Montana Independent Telecommunications Systems

Providing Professional Services to the Telecommunications Industry since 1994

Montana Telecommunications

October 2001

United We Stand

Triangle & Central Host Dedication

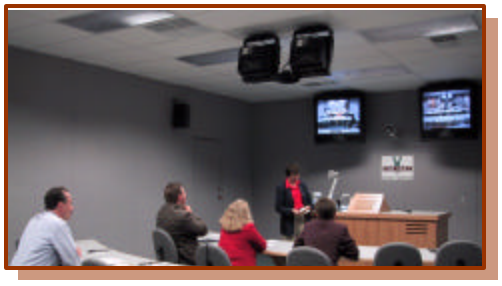
Triangle's New Atrium

Triangle and Central telephone companies, along with Montana In Touch and Hill County Electric, welcomed over three hundred people to the September 14 grand opening and dedication of their new building in Havre, Montana. Trustees, management and employees hosted the event featuring a ribbon cutting ceremony, building tours, safety demonstrations, bucket truck rides and, of course, refreshments and prize drawings.

The companies, sharing many operations and area for cost effectiveness, had outgrown their existing office space. The 16,000 square foot addition to their existing building, originally constructed in 1976, incorporates a Vision Net advanced interactive video conferencing studio and a new hospitality room. The companies encourage public use of these facilities, constructed with separate outside access for evening and weekend use.

The interactive studio was initiated at the open house by a connection with the Helena Vision Net facility where Holly Luck spoke on behalf of Senator Max Baucus, Betsy Allen on behalf of Senator Conrad Burns, and Jeff Garrard on behalf of Representative Dennis Rehberg. The demonstration generated praises from the Congressional staff who affirmed their intent to increase the Montana Congressmen's use of Vision Net's interactive video conferencing facilities.

Also participating from the Helena site were Montana Public Service Commissioner Bob Rowe, and MITS' Bonnie Lorang and Mike Sheard. Rick Stevens of Triangle-CMC coordinated the event on the Havre side.



MITS' Bonnie Lorang leads Helena Vision Net meeting

- MITS -
Board of Directors

Ben Boreson - President
Valley Telecommunications

Tom Bangs - Vice President
Central Montana Communications

Roy Neufeld - Secretary/Treasurer
Project Telephone Company

Rick Pokorny - Director
Triangle Telephone Cooperative Association

Vernon Stoner - Director
Nemont Telephone Cooperative

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Sagebrush Cellular now has 32 tower sites stretching from Harlem to Montana's eastern border.

$1,000,000 Plus Flows to MITS' Schools

Over $1,000,000 in "E-Rate" funding has been committed to schools and libraries located in the service areas of MITS' member companies for the fourth year of the federal universal service program. Jack Sterling, E-Rate Coordinator for MITS' companies, reports that to date, applicants in Triangle and Central Montana Communications' areas have received funding commitments totaling $452,773, while those served by Nemont, Project and Valley will receive $548,450 in discounted services. There are schools in both companies' areas still awaiting funding notification. Nearly $10 million was distributed to Montana schools and libraries over the first three years of the E-Rate program.

MITS companies and staff provided early leadership in the funding program. While serving less than 8% of the total access lines in Montana, MITS' member companies aggressively worked with applicants in their areas, helping them to receive over one third of the total E-Rate funding allocated to Montana for those three years. "It's been a team effort," according to Sterling. "The applicants and the managers/employees of MITS telephone companies have worked very hard to maximize program participation. The winners are the children in our communities."

Great Expectations

Comparable services at comparable rates. The Federal Telecom Act of '96 (Act) mandates that consumers in all regions of the nation have comparable access to telecommunications and information services. Urban areas. Rural areas. Comparable service for comparable rates. Universal access to telephone service nationwide. The law is deceptively simple.

To assure consumers nationwide have access to basic service at comparable rates, the Federal Communications Commission (FCC) in 1997 determined that funding assistance would be available to support a limited number of telecom services. Telephone companies operating in high cost areas may be eligible for funding assistance if they provision certain basic services: single-party service; voice grade network access; dual tone multi-frequency signaling; access to 911, operator services, interexchange services (long distance calling), and toll limitation services.

The Act, however, requires the FCC to periodically to review the definition of basic service and to consider, among other things, what the substantial majority of residential customers subscribe to as well as what services telecom carriers are deploying nationally. In other words, as more and more consumers subscribe to additional services (i.e. access to advanced services, Internet, etc.), the definition of basic service must change. As the basic service definition expands in scope, so should the federal universal service funding available to assist telecommunications carriers rolling out expanded services in rural and high cost areas.

