

Executive Summary & Grant Rationale

The Spencer County – Unserved Rural Areas in SIP Territory Project submitted by Perry-Spencer Rural Telephone Cooperative, Inc. d/b/a/ PSC (PSC) will provide state-of-the-art broadband services via fiber-to-the-premises (FTTP) technology to 1,754 unserved locations in rural Spencer County in southern Indiana. This fiber broadband infrastructure will provide the ultimate in broadband capabilities by enabling up to 1 Gbps (1,000 Mbps) broadband services to each subscriber in the proposed funded service area. This proposed project will enable a wide variety of services to be delivered to the end customers including high-speed Internet, over-the-top video services, voice over Internet protocol (VoIP) services, home automation and monitoring services, distance learning, telehealth services, and numerous other applications. Building FTTP infrastructure will improve the lives of the residential customers and will enable home-based businesses to compete in a global economy.

PSC is partnering with Southern Indiana Rural Electric Cooperative, Inc. d/b/a Southern Indiana Power (SIP) for the Spencer County – Unserved Rural Areas in SIP Territory Project. PSC and SIP have worked together to develop a plan to provide state-of-the-art broadband services to unserved and underserved portions of Perry and Spencer counties in southern Indiana. This plan includes preliminary layouts and design for a comprehensive broadband network deployment that once installed will provide 1,754 residents and businesses in unserved portions of rural Spencer County robust broadband service.

The partnership between PSC and SIP is a key differentiator for the Spencer County – Unserved Rural Areas in SIP Territory Project application. PSC has extensive experience deploying fiber broadband networks in Dubois, Perry, Pike and Spencer counties in Indiana. In addition, PSC has existing middle mile transport electronics, core data network equipment, voice switching equipment, and connections to upstream Internet Service Providers (ISPs) that will enable a cost-effective and time-efficient implementation of this project. Within the SIP electric service territory, the proposed aerial fiber construction will be deployed on SIP's existing pole infrastructure. SIP will provide the equity contribution for constructing fiber within the unserved areas that are included in the Spencer County – Unserved Rural Areas in SIP Territory Project. This broadband network infrastructure will be leased to PSC, which will provide retail broadband services to these unserved locations. PSC will utilize its existing staff to provide marketing, sales, installation, maintenance, and support of broadband services. In structuring the partnership in this manner, PSC and SIP are leveraging the respective strengths of the two cooperatives to ensure a quality broadband network deployment that is both time-efficient and cost-effective.

The proposed Spencer County – Unserved Rural Areas in SIP Territory Project will provide numerous benefits to the community. Building a FTTP network that provides the ultimate in broadband services to the farms and residences of the proposed grant area will enable these farmers to access applications and tools to make their operation more efficient and enhance their crop production. The economic benefit of helping these farmers be more successful will trickle down to other businesses and individuals in and around the area. In addition, the robust fiber broadband network proposed for the Spencer County – Unserved Rural Areas in SIP Territory Project will provide the necessary incentives for developers to build housing, attract younger workers and attract potential employers. Enabling the residents of Spencer County to enjoy the quality of life afforded by living in rural Indiana, while still having the ability to work for virtually any employer via the use of telecommuting, this project will have a positive impact on future population and economic growth of this region.

A second benefit of the proposed Spencer County – Unserved Rural Areas in SIP Territory Project is access to better health care. Rural areas have unique challenges when it comes to having access to quality health

care. The ability to deliver such high-bandwidth broadband services enables applications such as telehealth. These services enable a patient to consult with their doctor without ever leaving their home. In addition, there are services that the broadband network will enable that may allow aging adults or individuals living with disabilities to remain in their home instead of being moved to a care facility. This improves quality of life for those individuals. In addition, the proposed broadband network will provide distinct benefits to first responders, paramedics, and rural doctors to share medical information and start vital treatment to a patient while an ambulance is traveling to the hospital.

Another primary benefit of the Spencer County – Unserved Rural Areas in SIP Territory Project is the ability to provide access to education to those customers in the proposed grant area. In his letter of support for the Spencer County – Unserved Rural Areas in SIP Territory Project, Dan Scherry, the Superintendent of North Spencer County School Corporation, indicated that “We are currently 1:1 with technology devices KG-Grade 12 in our school corporation. However, the lack of district-wide broadband service severely limits those students living outside of a very centralized area...” Additionally, having access to high school and college classes online help to educate the low-income individuals and provide them the tools to improve their financial well-being.

PSC has a strong desire to provide the best service and the best price to its customers. However, it is also necessary to make sound business decisions. As shown in the financial projections, this project is not feasible without grant funding. Therefore, this grant funding is necessary for this project to proceed.

PSC has the expertise and experience to successfully complete the proposed FTTP project. PSC has been committed to providing state-of-the-art telecommunications for over 65 years, deploying FTTP technologies for the last 12 years. This alone demonstrates their ability to sustain and manage the proposed Spencer County – Unserved Rural Areas in SIP Territory Project. Their partnership with Southern Indiana Power will only strengthen the impact they are able to make by providing sufficient broadband to rural Indiana. In addition, the Spencer County – Unserved Rural Areas in SIP Territory Project will serve a critical need to provide economic development, to enable access to education services, and to improve the quality of life to individuals via telehealth and other similar services.