



NEWS RELEASE

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USDA ANNOUNCES \$267 MILLION RURAL BROADBAND LOAN

WASHINGTON, March 25, 2008 — USDA Rural Development Under Secretary Thomas C. Dorr today announced that Open Range Communications, headquartered in Denver, Colo., has been approved to receive a \$267 million loan from USDA Rural Development to provide broadband service to 518 rural communities in 17 states.

This partnership will address the significant need to deploy wireless, portable broadband connectivity to improve service in considerable portions of rural America. The commitment by USDA and Open Range represents one of the largest public-private investments for broadband service by the federal government.

This unique set of services will provide cutting-edge Wi-Max technology that transmits wireless data in areas not serviced by cable or DSL technologies. Open Range plans to offer affordable, wireless, high-speed broadband service to underserved and unserved areas.

The loan presents dual benefits to the residents of the communities to be served. Those without service will have access to broadband and other technologies for the first time. Residents in areas served by an existing provider will benefit from mobile and portable broadband, lower prices, enhanced service options and improved quality as a result of marketplace competition.

“Portable, high-speed connectivity provides new options to help create business expansion in rural communities,” Rural Development Under Secretary Thomas C. Dorr noted. “Communities that lack broadband are often bypassed for new economic development investments. “Broadband is as important today as providing rural telephone service was 75 years ago, and we’re proud of our role in fostering public-private partnerships to bring broadband services to rural America.”

In addition to broadband, Open Range will offer satellite services to provide rural residents with portable connectivity virtually nationwide. Improved service with portability features will improve communications and responses for emergency first responders such as law enforcement and rescue providers, as well as health care providers.

The project is intended to cover more than 6 million people and serve more than 447,000 households within five years. In addition, it will create jobs and business opportunities in the project’s 17-state area. Open Range is leveraging the \$267 million government loan with an investment of more than \$100 million from the private sector. The loan is contingent upon Open Range meeting the conditions of the loan agreement.

Committed to the future of rural communities.

“USDA is an equal opportunity provider, employer and lender.”

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The loan was approved under the Rural Development Broadband Loan and Loan Guarantee Program, which since its inception has awarded \$1.6 billion in loans for projects to provide rural broadband services. The Rural Development Broadband program has financed a variety of technologies, including wireless, fiber, hybrid fiber/coax, DSL and broadband over power lines. The Open Range project is the program's first investment to support Wi-Max technology.

USDA Rural Development's investments in broadband are helping rural communities develop sustainable economic opportunities to improve the quality of life in communities across the nation. The loan to Open Range is expected to foster business development and create new jobs in Alabama, Arkansas, California, Colorado, Delaware, Florida, Georgia, Illinois, Indiana, Nebraska, Nevada, New Jersey, New York, Ohio, Pennsylvania, South Carolina and Wisconsin.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development has invested nearly \$91 billion since 2001 for equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. More than 1.7 million jobs have been created or saved through these investments. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

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