

Connecting Appalachian Ohio – Middle Mile Consortium

Proof of Shovel-Ready Status

These letters from Horizon contractors document their ability and willingness to work on the CAO-MMC network build. The contactors support this BTOP CCI proposal as a much-needed, worthwhile project and testify to the jobs it will create within their respective companies.

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March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

ECSM Utility Contractors, Inc, a full service telecommunications and utility engineering firm, has served the Northeastern and Great Lakes region since 1995. Today we are company with 245 employees with office locations in five states. Our four year association with Horizon has proven to us that Horizon is not only an innovative and forward thinking company, but also a company who shares our conviction to provide a quality product at a competitive price to their customers.

ECSM is currently providing design services for the FCC-funded Southern Ohio Health Care Network to the rural and economically disadvantaged counties of Southern and Southeastern Ohio. Our association with Horizon and the Southern Ohio Health Care Network created nine new engineering staff positions within ECSM and assured the retention of an additional four positions. Seven of the new positions have been staffed by employees who permanently reside in Southern and Southeastern Ohio. The outlook for the remainder of 2010 will see an additional ten to twelve new engineering positions staffed with anticipated additional staff positions in 2011.

You only need to talk with our engineers to know why the CAO-MMC needs to be funded and deployed. Daily the engineers interact with residents along the proposed fiber routes and they constantly address the question "when can I get high speed, reliable internet service?" Even members of our staff who reside in the design area are anxiously awaiting the fiber network construction and their chance to obtain reliable and competitively priced high speed internet service. They need this service to maintain their employment and remain residents in Southern and Southeastern Ohio. Even my engineering manager, who lives less than three miles from an existing Verizon switch cannot get reliable high speed internet service. In fact, several of my employees who reside in Southern Ohio have to travel to other locations to avail themselves of reliable high speed internet service.

The CAO-MMC will encourage growth within my company and Southeast Ohio. It is exactly the kind of responsible federal investment that will finally make economic development possible in Southern and Southeastern Ohio.

If I can be of further help procuring BTOP funds for your proposal, please contact me at 717-258-8001 or gerald.redden@ecsminc.com.

Sincerel

Gerald L. Redden

President

«MasTec

March 25, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

MasTec North America, Inc. (MasTec) is a leading specialty contractor for communication companies, utilities, and governments throughout the United States. We design, build, install, maintain, and upgrade infrastructure from telecommunications and broadband, electric distribution and transmission, to pipelines. MasTec employs over 9,000 employees. We have provided communication construction services for Horizon in the past and have enjoyed our past relationship and success together. Horizon has been innovative and progressive.

MasTec currently is a contractor selected to provide aerial make ready and installation services for the FCC-funded Southern Ohio Health Care Network build. It is a pleasure to be part of this innovative project to connect health care facilities across this region to provide enhanced and progressive health care utilizing fiber broadband to these economically challenged counties. The initial phase of this project will create a minimum of ten new positions with our company and we anticipate adding additional resources as the project progresses.

The CAO-MMC will provide middle mile fiber access to 34 rural Appalachian counties increasing the capacity and back haul capabilities to this region allowing them to extend high speed broadband services to residents and businesses in this economically challenged and disperse populated area. This project could add as many as twenty additional jobs to our workforce if it is funded.

The CAO-MMC will encourage growth within our company and Southeast Ohio by providing much needed high speed broadband services. This project is the kind of project that meets the intent and spirit of federal investment through the BTOP program. If we can be of any further assistance in assisting you in procuring the funding for this project under the BTOP program, please contact me at (218) 785-3030.

Sincerely,

Brwan G. Westerman Group President

MasTec North America, Inc.



10 Foxmill Dr Buckhannon, WV 26201

March 24, 2010

Bill McKell CEO Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

Critchfield Utilities, LLC has been constructing fiber networks in Ohio, West Virginia, Pennsylvania, Virginia and Kentucky for 5 years. We have worked with Verizon building fiber to the home as well as building fiber backbone for Comcast, Time Warner, Suddenlink and Shenandoah Telecommunications. We have 40 full-time employees, including both construction and installation technicians. We have been a contractor with Horizon for the past year, and have been treated as a valued business partner by you and your staff.

We are currently working with you to construct the FCC funded Southern Ohio Health Care Network. This project to bring large capacity broadband fiber to the rural counties in Ohio has created 18 new full-time positions in our company.

The CAO-MMC is a needed project; bringing broadband middle mile services to 34 rural Appalachian counties. This increase in capacity, speed and backhaul service will provide broadband service to rural areas that are currently underserved and suffer as a result. If the CAO-MMC is funded, it would help support our 40 current employees and create 30 additional full-time positions.

The CAO-MMC will allow our company to continue to grow. This project will bring jobs to the Appalachian area and is a sound federal investment in the rural areas of Ohio. If you need further assistance in obtaining BTOP funds for the proposal please contact me at 304-844-6800 or bcritch@cebridge.com.

Sincerely,

William Critchfield Chief Operating Officer Critchfield Utilities, LLC



March 25, 2010

CEO Bill McKell Horizon Telecom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

Our company, Bowlin Services, is a construction firm that specializes in the construction of fiber optic networks including fiber-to-the-premises ("FTTP") networks in small communities. We have over 10 years of experience, and a staff of over 100 telecommunications skilled craftsmen. We are familiar with Horizon Telecom's construction requirements, network configurations and contract terms. We have completed fiber network projects for Horizon Telecom in the state of Ohio.

