

To Whom It May Concern:

I am writing to recommend Peoples Telephone, receive NTIA support in their efforts to provide broadband infrastructure to rural areas within the State of Texas.

Currently, I am located in Melissa but had to wait until that area received acceptable bandwidth before making a decision to move (north of McKinney). Because we are **now** located in a larger community, (piggy-backing off McKinney) our current bandwidth is at a speed similar to those in larger suburban areas. Peoples Telephone, intends to offer greater bandwidth to rural areas around our city and would greatly alleviate these rural areas' inability to receive acceptable bandwidth speeds and perform as well as our counterparts in suburban areas.

As the VP Sales for Primal Technologies and a long time resident within the North Texas area (45 years and counting), I understand the need for viable, robust infrastructure developments as they pertain to the long-term economic stability and growth of rural East Texas. Without the increased bandwidth supplied by Peoples Telephone, rural East Texas will continue to be technologically left behind and underserved.

Endorsing Peoples Telephone, and the plans they have to deploy greater broadband access and bandwidth in our area means endorsing my organization's ability to better serve its purpose and the community(ies) we serve, including the rural areas surrounding us.

Signed,

Stephen Lehr / VP Sales, North America

Primal Technologies Inc.



96 THOMPSON HILL RD, RENSSELAER, NY 12144 PHONE (518) 431.7500 , FAX (518) 720.3713 WWW.COMMSOFT.NET

To Whom It May Concern:

I am writing in favor of Peoples Telephone, Inc. application to receive NTIA support in their efforts to provide broadband infrastructure to rural areas within the State of Texas.

As a business partner of Peoples Telephone, Inc. we feel it is critical to build an infrastructure that supports making access to the Internet generally available. If healthcare in the United States was ranked 17th in the world, you can bet that there would be a push to improve our stature in that area, yet that is the exact position that the Unites States stands when it comes to general access to the Internet. Because our company is located in a larger community our current bandwidth is at a speed similar to those in larger suburban areas. Peoples Telephone, Inc. intends to offer greater bandwidth to rural areas in which they provide telecommunication services and would greatly alleviate these rural areas' inability to receive acceptable bandwidth speeds and perform as well as our counterparts in suburban areas.

As the Vice President of Operations of CommSoft, I understand the need for viable, robust infrastructure developments as they pertain to the long-term economic stability and growth of rural East Texas. Without the increased bandwidth supplied by Peoples Telephone, Inc., rural East Texas will continue to be technologically left behind and underserved.

Endorsing Peoples Telephone, Inc. and the plans they have to deploy greater broadband access and bandwidth in our area means endorsing my organization's ability to better serve its purpose and the communities they serve, including the rural areas surrounding us.

Signed,

Michael J. Donnelly

Chief Financial Officer

CommSoft



March 17, 2010

To Whom It May Concern:

I am writing to recommend Peoples Telephone Cooperative receive NTIA support in their efforts to provide broadband infrastructure to rural areas within the State of Texas.

As a partner with Peoples Telephone Cooperative, and as a leader in Managed Broadband Services, NeoNova understands the need for viable, robust infrastructure developments as they pertain to the long-term economic stability and growth of rural East Texas. Without the increased bandwidth supplied by Peoples Communication, rural East Texas will be technologically left behind and underserved.

NeoNova has successfully installed, and flawlessly operated, broadband ISP offerings, and back office systems for over 100 rural carriers that currently support over 350K subscribers. NeoNova affiliates are located as remote as the Aleutian chain in Alaska to Key West in Florida. Our operating support system (OSS) offers interfaces that are both subscriber facing, and carrier-facing. The carrier-facing platform allows us to provision and manage all of our service components from service activation and network management, to integration with customer billing systems. By leveraging the telecommunications-grade infrastructure that has been tested and refined for the past ten years, Peoples can instantly activate subscribers as they bring additional resources online. As a NeoNova partner, Seoples Telephone also gains the immediate economies of scale from a systems, support, and buying perspective, while leveraging the associated lessons we have learned over their past ten years of successful operations.

NeoNova is dedicated to delivering excellent service and customer care to the 100-plus rural telecommunications carriers as they introduce, expand, and increase penetration to their rural broadband subscribers. For many of those telecoms, we also assist in managing and reducing churn via active loss prevention and recovery programs. From a financial perspective we have consistently demonstrated the ability to provide carriers similar to us the ability to enhance penetration in target communities, and accelerate adoption of new revenue producing services profitably.

Endorsing the Peoples Telephone Cooperative plan to provide expanded broadband access and increased bandwidth further continues our organization's commitment to the economic development of rural telecommunication providers across the nation.

Sincerely.

