STATE OF MICHIGAN

JENNIFER M. GRANHOLM
GOVERNOR

OFFICE OF THE GOVERNOR
LANSING

JOHN D. CHERRY, JR.
LT. GOVERNOR

April 30, 2010

Assistant Secretary Lawrence Strickling
Broadband Technology Opportunities Program
National Telecommunications and Information Administration
U.S. Department of Commerce
HCHB, Room 4812
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Strickling:

It is my privilege to offer the recommendations below in support of six applications proposing to serve communities in Michigan as part of the Round 2 Broadband Technology Opportunities Program (BTOP) funded by the American Recovery and Reinvestment Act of 2009 (Recovery Act).

When the Recovery Act funding was announced, Michigan's broadband team quickly deployed across the state, bringing together citizens, local governments, businesses, educational institutions, public safety officials and service providers to identify the areas of greatest need. This unparalleled level of collaboration and cooperation and the quality of the applications the efforts produced truly demonstrates the "Comprehensive Community" goals set by the BTOP program.

The projects listed below are recommended based on their conformation with the criteria set forth by the National Telecommunications and Information Administration (NTIA), their alignment with the state of Michigan's broadband goals, and their capacity to build on the efforts of Michigan's Round I grant recipients. The projects we highly recommend are critical to Michigan's strategy for statewide broadband implementation.

Comprehensive Community Infrastructure Projects

Merit Networks, Inc.
Application #4658   **Highly Recommended**

This application for funding comes on the heels of Merit's successful Round 1 submission, which we recognize as the foundational backbone for building a broadband framework across the state. School districts, libraries, local governments, state government, colleges and universities, public safety departments, healthcare institutions, and many tribal communities have worked side-by-side with Merit in building this plan. The Merit proposal embodies our vision for government interconnectivity and the widespread availability of a statewide broadband backbone, giving internet service providers the ability to offer economical internet connectivity to Michigan businesses, citizens, and communities.

Bloomingdale Communication
Application# 5622   **Recommended**

The Van Buren Fiber Ring project will greatly benefit the residents of Van Buren County. Not only will it connect the county's anchor institutions, but Bloomingdale also will be able to serve the homes and businesses in the region with a much-needed broadband connection. This project complements the Bloomingdale BIP Round I award (awarded under the name "Southwest Michigan Communications") and serves as a spur to Merit Network's Round I statewide backbone award, Michigan State University's Public Computing Center Round I award, and works in conjunction with CTS Telecom, Inc., Great Lakes Comnet, the city of South Haven, and the Van Buren Intermediate School District.

This project will provide broadband connectivity to 13 schools, 10 libraries, 18 public safety offices, 16 government facilities, and 13 medical and healthcare providers.

Peninsula Fiber (PFN)
Application #7274   **Recommended**

Big Bay is an economically disadvantaged community in Michigan's Upper Peninsula. PFN will provide reliable and affordable broadband to Big Bay, increasing the economic viability of existing businesses and encouraging new sources of employment. PFN's network expansion will build on the proposed Merit projects and enhance the effectiveness of the community's anchor institutions by providing them with a direct fiber connection to PFN's network, access to the internet, and other critical services at rates that reflect cost savings from BTOP grants. This BTOP middle mile project will make broadband available to 411 additional households.

Public Computer Center Project

Michigan State University
Application #6547   **Highly Recommended**

This application for funding builds on MSU's successful Round 1 submission, which we recognize as the cornerstone of Michigan's effort to build public computer center capacity across the state. MSU's statewide proposal was designed in collaboration with Michigan's libraries, community colleges, public housing centers, and other community anchor institutions, to expand public computer center capacity to meet increasing demand. The application targets Michigan's designated Cities of Promise, the cities with the highest rates of poverty and unemployment in the state, and other urban cores that are now challenged by structural changes in the economy. In addition, the application supports several federally-recognized tribal organizations, providing expanded computing capacity to their communities. And finally, rural Michigan will be served by focusing on regions covered by middle-mile/CCI proposals where last-mile infrastructure may not yet provide sufficient access to the general population. Michigan libraries and other partners have stepped up to provide space, access and support for this much-needed new capacity.