Bowlin is currently working with Horizon Telecom on the FCC-funded Southern Ohio Health Care Network. It has been exhilarating to play a role in finally bringing reliable fiber broadband to these economically distressed counties. The project has created 10 new positions in the area as well as a new facility for the Bowlin Group.

We are extremely excited about the opportunity to partner with Horizon Telecom for the CAO-MMC, in which 34 rural and Appalachian communities would receive a sustainable and cost effective fiber broadband network. Bowlin is in a position to supply and or acquire resources for all or any portion of the construction work required to build out these communities. Should you have any questions regarding this letter, please feel free to contact me at (859) 919-0216.

Sincerely,

James Martin Vice President and General Manager Bowlin Services, LLC



Thayer Power and Communication Line Construction Co., Inc.

OFFICE: (814) 474-1174 • FAX: (814) 474-3474

March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

RE: Letter of intent for Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell,

Thayer Power and Communication Line Construction Company has been in business since 1964, specializing in all construction phases of Telephone and Data construction. In our 46 years of business, we have constructed numerous copper and fiber networks starting with the early days of open wire lines. We employ 130 people out of 6 offices in Ohio, and Northwestern Pennsylvania. We have Ohio offices in Cleveland, Akron, Columbus, and Marietta. Our Pennsylvania offices are located in Erie, Bulter, and Pittsburgh. We are a union contractor signatory with the IBEW, which provides us with an excellent apprenticeship program, training our employees to safely and properly construct networks such as this.

Horizon Telcom is an important client for us as they have the technology, know how, and drive to properly build and maintain this network. It is a pleasure for us to be able to be a part of this team of talented people.

Our company will be providing craftspeople, specialized trucks, and tools to construct the outside portion of this network. We will be placing all of the specified material in the field **properly** to ensure sustainability of this network for years to come. This project is demanding that we hire an additional 10 people to our workforce, which has created a lot of hope to some of our staff that has been unemployed for a while.

We are excited to be a part of a network that we feel will bring additional growth to the areas we are already located. This network will bring additional work to our company through other fiber builds that will be required for connectivity of customers just outside of this network. Rural manufacturing, we feel, will benefit from this network greatly through high speed transfer of voice, and data. There are many specialized industries with great potential that have the need to be connected to this network.

Thank you for considering our company for this project. From myself, and all of our employees here, thank you for the opportunity to be a part of this important technological advancement in the great state of Ohio.

Sincerely,

James A. Thayer

James Ce t

President



127 Business Park Drive Frankfort, New York 13340

March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile

Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

Fiberdyne Labs, Inc. is a Corning Gold Certified manufacturer of fiber optic cables assemblies and has been in business since 1994. Fiberdyne has assisted customers across the country and internationally including AT&T, Level 3, Time Warner Cable, Horizon Telephone, Google and many others in building their fiber networks. We have 150 full-time employees, including certified engineers, fiber technicians, manufacturing technicians and administrative staff. Our company has been assisting Horizon for the past 15 years, and has always enjoyed working with your staff. Horizon is forward thinking, innovative and fair-minded.

Fiberdyne is currently providing fiber to Horizon's fiber info structure. It has been exhilarating to play a role in finally bringing reliable fiber broadband to these economically distressed counties. The project has also allowed us create many new jobs within our manufacturing facility

The CAO-MMC is a solid, sustainable, cost-effective plan to bring much-needed middle mile services to 34 rural and Appalachian counties. Without its redundancy, increased capacity, speed and backhaul services, this area will continue to suffer economically. If the CAO-MMC is funded, I will be able to create 15 more positions because of the work it will provide.

The CAO-MMC will encourage growth within my company and Southeast Ohio. It is exactly the kind of responsible federal investment that will finally make economic development possible in area. If I can be of further help procuring BTOP funds for your proposal, please contact me at 1-800-894-9694 Ext: 187 or npaoni@fiberdyne.com

Sincerely,

Nicholas J. Paoni

Senior Executive, Fiberdyne Labs, Inc.

Phone 800.894.9694

Fax 315-894-8436

E-Mail npaoni@fiberdyne.com



March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

IJUS LLC has enjoyed working with Horizon over the past ten years. In our time we have seen the benefits of services from Horizon. Our initial DSL service in 2001 allowed us to operate a remote office in Chillicothe, Ohio. Today we see our involvement in Horizons expansion as a valued partner. Our Project Management and Engineering services has allowed us to increase our staff to fifty-two engineers, technicians, and support staff of whom appreciate the opportunity to showcase our long history of providing first class support.

Our task is to manage, design, and coordinate fiber network deployment across Southeastern Ohio for Horizon. Having employees that live in this rural area, we experience the communication problems daily of access to our company intranet systems. It is critical for our employees to upload and access project information to meet the needs of Horizon and the multitude other utilities, governmental agencies, public and private companies.