Sean Murphy

VP Sales, Marketing & Business Development

Dave Butler Director of Sales



March 17, 2010

To Whom It May Concern:

I am writing to recommend Peoples Communication, Inc. receive NTIA support in their efforts to provide broadband infrastructure to rural areas within the State of Texas.

As a partner with Peoples Communications, and as a leader in Managed Broadband Services, NeoNova understands the need for viable, robust infrastructure developments as they pertain to the long-term economic stability and growth of rural East Texas. Without the increased bandwidth supplied by Peoples Communication, rural East Texas will be technologically left behind and underserved.

NeoNova has successfully installed, and flawlessly operated, broadband ISP offerings, and back office systems for over 100 rural carriers that currently support over 350K subscribers. NeoNova affiliates are located as remote as the Aleutian chain in Alaska to Key West in Florida. Our operating support system (OSS) offers interfaces that are both subscriber facing, and carrier-facing. The carrier-facing platform allows us to provision and manage all of our service components from service activation and network management, to integration with customer billing systems. By leveraging the telecommunications-grade infrastructure that has been tested and refined for the past ten years, Peoples can instantly activate subscribers as they bring additional resources online. As a NeoNova partner, Peoples also gains the immediate economies of scale from a systems, support, and buying perspective, while leveraging the associated lessons we have learned over their past ten years of successful operations.

NeoNova is dedicated to delivering excellent service and customer care to the 100-plus rural telecommunications carriers as they introduce, expand, and increase penetration to their rural broadband subscribers. For many of those telecoms, we also assist in managing and reducing churn via active loss prevention and recovery programs. From a financial perspective we have consistently demonstrated the ability to provide carriers similar to us the ability to enhance penetration in target communities, and accelerate adoption of new revenue producing services profitably.

Endorsing Peoples Communications plan to provide expanded broadband access and increased bandwidth further continues our organization's commitment to the economic development of rural telecommunication providers across the nation.

Sincerely,

Sean Murphy

VP Sales, Marketing & Business Development

Dave Butler Director of Sales



March 15th 2010

To Whom It May Concern:

I am writing to affix the support and endorsement of myself and my organization in the effort Peoples Telephone Cooperative, Inc. is making to provide broadband infrastructure support to rural areas within the State of Texas.

As a longtime vendor serving Peoples Telephone, we are well-acquainted with their company and staff. We understand that, as a Cooperative, they truly are in business to serve their customers/owners. We fully support their application for NTIA funding and we pledge to go the extra mile in providing them the goods and services they will require.

Endorsing Peoples Telephone Cooperative, Inc. and the plans they have to deploy greater broadband access and bandwidth in the rural East Texas area means endorsing my organization's ability to better serve Peoples Telephone and its' customers. I have no doubt this will stimulate job creation in the rural areas of East Texas, as well as create jobs with the vendors that Peoples will hire to assist them in their initiative. It's entirely possible that new positions will be created here dependent upon your decision to fund this project.

Please consider Peoples Telephone Cooperative a deserving candidate for NTIA funds. Should you make a decision in favor of their initiative, they will not disappoint you. They will build out their network and they will succeed with flying colors.

Sincerely

Scott Casselman

Owner



March 9, 2010

Mr. Robbie Allen Peoples Telephone Cooperative 102 N Stevens St Quitman, TX 75783

Dear Mr. Robbie Allen,

Upon successful award of your RUS Broadband Initiative Program project funding, we look forward to helping you realize your project objectives by partnering our sales and support teams with your staff. Our goal is to meet your product and logistics needs, and make you successful in the timely completion of your Broadband Initiative.

Power & Tel offers:

- Excellent nationwide product delivery through our strategically positioned distribution centers
- District Sales Managers and Account Managers teaming to serve you
- Industry recognized leadership in maintaining experienced and knowledgeable employees
- Strong partnerships with top manufacturers to ensure that our product portfolio is technologically current
- An Applications Engineer team to help answer your product questions
- Proven logistical capabilities ranging from high-end material management projects to everyday shipments
- ISO / TL quality standards to make certain you receive a consistent level of outstanding service
- A long track record of financial stability

Power & Tel's 46 years of industry leading product availability and supply chain expertise is ready to serve you.

Thank you,

Heath Sheffield

Heath Sheffield Inside Sales Manager Power & Telephone Supply Company (901)866-3267



March 10, 2010

Johnny Burford Peoples Telephone Quitman, TX

Dear Mr. Burford,

We understand that Peoples Telephone plans to apply for broadband infrastructure grants under the American Recovery and Investment Act, in order to extend broadband infrastructure associated with your serving areas.

Based on our longstanding and ongoing relationship with Peoples Telephone, KGP Logistics wishes to assure you that we stand ready and able to enter into agreements to supply Peoples with the desired quantities of appropriate equipment and materials on an expedited basis upon grant of your proposals, consistent with the existing terms and conditions between our companies.

