### First Step Internet, LLC FCC Registration Number: **0010766228** FCC SAC: 476222

## Rural Broadband Experiments Deployment Update as of June 1, 2016.

This Rural Broadband Experiment ("RBE") Annual Report is provided with First Step Internet, LLC's ("First Step") Form 481 for 2016. First Step was awarded \$415,855.63 in Category Two Rural Broadband Experiment funding. In the case of FSI, the RBE award was first announced on September 11, 2015 and the first disbursement was issued on September 29, 2015.

Paragraph 80 of the RBE Report and Order ("RBE R&O") states that all recipients of rural broadband experiments funding must "file with their annual reports evidence demonstrating to which locations they have deployed facilities." The following update provides the requested information. All of the information provided herein is current as of June 1, 2016.

#### Description of the Status of First Step Internet's Project

In the Rural Broadband Experiments, the FCC made "\$15 million available for projects where the provider would offer at least one service plan that provides 10 Mbps downstream/1 Mbps upstream to all locations within the selected census blocks. This service plan also must offer at least a 100 GB usage allowance, no more than 100 ms of latency, and meet the reasonable comparability benchmarks for the pricing of voice and broadband." In addition, the FCC afforded recipients "the option of accelerating disbursement of support for winning bidders in the experiments for those entities that commit to deploying to at least 25 percent of the requisite number of locations within the first 15 months."

First Step elected the accelerated funding distribution and on September 30, 2015 received the bulk payment amount of \$127,182.32. First Step received \$2,425.82/month for the remaining 3 months of the year amounting to an additional \$7,277.46 for a total of \$134,459.78 in 2015 funding. As of December 31, 2015 a total of \$111,970.30 was expensed against the RBE grant funding.

#### Construction and Deployment to Covered Census Blocks

Service was deployed via Telrad LTE microwave broadband wireless equipment. The Telrad equipment was mounted on existing First Step towers. Where necessary, additional battery backup equipment was installed to provide for longer run times in the event of a power failure. Some additional backhaul capacity and redundancy were added in locations where it was necessary to increase availability and overall network capacity.

<sup>2</sup> Id. at para. 27.

<sup>&</sup>lt;sup>1</sup> Connect America Fund; ETC Annual Reports and Certifications, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 10-90; WC Docket No. 14-58 (rel. July 14, 2014) at para. 80.

Based on First Step's predicted RF propagation, [see attached map] First Step has made broadband connections available to end user premises to 111 of the funded 116 census blocks. (~95%). We have one final tower location remaining to activate service. Once service at that location is established, we will have made service to 100% of the required census blocks. For purposes of this report, First Step considers broadband connections to be "available" to the census block based on the criteria described in FCC Form 477 – namely that First Step does, or could, within a service interval that is typical for that type of connection, provision two-way data transmission to and from the Internet with advertised speeds that meet RBE requirements. On the provided maps, those census blocks where qualifying broadband is not "available" are shaded in red, while those blocks where qualifying broadband is "available" are shaded in light blue. First Step is in the process of compiling a list of eligible locations in each of the census blocks.

90% of the provided support was used to expand the available services in the region to cover those blocks that had no other options for broadband services. This was the primary focus of the use of the support. This allowed for broadband service of 10/1 to be offered to many customer that otherwise had no option for broadband. The 10/1 LTE service offered is offered at a cost of \$75/month with no data caps or usage restrictions.

The remaining 10% of support was used to improve service quality and capacity.

All planned network build targets were met for the calendar year. In fact, First Step is well ahead of its planned network deployment. 100% of the network will be completed in the upcoming year and the focus will then shift dramatically to improving quality and increasing capacity. These plans will be undertaken with a review of the operating QOS statistics of the network and adjustments will be made as necessary and required.

#### Evidence of Meeting Public Service Obligations

- Minimum Speeds: Category Two recipients must offer at least one service plan that provides 10 Mbps downstream/1 Mbps upstream to all locations within the selected census blocks. Attached at Exhibit A are screenshots from First Step's website demonstrating that First Step offers and advertises at least one plan that meets this criterion. [see attached screen shot from www.fsr.com website]
- 2) Minimum Usage Allowance: Category Two recipients must offer within the service plan a monthly usage allowance of at least 100 GB. Attached at Exhibit B are screenshots from First Step's website demonstrating that First Step offers and advertises a 10/1 plan with at unlimited data. [see attached screen shot from www.fsr.com website]
- 3) <u>Latency:</u> The RBE R&O requires RBE participants to certify that 95 percent or more of all peak period measurements of network round trip latency are at or below 100 ms. Based on its internal testing, First Step certifies that its network latency satisfies this requirement.