Not only do we work for Horizon but also the majority of electric utilities encompassing this territory. We have regularly been involved with technology discussions with these companies in this area. Expansion of fiber backbone will be a major asset to aiding their efforts to realize many features of a "Smart Grid". With this expansion of Fiber, I see our companies continued growth with both manpower and presence. We have plans for data center and support services that we would like to locate in this region. We anticipate the availability of this network to be a deciding factor for determining the final location.

The CAO-MMC will encourage growth within my company and Southeast Ohio. It is exactly the kind of responsible federal investment that will finally make economic development possible in our area. If I can be of further help procuring BTOP funds for your proposal, please contact me at 614-470-9882 x12 or wil.schulze@ijus.net

Sincerely,

William Schulze P.F.

President IJUS LLC



FLORIDA OFFICE:

5840 Youngquist Road Fort Myers, Florida 33912 800-481-7448 239-481-7448 Fax: 239-481-7445 Email: info@teamgalloway.com

OHIO OFFICE:

2571 Ferris Road Columbus, Ohio 43224 614-414-0861 Fax: 614-414-0976 Email: midwestsales@teamgalloway.com

INDIANA OFFICE:

1728 Churchman Avenue Indianapolis, Indiana 46203 317-607-9666 Fax: 614-414-0976 Email: midwestsales@teamgalloway.com March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

The Galloway Group, Inc. is a distributor of Outside Plant construction products for underground and aerial projects. We have been in the business for only 5 years, but nearly all of our 20 employees have between 20 and 40 years of industry experience. For the past 5 years, we have worked with Horizon Telcom supplying your HDPE innerduct, steel pipe, fiber optic cable, splice closures, underground vaults, and all kinds of hard-to-find couplings, transition adapters and special application products.

We are currently working with construction contractors on the FCC-funded Southern Ohio Health Care Network, to provide replacement parts for horizontal directional drilling machines. The stock we brought in for this purpose has enabled us to increase our service offering to contractors throughout the Southeastern and Midwestern States.

The CAO-MMC project will, in addition to bringing much-needed broadband services to an underserved area, will directly impact us by offering more opportunities to grow our services to both large and small contractors in the area. This kind of investment in critical infrastructure is exactly what is needed for us to grow our company.

If I can be of further help procuring BTOP funds for your proposal, please contact me at 419-283-3874 or Billconry@teamgalloway.com.

Sincerely.

Bill Conry Area Manager

The Galloway Group, Inc.



215 PLAINWOOD AVENUE STONEWOOD, WV 26301

PHONE: 304-624-5072

TOLL FREE: 866-978-7759

FAX: 304-624-4810

March 24, 2010

CEO Bill McKell Horizon Telecom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to serve as a contractor/supplier for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell,

Supply Solutions is a wholesale distributor and inventory management company that provides goods and services to the telecommunications industry. We have been in business since 1999 and serve similar companies like yours throughout the Mid-Atlantic and Mid-western region of the United States. We have offices in WV, PA, KY & IN and feel we are well positioned to serve your continued growth. We have enjoyed working with your staff over the past 3 years and hope to continue to serve Horizon for many more to come.

We are currently providing fiber optic assemblies and pre-fabricated buildings to serve as POP locations for the FCC-funded Southern Ohio Health Care Network. It has been a great opportunity for our staff to participate in the expansion of fiber optic based broadband facilities to be used in the economically challenged region of Southeast Ohio. This activity is vital in retaining the staff that we currently have and could enable future growth.

The CAO-MMC is a solid, sustainable and cost effective plan to bring much needed middle mile services to 34 rural and Appalachian counties. Without its redundancy, increased capacity, speed and backhaul services, the area will continue to suffer economically. If the CAO-MMC is funded and we are able to participate in this new venture we will be able to maintain our present operations and add 2 to 3 additional employees because of the work this project will create.

The CAO-MMC will encourage growth within our company and Southeast Ohio. It is exactly the kind of responsible federal investment that will finally make economic development possible in this area. If I can be of further help procuring BTOP funds for your proposal, please contact me at 866-978-7759 or kgabehart@supply-solutions.biz

Respectfully,

Director of Business Development

Supply Solutions

215 Plainwood Avenue

Stonewood, WV 26301

Cc: Pankaj Shah, Executive Director, OARnet



INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

Local Union, No. 71

3403 Farm Bank Way, Bldg 2

Grove City, Ohio 43123

(614) 539-1394

FAX (614) 539-4855

March 25, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, OH 45601

RE:

LETTER OF INTENT TO SERVE AS A CONTRACTOR FOOR THE CONNECTING APPALACHIAN OHIO MIDDLE MILE CONSORTIUM (CAO-MMC) NETWORK BUILD

Dear Mr. Mckell:

We are The International Brotherhood of Electrical Workers, Local Union #71. We represent forty-three members performing work in Ohio. Our local union has been involved with the teledata industry for over ten years.

Our members would welcome any new opportunities that would be created in this industry. With the current economic climate, any additional jobs created would be of benefit to the membership.

Sincerely,

Larry Moore

Assistant Business Manager





March 25, 2010

Award Evaluation Committee c/o Mr. William A. McKell Chief Executive Officer Horizon Telcom 68 East Main Street Chillicothe, OH 45601

Dear Award Evaluation Committee:

Calix has been selected as a key access equipment vendor in the proposal submitted by Horizon Telcom, for delivery of broadband services. Horizon Telcom, has Calix' full support in this endeavor; and, based on the history of our relationship, they are an excellent stimulus award candidate for deploying broadband services in the communities they serve, with deep community ties and a history of successful broadband deployment. In Calix, Horizon Telcom, has a true business partner with extensive resources available to assist in both delivering on the proposed broadband network and helping to achieve long term sustainable success.