We look forward to continuing to serve Peoples Telephone.

Sincerely,

Desi O'Grady

Vice President – Strategic Markets

KGP Logistics, Inc.

Veri OStady.



5700 Murray Street

Little Rock, AR 72209

501/562-7666

Fax 501/562-7616

www.cssa.net

March 10, 2010

To Whom It May Concern:

I am writing to affix the support and endorsement of CSSA for Peoples Telephone Cooperative, Inc. in their efforts to provide broadband infrastructure support to rural communities within the State of Texas.

Communications Supply Service Association (CSSA) is a longtime vendor that provides products and services to Peoples Telephone. We are well-acquainted with their company and staff. We are proud to be associated with Peoples Telephone as they have demonstrated they truly are in business to serve their customers/owners. We fully support their application for NTIA funding. We are committed to going above and beyond to provide Peoples Telephone with the products and services they will require.

Endorsing Peoples Telephone Cooperative, Inc. and their plans to deploy greater broadband access and bandwidth in the rural East Texas area means endorsing my organization's ability to better serve Peoples Telephone and its' customers. I have no doubt this will stimulate job creation in the rural areas of East Texas. For vendors like us that rely on Peoples Telephone, it is likely that new positions being created and existing jobs being saved is dependent on your decision to fund this project.

Please consider Peoples Telephone Cooperative a highly qualified and deserving candidate for NTIA funds. Should you make a decision in favor of their initiative, I feel very confident they will succeed and it will be a great investment of NTIA funds.

Sincerely.

√ohn R. Brown President & CEO iohnb@cssa.net



Mr. Robbie Allen Peoples Telephone Coop 102 North Stephens Quitman, TX 75783 3-08-10

Dear Robbie,

Graybar is fully prepared to work with Peoples Telephone Coop to assist you in realizing your RUS/NTIA goals and objectives, should you be awarded government stimulus package funding. Through our strong financial stability and 140 year history supporting our business we are well positioned to meet your expectations and support your company's project initiatives.

Graybar facts and capabilities include:

- 230+ Full Service networked locations
- Local inventories
- Nations largest 100% employee-owned distributor of electrical and comm./data products
- Fortune 500 company
- National ISO:2000 Registered corporation
- Best-in-class supplier channel including:
 - o 3M
 - o B-Line
 - o Bussman
 - o Panduit

And thousands more

- Technical Assistance
- E-Business Solutions
- Material staging
- 24/7/365 Emergency Service And many more

When it comes to realizing your company goals and objectives, Graybar Works to Your Advantage to successfully complete your projects on time and on budget.

Best Regards,

Brian Hoffa Branch Manager Graybar 817-213-1530

License, Agreement, Regulatory Approval	Negotiate Upon Funding	Pending	Approved	Comments
Tower Site/Attachment Agreements	X			A few tower sites will be needed; negotiations to commence upon funding.
Facility Leases	X			Project may require leasing of dark fiber from other carriers and will be identified as construction specifies.
Building Leases	X			Floor space in huts and central offices to be leased; exact locations to be negotiated upon funding.
Land Leases	X			Project will require purchase and/or lease of land. Will begin negotiation upon funding.
Special Permits (Federal, state, highway)	X			Peoples Telephone Cooperative (PTC) will apply for all necessary highway construction permits upon grant approval and in accordance with the project construction schedule. Generally highway permits take approximately 2-3 months to obtain.
Municipal Franchise/Right of Way	X			PTC is in process of determining if project will require Municipal Franchise Agreements
State Certification			X	PTC holds a Certificate of Convenience and Necessity (CCN) from the Texas PUC; additional certifications to provide middle services outside of PTC's certificated area are not required by the Texas PUC.
Internet Service/Backhaul Agreements			X	Peoples Communications, Inc. provides access to the Internet to PTC.
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.
General Comments				PTC anticipates that all contracts and agreements will be negotiated and finalized within the build-out time frames.

BTOP Comprehensive Community Infrastructure Pro Forma Financial Projections

Please complete the Income Statement, Balance Sheet, Cash Flows, and NPV-IRR Table worksheets. Key assumptions used to formulate these financial projections should be listed in the Key Assumptions worksheet. Please note that these are **project-specific** projections, in contrast to the historical financial information which is provided at the organizational level.

<u>Please refer to the Comprehensive Community Infrastructure Grant Guidance for detailed instructions on the completing this upload.</u>

Applicants are required to provide this upload as an Excel file, and not to convert it to a PDF prior to upload. Applicants may make adjustments to the format of the templates as necessary to provide the most effective presentation of the data for their specific project, but should not remove major headings (e.g. Revenues and Expenses on the Income Statement) or provide less detailed information than would be required to complete the provided templates.

