

Public Notice Submission

Provider Name: Kerman Telephone Company, dba Sebastian

Summary: Kerman Telephone, dba, Sebastian, is challenging the applications for ARRA funding within the Kerman Telephone exchange. The Kerman telephone exchange exceeds the federal NTIA/RUS unserved and underserved definition. Audeamus, a non-regulated affiliate of Sebastian launched high-speed Internet service back in 2000 and has availability to 100% of the customers in our service territory. Sebastian is currently offering the choice of 1.5Mbps, 6 Mbps, and 10Mbps to all our customers. Sebastian has the capability of providing even higher bandwidth on a customized basis for those customers who may need additional bandwidth. Sebastian provides tiered pricing levels allowing its customers to choose the bandwidth suitable for their needs and budget. Sebastian has invested heavily with the assistance of RUS to provide these services. The Kerman Telephone exchange has a broadband penetration rate of 43% and growing. As stated in the NOFA, ARRA grants are designed to fund areas where no broadband connectivity exists (i.e. are either unserved or underserved). This is not the case in the Kerman exchange. Applicants also fail in the requirement to demonstrate that service would not exist absent support from the grant funds – services already exist in this area. As the area served by Sebastian does not meet the required criteria, the request for funding in our service territory for this application should be denied. As previously stated, the area can not be considered unserved or underserved as Sebastian as well as other providers have already established broadband capabilities and have a significant penetration for these services.