Headquartered in Petaluma, CA, Calix is the largest provider of broadband access equipment to U.S. rural service providers. We are deployed in over 500 service provider networks across North America, and over 40 percent of U.S. independent local exchange carriers are Calix customers. We have built a strong and sustainable business primarily serving U.S. rural service providers, and are closely aligned with their service requirements and business needs. Calix is the North American market share leader in both gigabit passive optical (GPON) fiber-to-the-premises (FTTP) networks and digital subscriber line (DSL) technology deployed by rural service providers. In addition, Calix Compatible, the industry's foremost interoperability program, allows us to closely align with over 70 affiliated partners to ensure that service providers can deploy field-ready advanced broadband services across multi-vendor ecosystems in a timely manner.

The Calix organization, composed of over 400 full-time employees in the United States, is structured to provide Horizon Telcom, with the dedicated resources to ensure timely delivery, installation, turn-up and ongoing support of Calix hardware and software. A Calix sales team is dedicated to providing front-line business, technical, and logistical support for the region in which Horizon Telcom, resides. Behind this team stands a world-class support infrastructure, with over 50 individuals spread across the country providing 24x7 phone and online support and, when necessary, in-person assistance. Calix support is renowned in the industry, and consistently is evaluated as "Outstanding" by customers, who most recently gave the Company an average of 9.4 out of 10 across both Customer Support and Product Satisfaction categories in our November 2009 customer survey.

From a product delivery and reliability perspective, Calix manufacturing processes take advantage of some of the world's foremost supply chain resources. Calix uses Flextronics, the world's second largest contract manufacturer, as a close and integrated strategic partner for manufacturing and assembly of its broadband solutions. Historical record is an indicator of future performance in complex manufacturing processes. Over the course of the last 2 years, Calix's average lead time from receipt of order to product



Award Evaluation Committee c/o Mr. William A. McKell Horizon Telcom March 25, 2010 PAGE 2

delivery is less than three weeks. In preparation for ARRA projects, Calix has actively engaged with its entire supply chain to anticipate and plan for spikes in demand throughout the award and three year post-award compliance window. Calix will be working closely with all of its customers awarded ARRA funds, including Horizon Telcom, to coordinate across the supply chain to ensure timely equipment delivery commensurate with key project milestones. Once delivered, the comprehensive resources available from Calix will provide Horizon Telcom with a strong foundation for ongoing project success. All Calix products currently meet the U.S. Department of Agriculture Rural Development Utilities Programs' domestic origin manufacture provisions and are RUS listed.

Horizon Telcom has been a Calix customer since **May of 2005**, and has successfully deployed over **\$2,430,337** of Calix broadband equipment to date. We have found the entire Horizon Telcom, organization to be professional, technically savvy, and execution oriented. We look forward to the potential of working with them on this proposed project, and are confident in their ability to execute.

Sincerely,

Geoffrey M. Burke

Senior Director, Marketing

Calix, Inc.

calix.com

CORNING

March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Supplier for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell,

Corning Cable Systems ("Corning") is excited to support Horizon Telcom through the supply of Corning's fiber optic cable and hardware for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build. We are proud to support this initiative that will bring bandwidth and advanced services to the state of Ohio.

As a worldwide market leader in its industry, Corning provides fiber optic cable and hardware products to some of the largest telecommunications carriers in the United States. As such, Corning is optimally positioned to timely provide Horizon Telcom with the cable and hardware necessary for the project. We understand that the CAO-MMC is a solid, sustainable, cost-effective plan to bring much-needed middle mile services to 34 rural and Appalachian counties. Corning is also committed to working with Horizon's preferred distributor to stock mutually agreeable products and quantities. Corning's optical fiber and cable offered for the project are state of the art technology and all made in the United States.

Again, Corning is very excited to support Horizon Telcom as Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build will bring needed broadband capabilities to the state of Ohio. Please let us know if there is anything further we can do to help ensure a smooth implementation of this important initiative.

Best Regards,

Dave Kiel

Market Manager

Carrier Networks

Corning Cable Systems



540 Fallis Rd. Columbus, OH 43214

David B. Hill

Branch Manager-PBNE Phone 614-824-5966 Cell 336-210-2349

March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

Graybar Electric Co. is the largest wholesale distributor of electrical and comm./data products in the U.S. We have been in the industry since 1869 and began as the supply arm of Western Electric. Today, Graybar is a Fortune 500 company employing over 7000 people. We have branch locations in every state and strategically placed logistics warehouses to take care of any customer need. We have been a supplier of communications products to Horizon Telcom for several years.

Graybar is able to supply most, if not all, of the fiber infrastructure products required to build the CAO-MMC network. We can also stage these products at our zone warehouse facility in Youngstown, OH so that lead-time issues are eliminated, thus ensuring just in time delivery of needed materials.