Income Statement

				1 Orecas	st renou			
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Revenues								
Broadband Offerings								
Wholesale Data								
Retail Data								
Dark F ber								
Collocation								
Collocation								
Other (list specific services) Other Network Driven Revenues								
Other Network Driven Revenues								
Video Services								
Voice Services (local/toll/long distance) Other (list specific services)								
Other (list specific services)								
Universal Service Fund								
Installation Revenues								
Amortized Deferred Grant Revenue								
Other Revenues								
Total Revenue								
Expenses								
<u>LXDCH3C3</u>								
Backhaul								
Network Maintenance/Monitoring								
Utilities								
Leasing Sales/Marketing								
Sales/Marketing								
Customer Care								
Billing								
Corporate G&A								
Other Operating Expense								
Tota								
EBITD								
Depreciation								
Amortization								
Amoruzation								
Faminus Defens Interest and Tayl								
Earnings Before Interest and Taxe								
Interest Expense								
Income Before Taxe								
Property Tax								
Income Taxes								
Net Incom								

Forecast Period

Balance Sheet

				Forecas	st Period			
<u>Assets</u>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Current Assets								
Cash								
Marketable Securities								
Accounts Receivable								
Notes Receivable								
Inventory								
Prepayments								
Other Current Assets								
Total Current Asse								
Non-Current Assets								
Long-Term Investments								
Plant in Service								
Less: Accumulated Depreciation								
Net Pla								
Other								
Other								
Total Non-Current Asse								
Total Non-Culterit Asse								
Total Asse								
Total Asse								
Liabilities and Owners' Equity								
Liabilities								
Liabilities								
Current Liabilities								
Accounts Payable								
Current Portion of Deferred Grant Revenu								
Notes Payable								
Other Current Liabilities								
Total Current Liabiliti								
Total Current Liabiliti								
Long-Term Liabilities								
Long Term Notes Payable								
Deferred Grant Revenue								
Other Long Term Liabilities								
Total Long-Term Liabiliti								
Total Long-Total Elabilit								
Total Liabiliti								
Owner's Equity								
Capital Stock								
Additional Paid-In Capital								
Retained Earnings								
Total Equi								
Total Edui								
Total Liabilities and Owner's Equi								

\$ -\$ -\$ -\$ -\$ -\$ -

Statement of Cash Flows

		Forecast Period									
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8			
Beginning Cash	\$ -	\$									
CASH FLOWS FROM OPERATING ACTIVITIES:											
Net Income											
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities											
Add: Depreciation											
Add: Amortization	-	-	-	-	-	-		-			
Deduct: Amortization of Deferred Revenue											
Changes in Current Assets and Liabilities:		_						ļ 			
Marketable Securities	-	-	-	-	-	-		-			
Accounts Receivable					-			ļ			
Inventory				-	-	-					
Prepayments		<u> </u>			-			-			
Other Current Assets				-	-	-					
Accounts Payable		<u> </u>			-			-			
Other Current Liabilities					-	-		 			
Net Cash Provided (Used) by Operations	\$										
CASH FLOWS FROM INVESTING ACTIVITIES:											
Capital Expenditures					-	-	-	_			
Amortizable Asset (Net of Amortization)	-		-	-	-	-					
Long-Term Investments	-			-	-	-					
Net Cash Used by Investing Activities	\$			\$ -	\$ -	\$ -	\$ -	\$ -			
CASH FLOWS FROM FINANCING ACTIVITIES:											
Notes Receivable	-			-	-						
Notes Payable	<u></u> -					-					
BTOP Grant Funding								ļ			
Principal Payments				-	-	-					
New Borrowing		<u></u> -	<u></u>	-	-	-		ļ			
Additional Paid-in Capital					-			ļ			
Additions to Patronage Capital Credits		<u></u>			-			ļ			
Payment of Dividends											
Net Cash Used by Financing Activities	\$	 		\$ -	\$ -	\$ -	\$ -	\$ -			
				-	-		_	_			
Net Increase (Decrease) in Cash	\$										
Ending Cash	•	l	l	<u> </u>			l	l			

NPV/IRR Table

	Net Present Value	Internal Rate of Return
Without BTOP Funding	-\$20,143,081.61	-14.16%
With BTOP Funding	\$1,492,033.51	22.05%