Sustainable Broadband Adoption Recommendations

Michigan State University
Application #6548   **Highly Recommended**

This application represents the efforts of a coalition of Michigan high schools, community colleges, youth education programs, economic development organizations, and other community anchor

institutions. Like MSU's public computer center application, this application places a high priority on Michigan's Cities of Promise and on other urban cores. It also puts a particular focus on minority populations, which have been particularly challenged by structural changes in the economy. Data indicates that residents have access to broadband in the regions served by this application and are willing to pay for communication services, but a lack of education regarding the benefits of broadband may be a barrier to adoption. This plan will provide a key asset to help re-build our urban centers and will act as a catalyst for innovation in our rural communities.

Information Systems Intelligence
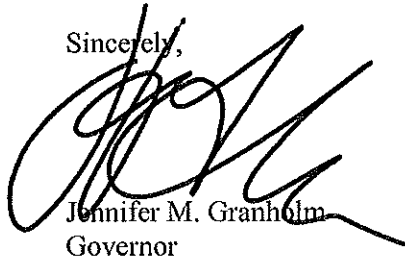**Application #4625**   **Recommended**

This application provides a total broadband solution tailored for low-income housing developments. The application not only addresses the requirement for high-speed internet access at a price one-fourth the national average, it also provides other fundamental programs designed to meet the needs of disadvantaged individuals residing in these communities. In addition to providing services for over 19,000 low-income housing residents, the project will make service available to public safety officials including EMT's, police, fire, and other first responders.

The goals of the Recovery Act broadband program are closely aligned with the aggressive broadband initiative I challenged my administration to undertake as part of our effort to diversify our economy and make Michigan more competitive in the global marketplace. If awarded BTOP funding, these projects will create jobs and accelerate our plan to build a network of connectivity throughout the state of Michigan.

Again, thank you for the opportunity to comment on these noteworthy projects.

