

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

**THE APPLICATION OF DUO COUNTY TELEPHONE)
COOPERATIVE CORPORATION, INC.)
FOR A CERTIFICATE OF PUBLIC) Case No. 2020-00140
CONVENIENCE AND NECESSITY FOR THE)
CONSTRUCTION OF FIBER-TO-THE-PREMISE)
AND ADDITIONAL NETWORK UPGRADES IN)
ADAIR AND CUMBERLAND COUNTIES, KENTUCKY)**

**APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
FOR CONSTRUCTION OF FIBER-TO-THE-PREMISE AND ADDITIONAL
NETWORK UPGRADES IN ADAIR AND CUMBERLAND COUNTIES, KENTUCKY**

In further support of its filing of April 30, 2020 in the above referenced Case, Duo County Telephone Cooperative Corporation, Inc. (“Duo”) submits this filing to supplement the record with the following Exhibits.

- Exhibit 3: Copy of RUS Reconnect Award letter dated March 5, 2020
- Exhibit 4: Letters in support of Duo’s RUS Application submitted by the Office of the Governor and Congressman James Comer
- Exhibit 5: Professional Engineer Certification of the network design filed by Duo’s employee

Respectfully submitted,

/s/ Howard Kent Cooper

Howard Kent Cooper
Cooper & Associates
404 Monument Square
P.O. Box 650
Jamestown, KY 42629
Email: hk@duo-county.com



United States Department of Agriculture

Rural Development

Rural Utilities Service
1400 Independence
Avenue SW
Room 2868 Stop
1599
Washington, DC
20250

March 5, 2020

Mr. Thomas Preston
CEO/Executive VP
Duo County Telephone Cooperative Corporation, Inc.
2150 NORTH MAIN ST
JAMESTOWN, Kentucky 42629

RE: RUS ReConnect Award KY 1702-A61

Dear Mr. Preston:

We are enclosing legal documents, with closing instructions, for your approved grant in the amount of \$18,676,528 under the ReConnect Program. In addition to the ReConnect Grant Agreement (Agreement), we are enclosing closing instructions, the UCC form and attachments, the Deposit Account Control Agreement (DACA) General Terms and DACA Specific Terms, the Certificate of Authority, a sample opinion of counsel, the Borrower Automated Clearing House (ACH) payment form, and the Certified Public Accountant (CPA) information form, and Standard Form 481.

Please indicate your organization's acceptance of the terms and conditions of the Agreement by executing and returning the duplicate originals of the Agreement, along with the UCC form, a legal opinion of counsel, the Certification of Authority, the ACH payment form, and the CPA form in accordance with the instructions. The documents must be returned within 120 days from the date of this letter. Please note that failure to comply with these stipulations may result in the rescission of the commitment. One set of the originals should be retained for your records.

Send the executed documents and correspondence to the following address:

Mr. Peter Aimable, Deputy Assistant Administrator
Portfolio Management and Risk Assessment
Rural Utilities Service/USDA
Stop 1595, Room 2808-S
1400 Independence Avenue, SW
Washington, D.C. 20250-1595

Please note the following important information:

- Pursuant to federal regulations at 7 CFR 1970.11(b), the Agency has determined that assured access to ReConnect funding for this Project

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is necessary for economic rural development. As a result, the attached Grant and Security Agreement is subject to the completion of all necessary environmental procedures required by Federal law. Given that all such procedures have not yet finished on your Project, no work on the Project, whether work which will be reimbursed through federal funds, or work which will be paid for with Awardees own funds, may be engaged until successful completion of the environmental reviews. Awardee acknowledges that unless it has received written notice from the Agency, it will not engage in any work on the Project, under any circumstances, except for that required to finalize the environmental reviews. Failure to abide by this requirement will result in the termination of the Grant and Security Agreement. Additionally, Awardee acknowledges that should any findings in the environmental reviews require significant changes to the Project, and as a result to the Grant and Security Agreement, such changes will constitute an immediate deobligation of federal funding and the termination of the Grant and Security Agreement, and will not result in an amended agreement until revised terms are agreed upon and funding is determined to be still available.

- The grant Accounting Requirements defined under Article I of the Agreement include 2 CFR Part 200. An electronic copy is available at <https://www.govinfo.gov/content/pkg/CFR-2019-title2-vol1/pdf/CFR-2019-title2-vol1.pdf>.
- Advances must be made electronically, as specified by Rural Utilities Service (RUS). RUS will use the ACH Payment System to deposit funds directly into the bank account designated by the grantee. Please complete the "Payee/Company Information" section of the ACH payment form and have your bank complete the "Financial Institution Information" section.

In accordance with the Agreement, compliance with Standard Form 481 (Form 481), Financial Requirement Statement, is required for loan and/or grant funding to be advanced. A hard copy of Form 481 is enclosed and an electronic copy is available at https://www.rd.usda.gov/sites/default/files/UTP_form_481.pdf

- The project must be constructed and operated in accordance with the Scope of Work submitted as part of your application. If any changes are required, a written request detailing the changes must be

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submitted for RUS approval. For the changes to be eligible for funding, approval of the revised Scope of Work must be received before the changes are implemented.

- Article VI of the Agreement outlines the requirements for annual audit reports and progress reports. These annual reports are required once any portion of the grant funds have been drawn down. RUS will provide additional information regarding how to comply with audit and progress reporting requirements.
- Revised Construction Procedures that allow you to negotiate outside plant construction under certain conditions are attached to the Agreement.
- Schedule 1 of the enclosed Agreement may include revised language from the version you previously received.
- Please fill out Sections 13 and 14 of the enclosed UCC Forms.