Revenue Assumptions		
Factor	Specific Metric Used in Analysis	Rationale (Cite Basis)
Customers Passed		
Anchor Institutions - Segment A	Avg. year 1 = 60, year 2 = 131, year 3 = 191	Actual Count of Institutions in build out by year
Anchor Institutions - Segment B		Not used
Businesses		Not used
Households		Not used
Last Mile Providers	71,535 and 8; 1 Meg average per user	Estimated retail users and actual count of last mile providers, estimated user bandwidth
Other		Not used .
Take Rate (should likely vary across 8-Ye	ear Forecast)	
Anchor Institutions - Segment A	100%	Currently underserved / high cost
Anchor Institutions - Segment B		Not used
Businesses		Not used
Households		Not used
Last Mile Providers	Year 1 = 8.3%, year 2 = 16.7%, year > 2 = 25%	Selling estimate
Direct Customer Connections		
Customer Segment A		Not used
Customer Segment B		Not used
Other		Not used
Average Revenue per User (may vary ac	ross 8-year forecast)	
Anchor Institutions - Segment A		Blended rate based on mix of anchor institutions and service provided
Anchor Institutions - Segment B		Not used
Businesses		Not used
Households		Not used
Last Mile Providers		Analysis of demand based on last mile providers and end users
Other		Non recurring charges per customer add

Expense Assumptions		
Factor	Specific Metric Used in Analysis	Rationale (Cite Basis)
Network Expenses		
Backhaul	21%	Historical cost
Maintenance		3 additional persons @ 45% Load Rate for benefits, vehicles and supplies
Utilities		Estimated power consumption times KWH cost
Leasing		No additional cost related to this project is anticipated.
Depreciation	5.0%	Blended Plant Life = 20 Years; Rate * Average Plant Balance
Other		No additional cost related to this project is anticipated.
Sales & Marketing		
Advertising		No additional cost related to this project is anticipated.
Commissions		No additional cost related to this project is anticipated.
Salaries	\$ 72,500	1 additional person 45% Load Rate for benefits, vehicles and supplies
Other		No additional cost related to this project is anticipated.
Customer Care & Billing		No additional cost is anticipated. The applicant is a current provider of telecommunications services.
Systems		This function is currently available and sufficient to manage this project. No additional cost is anticipated. The applicant is a current provider of telecommunications services.
Personnel		This function is currently available and sufficient to manage this project. No additional cost is anticipated. The applicant is a current provider of telecommunications services.
Other		This function is currently available and sufficient to manage this project.
General & Administrative		
Professional Services		No additional cost related to this project is anticipated.
Insurance	1.0%	Percentage of revenue
Non-Network Utilities		No additional cost related to this project is anticipated.
Travel		No additional cost related to this project is anticipated.
Supplies		No additional cost related to this project is anticipated.
Miscellaneous		No additional cost related to this project is anticipated.
Interest Expenses		
Debt Instrument A		No additional cost related to this project is anticipated.
Debt Instrument B		No additional cost related to this project is anticipated.
Taxes		
Federal Tax Rate	38%	Incremental rate
Other Tax Rates	1.0%	1% Ad Valorem Tax Rate

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 have 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) receive 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.

March 11, 2010	Hallie Allen
Date	Authorized Organization Representative Signature
	Robbie Allen
	Print Name
	General Manager
	Title

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	-	•	•
	Qtr. 1	 OSP Designs Completed Transport Equipment Design Completed Building Locations Selected Access Equipment Design Completed 	 Professional Services for Implementation Preparation
Year 1	Qtr. 2	 Land Acquisition Starts Prefab Building Ordering, Delivery and Setup Starts OSP Mainline Fiber Construction Starts OSP Distribution Fiber Construction Starts OSP Fiber Drop Construction Starts Access Equipment Installation Starts Transport Equipment Installation Starts 	 Professional Services for Implementation One Prefab Building Installation Crew One (1) OSP Mainline Fiber Construction Crew One (1) OSP Distribution Fiber Construction Crew One (1) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew
	Qtr. 3	 Land Acquisition Continues Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues 	 Professional Services for Implementation One Prefab Building Installation Crew One (1) OSP Mainline Fiber Construction Crew One (1) OSP Distribution Fiber Construction Crew One (1) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew

Year 2	Qtr. 4	 Land Acquisition Continues Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues Land Acquisition Continues 	 Professional Services for Implementation One Prefab Building Installation Crew One (1) OSP Mainline Fiber Construction Crew One (1) OSP Distribution Fiber Construction Crew One (1) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew Professional Services for Implementation
	,	 Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues 	 One Prefab Building Installation Crew Two (2) OSP Mainline Fiber Construction Crew Two (2) OSP Distribution Fiber Construction Crew Two (2) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew
	Qtr. 2	 Land Acquisition Continues Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues 	 Professional Services for Implementation One Prefab Building Installation Crew Two (2) OSP Mainline Fiber Construction Crew Two (2) OSP Distribution Fiber Construction Crew Two (2) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew
	Qtr. 3	 Land Acquisition Continues Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues 	 Professional Services for Implementation One Prefab Building Installation Crew Two (2) OSP Mainline Fiber Construction Crew Two (2) OSP Distribution Fiber Construction Crew Two (2) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew
	Qtr. 4	 Land Acquisition Continues Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues PROJECT SUBSTANTIALLY COMPLETE 	 Professional Services for Implementation One Prefab Building Installation Crew Two (2) OSP Mainline Fiber Construction Crew Two (2) OSP Distribution Fiber Construction Crew Two (2) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew
Year 3	Qtr. 1	 Land Acquisition Continues Prefab Building Ordering, Delivery and Setup Continues OSP Mainline Fiber Construction Continues OSP Distribution Fiber Construction Continues OSP Fiber Drop Construction Continues Access Equipment Installation Continues Transport Equipment Installation Continues 	 Professional Services for Implementation One Prefab Building Installation Crew One (2) OSP Mainline Fiber Construction Crew One (2) OSP Distribution Fiber Construction Crew One (2) OSP Fiber Drop Construction Crew One (1) Access Equipment Installation Crew One (1) Transport Equipment Installation Crew

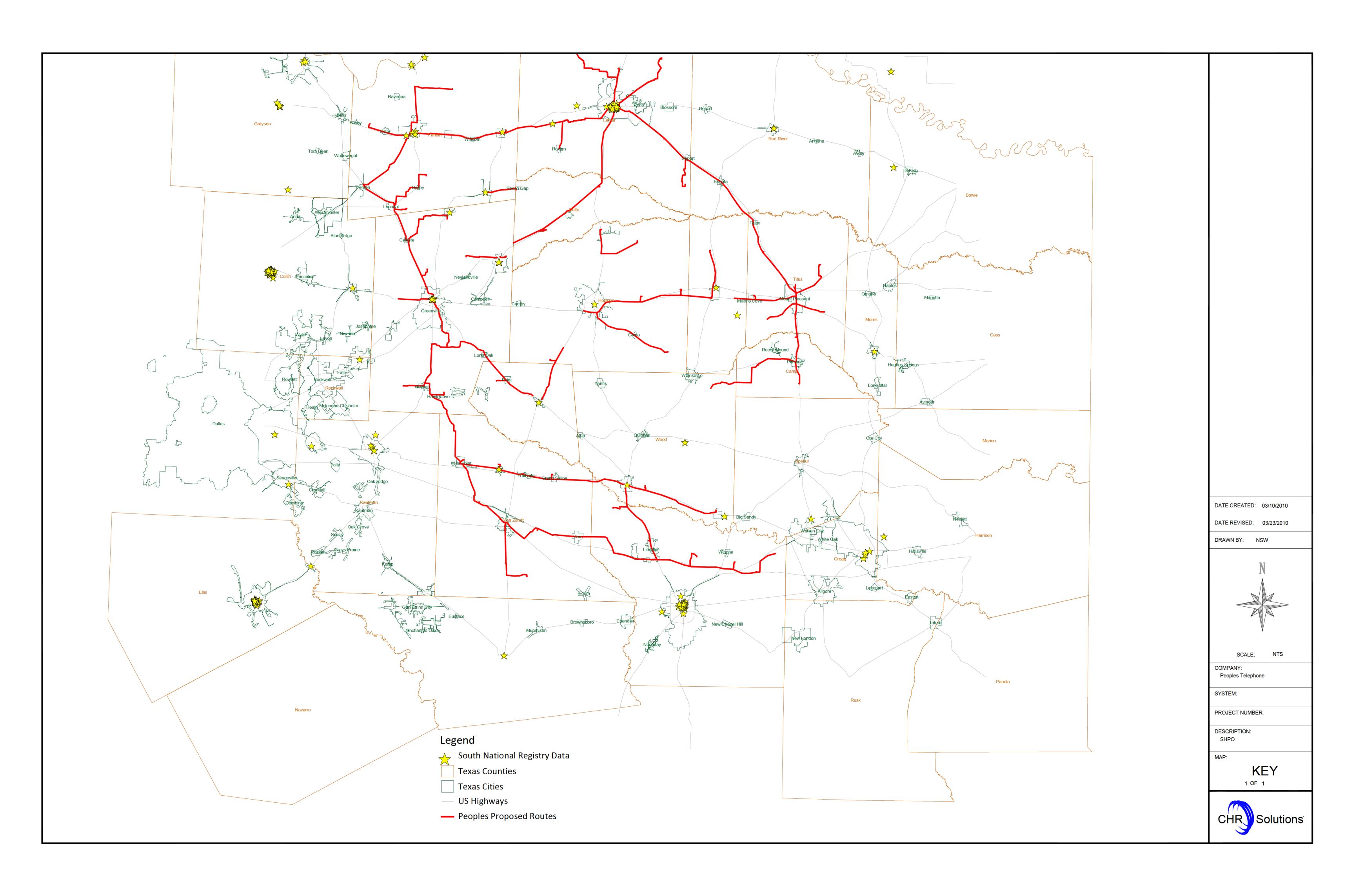
Qtr. 2	Land Acquisition Continues	Professional Services for Implementation
	 Prefab Building Ordering, Delivery and Setup Continues 	One Prefab Building Installation Crew
	OSP Mainline Fiber Construction Continues	One (2) OSP Mainline Fiber Construction Crew
	 OSP Distribution Fiber Construction Continues 	One (2) OSP Distribution Fiber Construction Crew
	 OSP Fiber Drop Construction Continues 	One (2) OSP Fiber Drop Construction Crew
	Access Equipment Installation Continues	One (1) Access Equipment Installation Crew
	Transport Equipment Installation Continues	One (1) Transport Equipment Installation Crew
Qtr. 3	Land Acquisition Complete	Professional Services for Implementation
	 Prefab Building Ordering, Delivery and Setup Complete 	One Prefab Building Installation Crew
	OSP Mainline Fiber Construction Complete	One (2) OSP Mainline Fiber Construction Crew
	OSP Distribution Fiber Construction Complete	One (2) OSP Distribution Fiber Construction Crew
	OSP Fiber Drop Construction Complete	One (2) OSP Fiber Drop Construction Crew
	 Access Equipment Installation Complete 	One (1) Access Equipment Installation Crew
	Transport Equipment Installation Complete	One (1) Transport Equipment Installation Crew
Qtr. 4	PROJECT COMPLETE	Professional Services for Post Implementation
	•	•