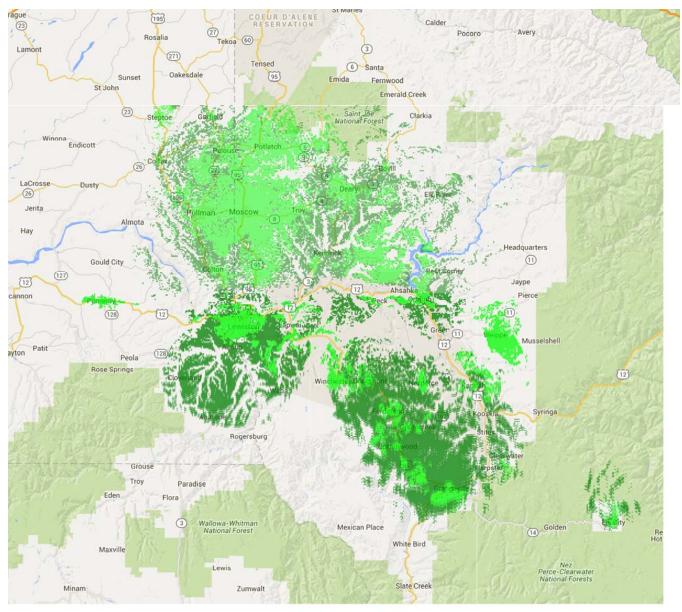
4) Reasonable Comparability Benchmark: Under the RBE program, First Step is required to offer broadband service at rates that are at or below the relevant reasonable comparability benchmark. The current benchmark for basic residential voice services is no more than \$41.07, while the current benchmark for broadband services with speeds of 10 Mbps downstream and 1 Mbps upstream and an unlimited usage allowance is \$75.20.3 Attached at Exhibit C are screenshots from First Step's website demonstrating that First Step's pricing for voice and broadband services satisfies the reasonable comparability benchmark. [see attached screen shot from www.fsr.com website]

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<sup>&</sup>lt;sup>3</sup> Wireline Competition Bureau Announces Results of 2016 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for ETCs Subject to Broadband Public Interest Obligations, Public Notice, WC Docket No. 10-90 (rel. April 5, 2016).

Towercoverage Page 2 of 2

# RF Propagation Map for First Step Network



### Attachment A



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## **PRICING**

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#### LTE WIRELESS INTERNET SERVICE

Available for both Residents and Businesses, First Step Internet uses LTE technology to deliver High-Speed Internet service. LTE Service available in select areas, please contact FSI for More Information http://www.fsr.com/lte/ or by phone 208 882 8869.

Speed Plan Setup and Installation Monthly Pricing

10.0Mbps/ 1.0Mbps \$0 Setup and Installation\* \$75.00/month

\*Standard LTE equipment and installation at no cost to the customer. If it is determined that an additional or higher powered equipment is needed an installation fee may occur at that time. FSI owns all equipment.

\*Installation includes antenna, wireless radio, cabling (up to 50 ft), Power Over Ethernet (PoE) box, mounting equipment for the antenna, and professional installation.

- \* No Data Limits or Data Caps
- \* Limited time offer
- \* Only One Speed package available 10mbps/1mbps for \$75/month
- $^{\ast}$  Installation of computers & other hardware extra.

#### Standard High-Speed Wireless Internet

#### Idaho

Bovill, Cavendish, Clearwater, Cottonwood, Craigmont, Deary, Elk City, Ferdinand, Fernwood, Genesee, Grangeville, Green Creek, Harvard, Harpster, Helmer, Juliaetta, Kamiah, Kendrick, Lewiston, Moscow, Nezperce, Orofino, Potlatch, Princeton, Southwick, Troy, Viola, Weippe, Winchester

#### Washington

Albion, Asotin, Clarkston, Colfax, Colton, Farmington, Garfield, Johnson, Palouse, Oakesdale, Pomeroy, Pullman, Rosalia, Steptoe, Tekoa, Uniontown

#### HIGH SPEED INTERNET SERVICE

Available for both Residents and Businesses, First Step Internet uses 2.4ghz or 5.0ghz dish receivers to connect you to our extensive wireless network.

Speed Plan	1st Year*	2nd Year & Following
2.0Mbps/ 1.0Mbps	\$50 setup + 1st Month Free + \$35/mo	\$35.00/mo
4.0Mbps/ 2.0Mbps	\$50 setup + 1st Month Free + \$40/mo	\$40.00/mo
6.0Mbps/ 3.0Mbps	\$50 setup + 1st Month Free + \$50/mo	\$50.00/mo
8.0Mbps/ 4.0Mbps	\$50 setup + 1st Month Free + \$80/mo	\$80.00/mo

Have a technical question?



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(PoE) box, mounting equipment for the antenna, and professional installation.

- \* No Data Limits or Data Caps
- \* Speed burstable up to advertised data rates
- \* Limited time offer
- \* After Free Month 12 monthly payments required.
- \* Applies to Standard 2.4GHz or 5GHz wireless service ONLY.
- \* Installation of computers & other hardware extra.
- \* Credit Card is required. Cash or Check Acceptable with full 12 month payment.

First Step Internet 2008 1420 S. Blaine St. 10 Moscow, Idaho 83843 | 888.676.6377 | 208.882.8869 | 883.3733 | services@fsr.com

Tech Support

Email Tech Support

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Account Management

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EdgeWave | Login or Signup for EdgeWave

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### Attachment B



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#### Washington

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## Attachment C



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