The CAO-MMC is a solid, sustainable, cost-effective plan to bring much-needed middle mile services to 34 rural and Appalachian counties. If the CAO-MMC is funded, Graybar will be able to continue our mission of providing cost effective solutions in support of our nation's economy as well as the economy of southern Ohio. If I can be of further help in providing information for your proposal, please contact me at 614-824-5966 or at david.hill@graybar.com.

Sincerely, S. Hill

David Hill

Branch Mgr. PBNE Graybar Electric Co.

Telephone: 601-656-6000

Facsimile: 60 1-656-63 17

Toll Free: 800-647-6260



March 25, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

Thomasson Company, founded in 1972, has become one of the industry's most reliable resources for pressure treated wood poles and piling. We have 30 employees with more than 100 years of combined industry experience. We supply utility poles, piling, and other industrial products with various treatment options nationally and internationally. Our company is a utility pole supplier for Horizon, and we've always enjoyed working with you and your staff. Horizon is forward-thinking, innovative and fair-minded.

We are currently providing wood utility poles for the FCC-funded Southern Ohio Health Care Network. It has been exhilarating to play a role in finally bringing reliable fiber broadband to these economically distressed counties.

The CAO-MMC is a solid, sustainable, cost-effective plan to bring much-needed middle mile services to 34 rural and Appalachian counties. Without its redundancy, increased capacity, speed and backhaul services, this area will continue to suffer economically.

The CAO-MMC will encourage growth within Southeast Ohio. It is exactly the kind of responsible federal investment that will finally make economic development possible in the area. If I can be of further help procuring BTOP funds for your proposal, please contact me at 800-647-6260 or jim@thomassoncompany.com.

Sincerely,

Jim Eakes

Senior Vice President of Sales, Thomasson Company

cisco

March 24, 2010

CEO Bill McKell Horizon Telcom 68 East Main Street Chillicothe, Ohio 45601

Re: Letter of Intent to Serve as a Contractor for the Connecting Appalachian Ohio – Middle Mile Consortium (CAO-MMC) Network Build

Dear Mr. McKell:

Cisco Systems has been providing networking solutions since 1985, and currently have over 60,000 employees. Our company has worked with Horizon for a number of years and we know your company is forward-thinking, innovative and fair-minded.

Our company is currently working with the FCC-funded Southern Ohio Health Care Network. The CAO-MMC appears to be a solid, sustainable, cost-effective plan to bring middle mile services to 34 rural and Appalachian counties.

If I can be of further help, please contact me at jimsmit@cisco.com.

Sincerely,

Jim Smith

Regional Manager, Cisco Systems

U.S. Department of Commerce Broadband Technology Opportunities Program Authentication and Certifications

- 1. I certify that I am the duly Authorized Organization Representative (AOR) of the applicant organization, and that I have been authorized to submit the attached application on its behalf.
- 2. I certify that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. §1001 and civil violations of the False Claims Act.
- 3. I certify that the entity(ies) I represent has and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.
- 4. I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements ("DOC Pre-Award Notification"), published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); the Department of Commerce American Recovery and Reinvestment Act Award Terms (Apr. 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award.
- 5. I certify that any funds awarded to the entity(ies) I represent as a result of this application will not result in any unjust enrichment of such entity(ies) or duplicate any funds such entity(ies) receives under federal universal service support programs administered by the Universal Service Administrative Corporation (USAC).
- 6. I certify that the entity(ies) I represent has secured access to pay the 20% of total project cost or has petitioned the Assistant Secretary of NTIA for a waiver of the matching requirement.

_3/24/2010	Steven P. Outhards
Date	Authorized Organization Representative Signature
	_Steven P. Burkhardt Print Name
	_Treasurer Title

License, Agreement, Regulatory Approval	Negotiate Upon Funding As Required	Pending	Approved	Comments
Facility Leases	X			The project may require leasing of facilities such as dark fiber from other carriers as community institutions and other retail services are secured.
Building Leases	X			Some buildings owned by the applicants will be used. Floor space will likely belong to the customer and may be leased by the applicants as community institutions and retail customers secure services. Exact locations are not knows at this time for all potential community institutions and retail customers.
Land Leases	X			The project may require purchase and/or lease of land. Many sites have been identified however negotiations will begin upon funding.
Special Permits (Federal, state, highway)	X			The applicant will apply for all necessary highway construction permits upon funding approval and in accordance with the project construction schedule. Generally highway permits can not be obtained until construction plans and schedules are finalized however highway permits are obtained within a 4-6 month period.
Municipal Franchise/Right of Way	X			Some franchise agreements will be required and have been identified. However, negotiations will not begin until funding is secured and construction schedules and plans can be presented.
State Certification			X	State PUC certificates are not required for this middle-mile project. Chillicothe Telephone Company, Inc. holds a certificate from the Ohio regulatory agency however the middle-mile facilities will be constructed outside its certified service area. The middle-mile applicants hold all state licenses as required to operate in the State of Ohio.
Internet			X	The applicants will be providing assess

Service/Backhaul		to the Internet through existing
Agreements		backhaul and gateway contracts.
Pole Attachments	X	Pole attachment agreements are not anticipated at this time; however, if actual construction of buried facilities proves too costly in certain areas, they may be necessary and will be obtained at that time.
General Comments		The applicant anticipates that all contracts and agreements will be negotiated and finalized within the build-out time frames. The applicant are known service providers in the area and have obtained all construction permits and licenses agreements in the past.

