inhibiting the ability of Montana's cooperative telcos and Montana's other rural providers to continue their aggressive broadband deployment activities in rural Montana.

We welcome the opportunity to discuss broadband solutions that can be a win-win for our State and the cooperative telcos that historically have set high standards and expectations for service quality and technology in Montana. We are available at any time for questions and clarifications. Thank you.

Sincerely,

Bonnie Lorang
General Manager
MITS

cc:
Governor Brian Schweitzer
Hal Harper, Policy Advisor

Nemont Telephone Cooperative, Inc.
Project Telephone Co.
Triangle Telephone Cooperative, Inc.
Central Montana Communications, Inc.
Northern Telephone Cooperative, Inc.
InterBel Telephone Cooperative, Inc.
Mid-Rivers Communications