Sincerely,

Jennifer M. Granholm
Governor

Pending Round 2 Application
DRAFT
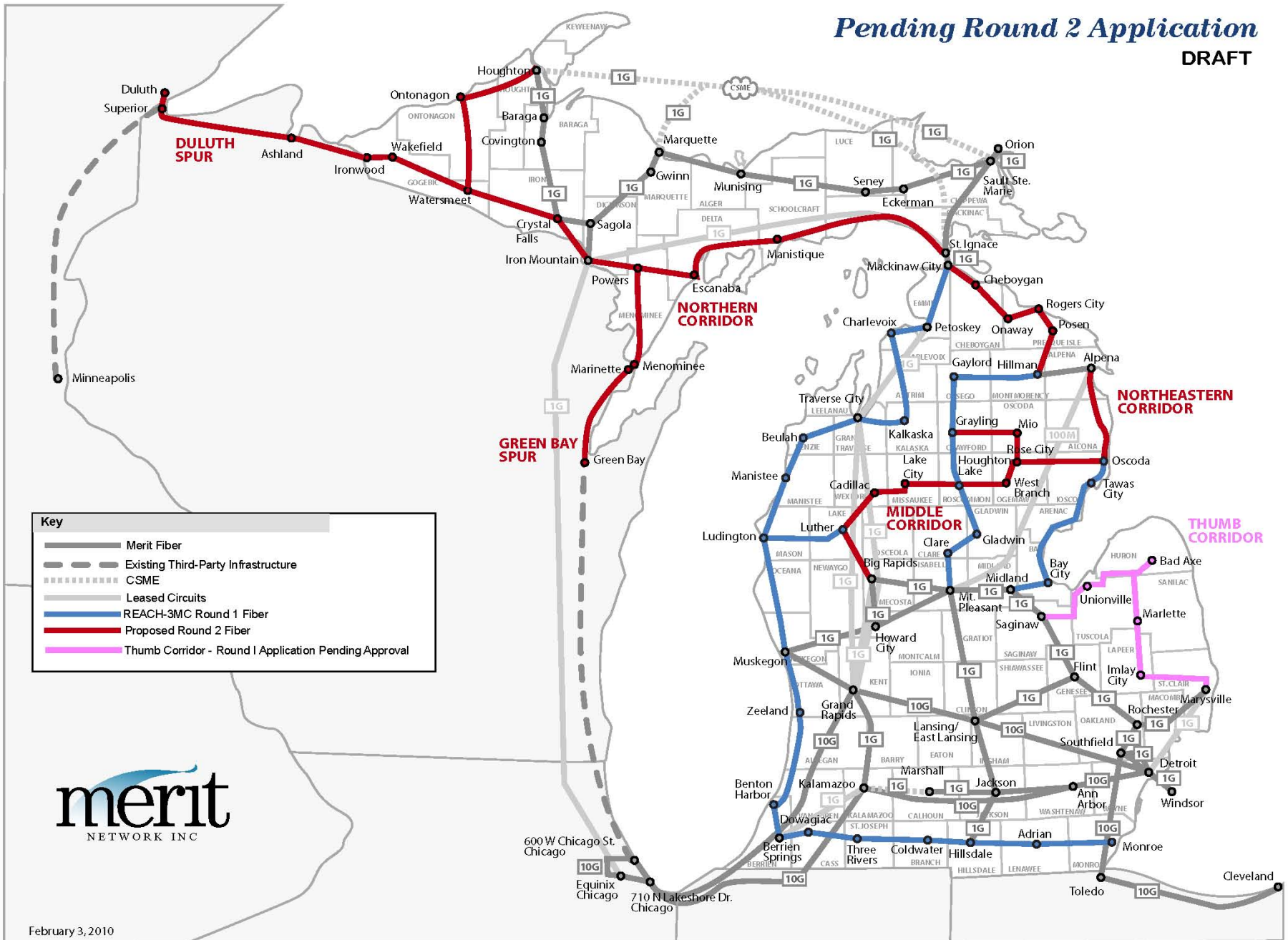
Key
- Merit Fiber
- Existing Third-Party Infrastructure
- CSME
- Leased Circuits
- REACH-3MC Round 1 Fiber
- Proposed Round 2 Fiber
- Thumb Corridor - Round I Application Pending Approval

merit
NETWORK INC

February 3, 2010

MSU Public Computing Centers

MSU Sustainable Adoption

Scale: 0 12.5 25 50 Miles

Upper Peninsula counties: KEWEENAW, HOUGHTON, ONTONAGON, GOGEBIC, BARAGA, IRON, MARQUETTE, DICKINSON, ALGER, DELTA, MENOMINEE, SCHOOLCRAFT, LUCE, MACKINAC, CHIPPEWA

Lower Peninsula counties: EMMET, CHARLEVOIX, CHEBOYGAN, PRESQUE ISLE, LEELANAU, ANTRIM, OTSEGO, MONTMORENCY, ALPENA, BENZIE, GRAND TRAVERSE, KALKASKA, CRAWFORD, OSCODA, ALCONA, MANISTEE, WEXFORD, MISSAUKEE, ROSCOMMON, OGEMAW, IOSCO, ARENAC, MASON, LAKE, OSCEOLA, CLARE, GLADWIN, HURON, OCEANA, MECOSTA, ISABELLA, MIDLAND, BAY, NEWAYGO, MONTCALM, GRATIOT, SAGINAW, TUSCOLA, SANILAC, MUSKEGON, OTTAWA, KENT, IONIA, CLINTON, SHIAWASSEE, GENESEE, LAPEER, ST.CLAIR, OAKLAND, MACOMB, ALLEGAN, BARRY, EATON, INGHAM, LIVINGSTON, WAYNE, BERRIEN, VAN BUREN, KALAMAZOO, CALHOUN, JACKSON, WASHTENAW, CASS, ST.JOSEPH, BRANCH, HILLSDALE, LENAWEE, MONROE

Marked locations: *Saginaw*, *Muskegon*, *Flint*, *Pontiac*, *Lansing*, *Detroit Area*, *Benton Harbor*, *Kalamazoo*, *Jackson*