202 Pages

Withheld in their entirety pursuant to FOIA Exemption 4 (5 U.S.C. § 552 (b)(4))

BTOP Comprehensive Community Infrastructure Project Plan and Build-out Timeline

Please complete the Project Plan and Build-out Timeline templates below. Note that these templates may be modified by applicants in order to provide the most effective presentation of the data for their specific project. Applicants should ensure, however, that they provide at least as much detail as the provided templates require.

For system stability reasons, it is recommended that you provide these documents in PDF format when submitting a copy of your application on an appropriate electronic medium, such as a DVD, CD-ROM, or flash drive. There is no need to provide this instruction page.

PROJECT PLAN

- Use the following table to list the major network build-out phases and milestones that can demonstrate that your entire project will be substantially complete by the end of Year 2 and fully complete by the end of Year 3. This is to be done at the aggregate level (combining all proposed funded service areas.)
- Indicated how the milestones listed below will demonstrate these completion objectives. The applicant should consider such project areas as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) inside plant deployment; e) outside plan deployment; f) deployment of business & operational support systems; g) network testing; f) network operational. The applicant may provide any other milestones that it believes showcase progress.
- Project inception (Year 0) starts at the date when the applicant receives notice that the project has been approved for funding.
- In the table, provide any information (e.g., facts, analysis) to: a) demonstrate the reasonableness of these milestones; b) substantiate the ability to reach the milestones by the quarters indicated.

Time Period	Quarter	Milestones	Support for Reasonableness/Data Points
Year 0	-	 OSP Design Preparation Ongoing Transport Equipment Design Completed Building Locations Selected Access Equipment Design Completed 	Internal Staff - Implementation Preparation
	Qtr. 1	 OSP Design Preparation Ongoing Bid//Negotiation / Contract Process for OSP Bid/Negotiation / Contract Processes for Equipment 	Professional Services for Implementation
	Qtr. 2	 OSP Design Preparation Ongoing OSP Backbone Fiber Construction Starts OSP Distribution Fiber Construction Starts OSP Fiber Drop Construction Starts Access Equipment Installation Starts Optical Transport Equipment Installation Starts Router Equipment Installation Starts 	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
Year 1 Q	Qtr. 3	 OSP Backbone Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Optical Transport Equipment Installation Continues Router Equipment Installation Continues OSP Construction and Equipment Deployment Complete in Rings A and B Testing and Preparation of Documentation for Rings A and B 	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
	Qtr. 4	 OSP Backbone Fiber Construction Continues OSP Distribution Fiber Construction Continues 	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction

	AcceOptiRoutOSIRing	Fiber Drop Construction Continues ess Equipment Installation Continues cal Transport Equipment Installation Continues er Equipment Installation Continues of Construction and Equipment Deployment Complete in ess C and D1 eng and Preparation of Documentation for Rings C and	Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
Year 2	 OSP OSP Acce Opti Rout OSF Ring Test D3 	Backbone Fiber Construction Continues Distribution Fiber Construction Continues Fiber Drop Construction Continues ess Equipment Installation Continues cal Transport Equipment Installation Continues er Equipment Installation Continues of Construction and Equipment Deployment Complete in s D2 and D3 ing and Preparation of Documentation for Rings D2 and	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
	 OSP OSP Acce Opti Rout OSF Ring 	Backbone Fiber Construction Continues Distribution Fiber Construction Continues Fiber Drop Construction Continues ess Equipment Installation Continues cal Transport Equipment Installation Continues er Equipment Installation Continues Construction and Equipment Deployment Complete in E Ing and Preparation of Documentation for Ring E	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
	Qtr. 3 OSP OSP Acce Opti Rout OSP Ring Test:	Backbone Fiber Construction Continues Distribution Fiber Construction Continues Fiber Drop Construction Continues ess Equipment Installation Continues cal Transport Equipment Installation Continues er Equipment Installation Continues Construction and Equipment Deployment Complete in	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
	 OSP OSP Acce Opti Rout 	Backbone Fiber Construction Continues Distribution Fiber Construction Continues Fiber Drop Construction Continues ess Equipment Installation Continues cal Transport Equipment Installation Continues er Equipment Installation Continues Construction and Equipment Deployment Complete in G	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew

		Testing and Preparation of Documentation for Ring G	
Year 3	Qtr. 1	 OSP Construction Complete in Ring H OSP Fiber Drops Completed Access Equipment Installation Complete Optical Transport Equipment Complete Router Equipment Complete Testing and Preparation of Documentation for Ring H 	 Professional Services for Implementation Three (3) OSP Backbone & Distribution Construction Crews One (1) Access Equipment Installation Crew One (1) Optical Transport Equipment Installation Crew One (1) Router Equipment Installation Crew
	Qtr. 2	Implementation Project Closeout	Professional Services for Post Implementation
	Qtr. 3	PROJECT COMPLETE	Professional Services for Post Implementation
	Qtr. 4	•	•