The Federal-State Joint Board on Universal Service is currently seeking comments on the review of the definition of universal service. Detailed information (CC Docket No. 96-45) is on the FCC Web site (www.fcc.gov). Initial comments are due Nov 5, 2001.

In a related issue, the FCC in August 2001 released statistics detailing data on national high-speed Internet access. The report indicates a 63% increase in high-speed lines connecting U.S. homes and businesses to the Internet during the second half of 2000, with a 158% annual growth rate. The report details a 2000 annual growth rate of 435% in high-speed DSL lines and 57% in high-speed Internet connections over coaxial cable systems. Of the total 7.1 million high-speed lines, 5.2 million were residential and small business subscribers.

MITS BITS

Project's fiber optic cable construction from Absarokee to Reed Point is almost complete.

Governor Lauds MITS' 711 Assistance

Governor Judy Martz praised those contributing to the successful implementation of the state's telecommunications relay services (TRS) at the October 1 kick-off demonstration of Montana Relay. The Great Falls event offered an opportunity for telephone companies and program participants to gather and celebrate the culmination of over a year's efforts to implement the toll-free 711 dialing feature in Montana. The Governor placed a call carried by 3 River Wireless by dialing 7-1-1 at one location in the Montana School for the Deaf and Blind. The call was routed to a Sprint relay operator who transcribed the Governor's communications to a hearing impaired student located in another section of the school. The student communicated with the Governor by using a text telephone device (TTY).

Jack Sterling

The governor presented Mike Strand of MITS with a Certificate of Appreciation recognizing outstanding participation and contributions to Montana Relay and the implementation of 711.

Jack Sterling, MITS' MTAP Coordinator (Montana Telecommunications Access Program), serves on the Board of Montana Relay representing Montana's independent telephone cooperatives.

MITS BITS

Triangle is reconfiguring outside plant and pushing fiber out to rural areas such as Geraldine, Judith Gap and Big Timber.

FCC Issues Pine Ridge Order

Following many months of debate, the FCC has issued an order granting Eligible Telecommunications Carrier (ETC) status to Western Wireless for the Pine Ridge Indian Reservation in South Dakota. The decision is particularly significant in that the state Public Utility Commission has maintained throughout the proceeding that the FCC lacked jurisdiction to rule on the issue. The Montana Public Service Commission has taken the same position with regard to Western Wireless' application for ETC status on the Crow Indian Reservation in Montana. In legal reasoning that often bordered on bizarre, the FCC argued that the issue was not whether the state commission or the FCC had jurisdiction, but whether the state commission or the tribe had jurisdiction. The FCC found that the tribe had jurisdiction and then proceeded to make the designation itself. However, the FCC held that the designation was only with respect to tribal members living on the reservation. Western Wireless must obtain ETC status for non-tribal members from the state commission.

Glasgow hosts JSI seminar

Kathy Greenwood & Steve Meltzer

It was a learning experience for all. On September 11-12, Steve Meltzer and Brian Sullivan, staffers from JSI (John Staurulakis Inc.), a national telecommunications consulting firm, presented a comprehensive training seminar in Glasgow, MT on telecom accounting and federal telecom policy issues. It was the first visit to eastern Montana for the two JSI Maryland employees, who welcomed the chance to view a truly rural telecommunications service area. Nemont's Kathy Greenwood and Aimee Dietrich organized the event which was attended by nearly thirty Nemont and Triangle employees. MITS' Bonnie Lorang also attended the workshop.

Steve and Brian experienced Montana hospitality first hand as they struggled to arrange alternative travel itineraries for their return to Maryland on September 12 when their flights were cancelled. The pair respectfully declined Kathy Greenwood's invitation to the family farm in Glentana and instead opted for a Glasgow Amtrak ticket home.

Telcos Explore Customer Interest in Expanded Calling Areas

Customers of Project and Triangle telephone companies are being asked whether they support expanding their local calling areas. The companies recently sent subscribers information detailing both the proposals for larger calling areas and the increased monthly rates that will likely accompany expanded calling areas. If approved by the Montana Public Service Commission, the proposal would create the largest local calling area in the state. Customers would be able to make and receive toll-free calls among communities served by Project and Triangle, as well as Qwest's entire Billings region. Affected communities include Absarokee, Belfry, Billings, Bridger, Broadview, Columbus, Crow Agency, Fort Smith, Fromberg, Hardin, Huntley, Joliet, Lodge Grass, Molt, Park City, Pompeys Pillar, Rapelje, Red Lodge, Reed Point, Roberts, Shepherd, Worden and Wyola.

Under the companies' proposal, Project and Triangle customers will pay monthly rates generally comparable to those currently paid by Qwest customers. Rate design information will be submitted to the PSC on November 9. The PSC will then hold public hearings in the affected areas to determine the extent of public support for the proposals.