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	[Peoples	s]											
			Y	EAR 1			YE	CAR 2			Yl	EAR 3	
	YEAR 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)		\$400,442	\$2,944,976	\$5,720,271	\$7,775,480	\$10,720,613	\$14,963,703	\$19,619,635	\$24,143,038	\$30,415,299	\$34,647,974	\$35,930,953	\$36,031,695
Percentage of Total Funds		1.11%	8.17%	15.88%	21.58%	29.75%	41.53%	54.45%	67.01%	84.41%	96.16%	99.72%	100.00%
Entities Passed & %													
Households			6928	13856	20784	29573	38362	47151	55940	64842	73744	82646	
Percentage of Total Households			8.38%	16.77%	25.15%	35.78%	46.42%	57.05%	67.69%	78.46%	89.23%	100.00%	
Businesses			851	1702	2553	3633	4713	5793	6873	7967	9060	10153	
Percentage of Total Businesses			8.38%	16.76%	25.15%	35.78%	46.42%	57.06%	67.69%	78.47%	89.23%	100.00%	
Community Anchor Institutions			13	26	39	61	83	105	127	148	169	191	
Percentage of Total Institutions			6.81%	13.61%	20.42%	31.94%	43.46%	54.97%	66.49%	77.49%	88.48%	100.00%	

DATE CREATED: 03/10/2010 DATE REVISED: 03/23/2010 DRAWN BY: NSW SCALE: NTS COMPANY: Peoples Telephone SYSTEM: PROJECT NUMBER: DESCRIPTION: Environmental KEY 1 OF 1 CHR Solutions





March 24, 2010

Ms. Debra Beene Texas Historical Commission 1511 Colorado Austin, TX 78701

RE:

Texas 557 - Quitman P&S #PP000-01-001

Dear Ms. Beene:

Peoples Telephone Cooperative, Inc. is seeking input on potential environmental impacts in support of an application for federal funds in the second round of the Notices of Funds Availability (NOFA) from the U.S. Department of Commerce National Telecommunications and Information Administration (NTIA) Broadband Technology Opportunities Program (BTOP) to finance telecommunications facilities. The proposed facilities are needed to provide new broadband services to underserved subscribers. These facilities include installation of fiber optic cables in Delta, Franklin, Hopkins, Hunt, Fannin, Lamar, Rains, Red River, Smith, Titus, Wood and Van Zandt Counties of Texas.

The information is required to complete the environmental questionnaire portion of the BTOP application. The questionnaire states applicants must gather information about the nature and location of historic properties. A listing of the National Register of Historic Places from U.S. Department of Interior National Park Service is available and these sites have been downloaded into the proposed project map. The environmental questionnaire also states that the State Historic Preservation Office be asked the following questions:

- Is the proposed project located on, within or adjacent to any properties listed in or eligible for listing in the National Register of Historic Places or to a National Historic Landmark?
- Will the proposed project impact, use or alter a building or structure that was constructed more than 50 years

Peoples does not anticipate the project affecting any building more than 50 years in age. All construction will be along existing utility easements in previously disturbed lands with other existing cables and utilities services. However, Peoples requests your input to the proposed questions and on any concerns in the project area.