BUILD-OUT TIMELINE

Complete the following schedule for *each* Last Mile or Middle Mile Service Area to note the degree of build-out, based on: a) infrastructure funds awarded; b) entities passed (households, businesses, and community anchor institutions.). <u>In addition, please complete a schedule that aggregates the build-out timeline across all of the Proposed Funded Service Area.</u>

Service Area	[Horizon]												
	YEAR	YEAR 1				YEAR 2			YEAR 3				
	0	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds													
Infrastructure Funds Advanced (estimate)	\$0	\$300,000	\$600,000	\$19,286,096	\$32,770,759	\$46,090,423	\$59,410,086	\$72,729,750	\$86,049,413	\$94,563,210	\$94,863,210	\$94,963,210	\$94,963,210
Percentage of Total Funds	`	0.32%	0.63%	20.31%	34.51%	48.54%	62.56%	76.59%	90.61%	99.58%	99.89%	100.00%	100.00%
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses				3363	6727	10090	13453	16817	20180	22422			
Percentage of Total Businesses				15%	30%	45%	60%	75%	90%	100%			
Community Anchor Institutions				89	178	266	355	444	533	592			
Percentage of Total Institutions				15%	30%	45%	60%	75%	90%	100%			

HORIZON TELCOM AND SUBSIDIARIES

Consolidated Financial Statements

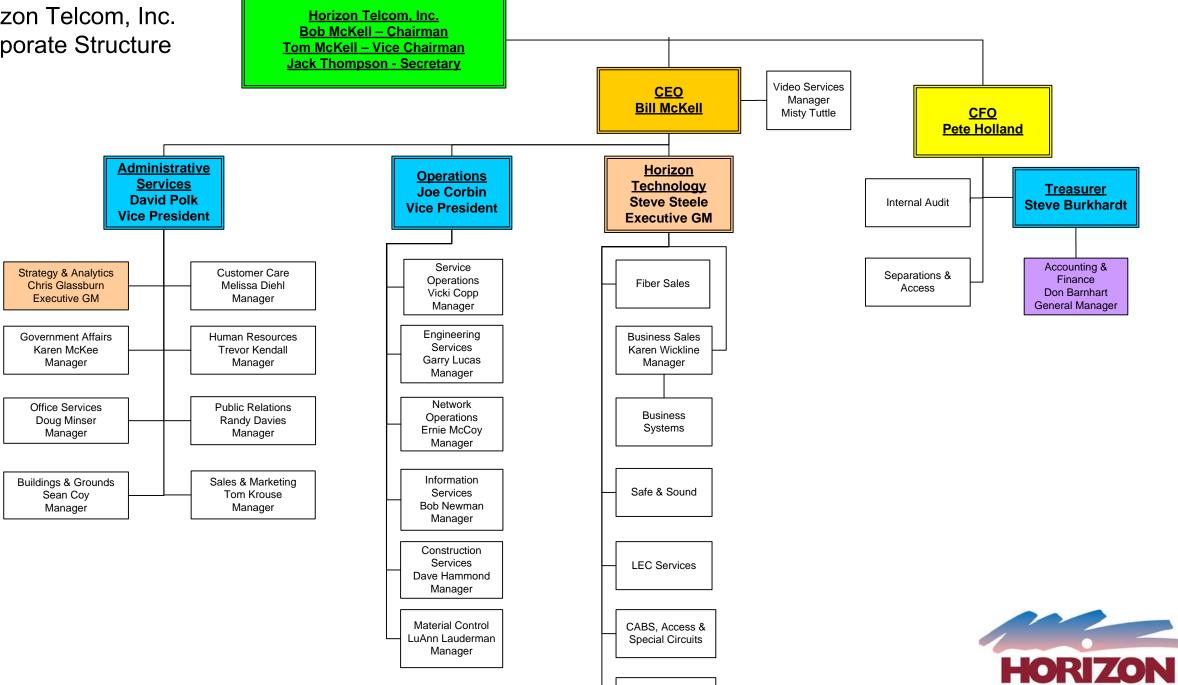
December 31, 2008 and 2007

(With Independent Auditors' Report Thereon)

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Horizon Telcom, Inc. **Corporate Structure**



Long Distance

TELCOM

Revised 8-10-2009

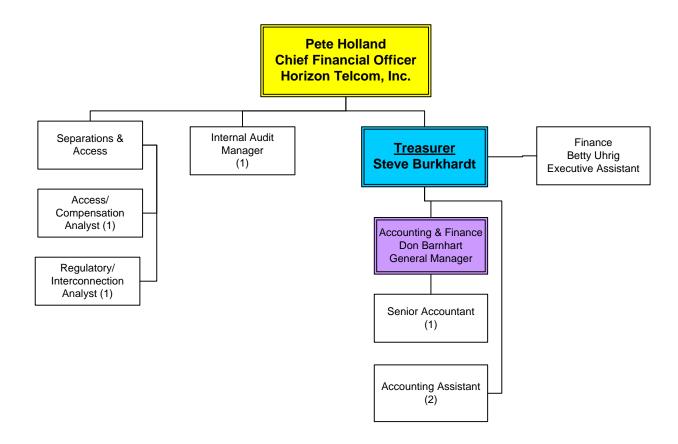
Administrative Services David M. Polk Vice President Administrative Services Buildings & Sales & Marketing Strategy & Analytics **Customer Care** Office Services **Public Relations Government Affairs Human Resources** Grounds Chris A. Glassburn Melissa R. Diehl James D. Minser Thomas R. Krouse Randall P. Davies Karen M. McKee Trevor C. Kendall Sean A. Coy Manager Manager Manager Manager Manager Manager Executive GM Manager **Customer Service** Public Relations **Talent Management** Graphics Designer Maintenance Regulatory Affairs Rosala L. Brown Office Services Technical Assistant Coordinators (2) Technicians (4) (1) Assistant (1) Supervisor Associates (2) (1) **Customer Service** Benefits Management Representatives (13) Directory Associate Account Coordinator (1) Representative: (1) Cable TV Advertising (1) Payment Processing Sales Associates (2) Jeri D. Brenneman Supervisor *Billing Process Premise Sales Associates (3) Representatives (2) *Service Order Representative (1) *Receptionist (1) *Payment Processing Representatives (2) Bridget J. Black Customer Care Training & Coaching Coordinator

