



Vermont Telecommunications Authority

Via Email

Daniel E. Mullin
Executive Director – State Public Policy
100 Southgate Parkway
Morristown, NJ 07960

Dear Dan,

Mr. Bill Shuttleworth forwarded your letter of February 17, 2009 to me to respond to as I am the individual designated to administer RFP 2009 – 104 Mobile Anchor Tenant on VTA's Tower Infrastructure (Tower RFP). Consistent with the RFP process I will share the answers to your questions with all other potential bidders.

The VTA has tried to work with all mobile service providers in an attempt to find a technically sound and financially viable model which can bring mobile service to uncovered areas in Vermont. As such, the VTA has met with VZW and other mobile service providers (MSPs) to seek inputs and to share all of our thoughts regarding our proposed mobile build. It seems that you have combined the goals of the Pilot Trial and the Tower RFP when they clearly have very different and separate goals. In order to clarify the issues raised in your letter I will address them one by one:

- VANU Technology: Question: Your letter seems to imply that the RFP requires the use of Vanu Technology. Answer: The Tower RFP does not dictate what technology a respondent will use.
- LTE: Question: Your letter expresses concern that the VTA is mandating the use of CDMA and/or GSM technologies at a time when major carriers have announced LTE plans. Answer: The VTA is very aware of mobile technology evolution. That is why Section 2.9 in the Tower RFP gives respondents the opportunity to provide alternative visions. Mobile Coverage: Question: The issue raised in your letter addressed the definition of 90% coverage. Answer: The best estimates of the VTA are that we have approximately 55 – 65% mobile coverage in the state today based on population. Our goal is to attain 90% coverage with the 200 tower build proposed in this RFP. This coverage is based on the combined coverage considering all MSPs in the state. Thus we

are focused on the increment between today's 55-65% coverage and the 90%. The RFP, however, did leave the door open to possibly assist a MSP build in already served areas if it was necessary to achieve the 90% goal.

- RFP Arrangements: Question: Your letter raised concerns regarding the following four issues: 1.) funding, 2.) leveraging state assets, 3.) permitting and 4.) backhaul savings. Answer: Funding for the tower build has been provided by Earth Turbines. The right to leverage state assets and the permitting process are embedded in state law. The backhaul savings are based on Department of Information and Innovation (DII) pricing, not on the possibility of building a statewide broadband network.

In addition to questions concerning the RFP directly, you also raised issues relating to the Pilot Trial in Saxton's River – Grafton – Townshend (SRGT) Trial. I will also address these issues as they are tied to the RFP.

The original intent of the trial was to: 1.) validate technology, 2.) validate cost projections, 3.) prototype the visual and aesthetic impacts of tower build, 4.) provide a real test bed for mobile service providers to evaluate a different mobile deployment model and 5.) provide the opportunity for all incumbent carriers to deliver roaming service in three unserved areas in Vermont. The trial was limited to three locations and to a six month period of time. The trial, of necessity, was limited in size and scope due to cost considerations. The issues that you raised in your letter as to why you found the trial "unacceptable" are directly related to the nature and goals of the trial and not what would be required in a full scale deployment. Specifically, you mentioned: 1.) limited coverage, 2.) cell site selection needs to be improved, 3.) RF design needs to be improved, 4.) excessive blocked calls, especially to E-911 and 5.) lack of battery backup. First, the limited coverage provided by the three selected locations is in contrast to no service prior to the trial. There was no attempt to build out an entire geographic area as it was not necessary to achieve the goals of the trial. The desire is to fully build-out areas with commercial deployment. Second, the cell sites selected were to specifically demonstrate the utility of using existing structures and the feasibility of a net metered wind turbine as a cellular tower. It is critical to remember that the goal is to define a new technically and financially viable model to provide service in areas that heretofore have not been eligible for mobile coverage. The third issue related to RF design and the use of transparent materials around antennas. The reality is that all tests have worked well with wooden shutters. The question then became why incur the cost for transparent material shutters for a six month trial. The fourth issue of blocked calls is not consistent with weeks of testing by the VTA. All testing was done in cooperation with the Vermont E-911 Board and the local PSAP. and found compliant. The final issue you raised is lack of battery backup. The FCC has recommended battery backup for mobile sites. VZW, to their credit, has voluntarily adopted the FCC guidelines. The practical reality is that most

commercial cell sites do not have battery backup today. In the judgment of the VTA battery backup was not a necessary expense for a six month trial.

I hope my answers have helped clarify the questions that you have raised and that VZW will consider responding to the RFP. As you have stated, we all share the goal of improved wireless coverage in Vermont.

Respectfully,



Arthur Bartlett

CFO