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Nemont & its subsidiary companies paid $1,096,610 in property taxes in Daniels, Sheridan, Roosevelt, Valley, Phillips, Richland, McCone, Dawson, Yellowstone, Big Horn, Stillwater and Carbon Counties.

Baucus Visits Bainville - Virtually

It all began with a phone call.

Jay Driscoll, Legislative Assistant for U.S. Senator Max Baucus in Washington D.C., contacted MITS staff asking for help with a technology demonstration for the Senator. The Senator was interested in a virtual meeting with some Montana students and he had heard about Vision Net's eighty-some full-motion interactive video conferencing facilities across Montana. Some contacts, come calls. An idea began moving towards reality.

On September 26, the Senator put Vision Net's cutting edge technology to use. Ten of Bainville's thirty-five high school students sat comfortably in their school's video conferencing classroom and met with one of their U.S. Senators sitting in the Washington, D.C. Senate Communications Room.

"It was incredible to be able to see and hear them so clearly," said Baucus after his first experience using interactive television. "This really is cutting edge technology." Vision Net's general manager, Ron Warnick, agreed. "Today's conference shows that Vision Net continues to set the pace for making technology dreams a reality for communities throughout Montana." As for Bainville High School, Superintendent Paul Huber stated they were "honored to be the first school in Montana to use this technology to talk to our senior Senator in Washington."

Bainville students chat with Senator Baucus

Bainville is served by Nemont Telephone Cooperative, also a member of Vision Net. Founded in 1995 by four Montana rural telephone cooperatives seeking to provide advanced ATM connectivity to schools, Vision Net also serves private businesses both in and out of Montana.

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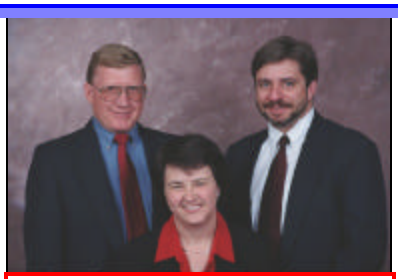


Mike Sheard Mike Strand
Bonnie Lorang

The Cutting Edge - Substituting Technology for Travel

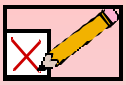
The September 11 terrorist attacks have had a profound impact on all of America, including the way Americans conduct business.

Prior to the attacks, the nation's airports and airplanes were swelled with business travelers for whom impetuously hopping on planes and flying thousands of miles for business meetings had become a way of life. However, even for those who manage to overcome the fear of flying caused by the graphic images of the tragic events in New York, Washington, D.C. and Pennsylvania, increased security and limited flight availability may create continuing delays at airports as well as increased costs for airline tickets.

Communications technology, and in particular, video conferencing, provides a valuable substitute for travel allowing Americans to continue to tend to business without being subjected to the fear, delays and expenses associated with travel. For example, Vision Net (www.montanavision.net) operates a video conferencing network that includes more than 80 studios in Montana and can access more than 3,500 similar facilities worldwide. Use of Vision Net's facilities is open to anyone or any group that needs video conferencing on a state, national or international scale. Since the September 11 attacks, interest in Vision Net's services has skyrocketed.

The proliferation of video conferencing, a traditionally bandwidth intensive application, is being aided by advances in technology that promise to bring new video conferencing capabilities to the desktops of even dial-up Internet users. For example, Roguewave, Inc. (www.roguewavemedia.com) offers a product called *3-D Net-conferencing* which allows as many people as practicable to enter a virtual meeting room and have real time voice-to-voice conversations. A shared whiteboard, aids for presenters, complete document sharing, content streaming, and other typical web meeting functions are included. Voice is spatialized and breakout rooms are available for side meetings within the meeting. All that is required to use this product is a computer with a minimum of a 333 mhz CPU, a 3D card and a 56K Internet connection.

Mark Your Calendar



- **Oct 14-17** - NECA Expo, Orlando, FL
- **Oct 14-19** – New Mexico State University Center for Public Utilities Regulatory Basics Training – Albuquerque, NM
- **Oct 20** - Triangle Telephone Cooperative - 47th Annual Meeting - Havre High School
- **Oct 25-26** – National Summit on Broadband Deployment: 2001 A Digital Odyssey - Arlington, Virginia
- **Nov. 3** - Bozeman Technology Fair, MSU Burns Telecommunications Center
- **Nov 8-9** - NTCA Legal Seminar, Savannah, GA
- **Nov. 28-29** - 20th Annual MTA Showcase, Billings, MT
- **Dec. 3-4** - Technology Symposium / MITS Annual Meeting - Helena, MT