Carla J. Garrett Residential Billing

Administrator

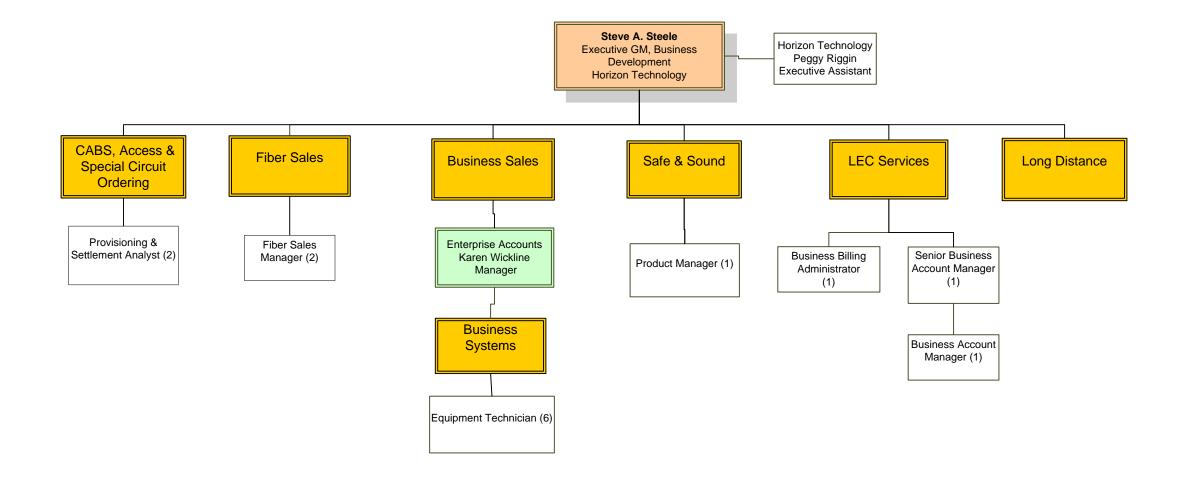


Finance



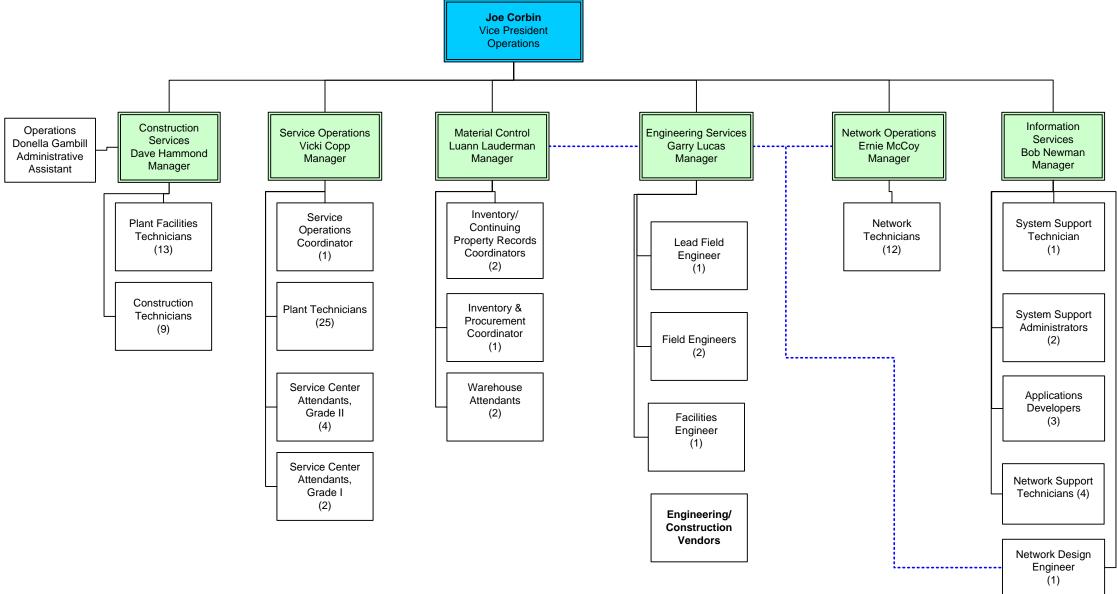


Horizon Technology





Operations





18 Pages

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