

FAQ's from Michigan's ARRA Broadband Planning Group

Does the State of Michigan want its own fiber network?

The State of Michigan does not intend to overbuild the private networks as part of the NTIA/RUS/ARRA funding. We have been identifying existing infrastructure that might be utilized to meet the needs of Michigan.

If this new network is collaboration – how is it coordinated?

Federal guidelines for applying to this program have not been released (expected late June, early July 2009). Despite this, it is clear that in order to achieve the most effective plan; everyone needs to be working toward a common goal. The framework that we have developed is a result of coordinating our efforts toward greater efficiency and coverage in hopes of maximizing the amount of dollars for broadband development Michigan receives. The framework was developed with input from state agencies, local government, libraries, health care, and the vendor community.

How does the state (DIT) control a network that it does not own?

The vendor community has indicated that a vendor owned and managed network can be achieved and utilized to meet the needs of Michigan.

How is Michigan's Framework funded after the stimulus dollars are spent? How does the state sustain a fiber network once it is built out?

The State of Michigan does not intend to overbuild the private networks as part of the NTIA/RUS/ARRA funding. The state does not plan to subsidize operating costs. The state may purchase competitive services from the network. The ARRA funds are to offset portions of up front capital expenses that the vendor community would normally see.

Who will maintain the state's fiber network?

The State of Michigan does not intend to overbuild the private networks as part of the NTIA/RUS/ARRA funding. We have been identifying existing infrastructure that might be utilized to meet the needs of Michigan.

The DIT plans to originate at every county courthouse – where does the network terminate?

The Framework does not prescribe where the network will enter each county or region. The network termination points will be determined by the provider(s) who win awards and the local

stakeholders, based on their assessments of the maximum benefits for the area, in a financially sustainable model.

Has anyone offered to sell/lease the state (DIT) fibers within a sheath in an area that is already built out?

The State of Michigan does not intend to overbuild the private networks as part of the NTIA/RUS/ARRA funding. We have been identifying existing infrastructure that might be utilized to meet the needs of Michigan. At this time the State has not made a request for services or infrastructure as part of the NTIA/RUS/ARRA. The intent is to utilize existing fiber capacity where available.

What speed does DIT believe is considered “Unserved”?

Terms and requirements of the “Broadband” effort will be defined by the NTIA/RUS/FCC. Further, as part of the guidance to the BTOP and RUS funds outlined in the ARRA, NTIA and RUS will define “Unserved”. Beyond just the speed, it is MDIT’s impression that the NTIA and RUS will use some socio-economic factors in determining unserved areas.

What speed does DIT believe is considered “Underserved”?

Terms and requirements of the “Broadband” effort will be defined by the NTIA/RUS/FCC. Further, as part of the guidance to the BTOP and RUS funds outlined in the ARRA, NTIA and RUS will define “Underserved”. Beyond just the speed, it is MDIT’s impression that the NTIA and RUS will use some socio-economic factors in determining underserved areas.

Addressing any network that need to be built – will DIT do this build with Merit?

At this time the State has not made such a request of any service provider. The intent is to utilize existing fiber capacity where available. Michigan law requires a competitive bid process.

How much of the new DIT network will be using the Merit network?

At this time the State has not made such a request of any service provider. The intent is to utilize existing fiber capacity where available. Michigan law requires a competitive bid process.

How does the cost of Merit’s bandwidth compare to other offerings?

Michigan law requires a competitive bid process.

The DIT map of un/under-served areas in Michigan – how accurate is the map/information?

The data behind the map is FCC data (commonly called the zip-code provider data) that requires registered telecommunication providers to report where they offer broadband services to homes and businesses. Some validation and verification has also taken place with local communities.

Who gathered the information for the map?

FCC

How was this map produced?

It was produced by the Center for Shared Solutions and Technology Partnerships utilizing the FCC data and other census layers and its GIS software.

How many residential customers will be served in the DIT plan?

It will be incumbent upon service providers and other entities to precisely identify these customers. At this time the precise number of homes and subscribership rates of customers is unknown.

At what speed will these residents be served?

“Broadband” and related speed measures will be defined by the NTIA/RUS/FCC.

If a business is currently unserved – how is DIT going to identify that business?

It will be incumbent upon service providers and other entities to precisely identify these businesses. Also, local broadband collaboratives are working on plans to gather this information from their regional and local economic development offices and organizations and vendors.

How much will it cost to reach all the unserved/underserved populations in Michigan?

This number will not be known prior to projects being funded and network plans being produced.

How does DIT define affordable broadband?

DIT has not defined affordability.

Goal 4 of the DIT plan is to “monitor borders and critical infrastructure”, who will do this and what is the cost of doing so? How will this be paid for on an ongoing basis?

Goal 4 of the plan currently occurs regionally or in some cases only at specific locations by MDOT and MSP. Increased network capacity would make central monitoring possible and increase efficiency of existing resources.

Who is engineering the Statewide Framework?

Formal engineering has not begun. The Statewide Framework is being developed by a working group that includes several state agencies (including, Education, Transportation, DIT, State Police, PSC, MEDC, DELEG, and Libraries) along with input from local government, health care, higher education and the vendor community.

How much of this Framework is built? How much will need to be built?

It is not clear at this time, the intention is to use existing infrastructure where possible but some new construction is possible.

What does the “statewide core” look like?

It is not clear at this time, the intention is to use existing infrastructure where possible but some new construction is possible.

Why do you believe the private sector will reduce cost from what it is presently offering?

Aggregated demand and collaboration will result in a larger revenue base for providers. ARRA funds can offset initial capital costs, changing the break even point for areas that are not adequately served.

What is the incentive for the private sector to partner with DIT?

MDIT has created a framework for participation that aims to maximize the award for Michigan. It will work with the vendor community to determine how to accomplish the framework, ensuring that unserved and underserved residents and businesses receive the best build out statewide.

If a resident currently is unserved – how will this plan go about identifying and then serving that resident?

It will be incumbent upon service providers and other entities to precisely identify these customers. The plan’s focus is on enabling providers to enter new market and provide new services at lower cost. ARRA funds can help reduce initial capital costs.

Does DIT plan to get a connection to the Mae Central in Chicago?

The vendor community has indicated that a vendor owned and managed network can be achieved and utilized to meet the needs of this framework. It is understood that this network will connect to the commodity internet at multiple locations.

If not, how will DIT control the cost of bandwidth to the internet?

N/A

Do you know of any private vendors that are submitting applications to NTIA?

At this time it is unclear who all will be submitting applications. The current ARRA language opens the door for any/all that want to apply to do so. MDIT and its partners have reached out to many providers in Michigan to make them aware of the efforts to coordinate and submit a comprehensive plan for Michigan to attempt to maximize the amount of dollars Michigan could receive.

Will private vendors' applications be part of the DIT application?

This may be dictated by the guidelines.

How will DIT hold harmless private vendor's application when they may/will be competing with DIT for grants?

The State of Michigan does not intend to overbuild the private networks as part of the NTIA/RUS/ARRA funding. We have been identifying existing infrastructure that might be utilized to meet the needs of Michigan. DIT is not looking to compete with the vendor community, but to collaborate with the vendor community.