If a BTOP award is made to Peoples, NTIA will assume its role as the federal lead agency for Section 106 consultation.

Enclosed is a map identifying the proposed construction activities with site locations from the National Register of Historic Places, a project description and a response form. Typically a thirty day response is sought to avoid undue delay in construction. However due to the application deadline, a quicker response if possible is appreciated. If you need further information or wish to discuss the project in more detail, please feel free to call me at (806) 722-7683.

Thank you for your cooperation.

Sincerely,

Matt Hearn

Engineer - Network Planning

Enc.

File: w:\LubadO1\engineering\Stimulus Grant Program\2nd NOFA\Applications\BTOP\Peoples\Environmental\PP000-01-001THC Letter 3-22-10

PROJECT DESCRIPTION

General

This project will involve the construction of new facilities, electronic equipment, and approximately 639 miles of outside plant facilities in order to provide broadband services to rural areas of Texas. The proposed construction will take place in Delta, Franklin, Hopkins, Hunt, Fannin, Lamar, Rains, Red River, Smith, Titus, Wood and Van Zandt Counties of Texas, as served by Peoples Telephone Cooperative, Inc. (Peoples). Peoples will use Rural Development Utilities Program (RDUP) approved materials and construction techniques for broadband systems in this project.

Electronic Equipment

Electronics are utilized to improve service by increasing transmission distances and channel capacity. Network equipment and subscriber electronics equipment will be located at several Carrier Serving Area sites utilizing cabinets placed adjacent to existing established roadways. The cabinets will vary in size from one foot by three feet to three feet by six feet and up to three feet tall. During construction, every effort will be made to minimize the environmental effects of placing these cabinets

Buried Plant

The buried plant will consist of fiber optic cables placed at a minimum depth of 36 - 42 inches below the surface in most areas along established streets, roadways or travel routes in town areas. Cable installed adjacent to road ROW will generally be within 5 - 10 feet of the public easement. This construction requires plowing of the cable with a ripper attachment. The ripper opens a narrow slot, inserts the cable and covers in one operation. This is useful in areas where rock contents are minimal and construction paths are free of obstructions. An alternate method, used when applicable, is making a trench, placing the appropriate sized cables, backfilling and compacting to restore the ground to its original condition. If concrete or paving is required to be cut, it is restored as appropriate. In situations where the cable must be placed under large roads, a bore will be made under the obstruction. The cable will then be pulled through

the bore into place leaving only a minimal surface disturbance. When river or stream crossings or U.S. water crossings are encountered, the construction will be either bored or via bridge attachments. Every effort is made to minimize environmental damage during the construction phase.

Buried cable will be placed to connect subscribers to the switching equipment. Above ground appearances will be limited to locations required for connecting subscribers to the system. This will occur in pedestals (enclosures) supported by stakes or poles. The pedestals will vary in size, depending on the size of the cable to be spliced, from about six inches square to about one foot by three feet square.

Wireless Towers

No wireless towers are proposed for this project.

Ms. Debra Beene Texas Historical Commission 1511 Colorado Austin, TX 78701

Date

Response Form

RE: Peoples Telephone Cooperative, Inc. Texas 557 - Quitman P&S #PP000-01-001 We have reviewed your proposed telephone facilities construction as outlined in your request. We understand that the purpose of your ER is to identify any environmental issues that may need investigation before any actual construction occurs. Based upon our review of your construction areas, we have determined the following: We do not see any environmental issues and do not need to be contacted further. We do see environmental issues, as identified below, but do not need to be contacted further. _ We do see environmental issues, as identified below, and do need to be contacted further. Environmental Issues Additional Comments Sincerely, Name Title

FROM: CHARLIE FARRAR (806) 722-7600 CHR SOLUTIONS 4747 S. LOOP 289

LUBBOCK TX 79424-2224

LTR 1 OF 1

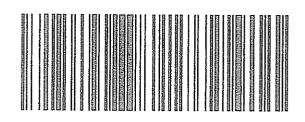
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TX 787 9-09

SHIP TO:

MS. DEBRA BEENE (806) 722-7700 TEXAS HISTORICAL COMMISSION 1511 COLORADO AUSTIN TX 78701 UPS 2ND DAY AIR
TRACKING #: 1Z FW8 674 02 4168 2695

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REF 1:PP000-01-001 ENGINEERING PLAN

BILLING: P/P

WS 12.0.14 Gestetner 900 99.0A 01/2010

Fold here and place in label pouch