If you have any questions regarding the conditions in the legal documents, the requisition process, or any other aspect of your award, please feel free to contact our office at (202) 720-1025. Please refer to your award designation, which is KY 1702-A61, when inquiring about your grant.

Sincerely,



KENNETH KUCHNO
Deputy Assistant Administrator
Policy & Outreach Division
Rural Utilities Service

Enclosures

COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNORMATTHEW G. BEVIN
GOVERNOR

May 20, 2019

700 CAPITOL AVENUE
SUITE 100
FRANKFORT, KY 40601
(502) 564-2611
FAX: (502) 564-2517

Joel Baxley
Assistant to the Secretary
USDA Rural Development
1400 Independence Ave. SW, Rm 5803-S STOP 3201
Washington, DC 20250-3201

Dear Mr. Baxley:

The Commonwealth of Kentucky is committed to facilitating high-speed broadband access to our rural areas. Projects expanding last mile rural broadband in Kentucky are paramount to attracting economic development and tourism growth, higher education advances, interconnected public safety, and enhanced health care. Kentucky is appreciative of the USDA and the ReConnect Rural Broadband Program for their commitment to addressing this much needed infrastructure issue. This letter is to confirm that Kentucky meets the requirements for the State Broadband Activity for the Program's criteria.

State Broadband Plan:

Kentucky's updated State Broadband Plan includes KentuckyWired, the border-to-border, middle mile fiber optic communication backbone that is expanding the Commonwealth's reach into rural areas. When fully deployed within the next 12 months or so, this leading-edge communication infrastructure service will provide affordable broadband connectivity on a statewide basis, foster collaboration in unlimited ways, and promote innovative use digital technologies connecting the people of Kentucky to the world. The State Broadband Plan can be found on the KentuckyWired website: <https://kentuckywired.ky.gov>.

Utilities:

There are no Kentucky statutes that directly prohibit utilities from providing broadband service. Electric cooperatives may provide broadband by establishing a nonregulated business or activity as provided in Kentucky Revised Statutes (KRS) 279.020.

Right-of-Way Environmental Permitting:

The Commonwealth of Kentucky is committed to rapid expansion of broadband and information technology (see KRS 147A.023). Accordingly, the Commonwealth of Kentucky has taken appropriate steps to reduce or eliminate impediments to construction of broadband networks. In an effort to minimize both rights-of-way issues and the environmental impact of projects, the Commonwealth of Kentucky encourages potential projects to utilize, as much as possible, existing utility infrastructure. The Kentucky Public Service Commission followed the lead of the Federal Communication Commission in providing unfettered access to the underlying easements of existing utility companies through Pole Attachment Agreements. In the event that existing infrastructure cannot be utilized by the project, the Kentucky Eminent Domain Act, KRS 416 et. seq., provides an expedited process to gain access to the necessary lands. In addition, the Kentucky Transportation Cabinet added staff to expedite the processing of all permits associated with broadband technologies.

Map Certification:

The Commonwealth of Kentucky has not allocated any state funding for last mile broadband service. This letter acts as a certification that the proposed funded service area has not received any state funds for last mile deployment.

This administration has been committed to eliminating red tape, and removing the barriers to broadband deployment is consistent with this objective. We realize the importance in providing accessibility to high-speed broadband in all areas of the Commonwealth, and we will continue to support our partners in communities across Kentucky in creating this critically important service. If you need any additional information, please feel free to contact my office for further assistance.

Sincerely,



Matthew G. Bevin
Governor

JAMES COMER
1ST DISTRICT, KENTUCKY

1037 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-3115

DISTRICT OFFICES:

200 NORTH MAIN STREET
SUITE F
TOMPKINSVILLE, KY 42167

300 SOUTH 3RD STREET
PADUCAH, KY 42003

67 NORTH MAIN STREET
MADISONVILLE, KY 42431

Congress of the United States
House of Representatives
Washington, DC 20515-1701

April 23, 2019

Mr. Chad Parker
Assistant Administrator Telecommunications Program
U.S. Department of Agriculture
Rural Utilities Service
1400 Independence Avenue SW, Stop 1590
Room 5151
Washington, DC 20250-1590

Dear Mr. Parker,

I am writing regarding the Duo County Telephone Cooperative's application for the USDA's Rural Broadband eConnectivity ReConnect program. Duo County's proposal would provide vital connectivity to my rural congressional district in areas that do not have access to high-quality, high-speed, reliable broadband.

In our world today, internet connectivity and online services are ingrained in our daily lives – from paying bills to online homework portals for students to accessing healthcare and emergency services – many of our essential community functions rely on the availability of reliable broadband networks. Duo County's efforts to provide expanded access to high-speed broadband to meet the needs of low-income, underserved areas would not only provide connections to essential services, but would spur regional economic development.

I have made multiple visits to Duo County over the past few years and continue to be impressed with the competency and forward-thinking mindset of their management team and board of directors. For over 65 years they have partnered with the Rural Utility Service to provide cutting-edge technology to the region. This commitment to advancement and further broadband deployment is even evident in their new marketing name - Duo Broadband. I am confident funding from this program would improve the quality of life of my rural constituents.

Thank you for your full and fair consideration of this proposal consistent with all applicable laws, rules and regulations. Please contact my Grants Coordinator, Sarah Coffman (sarah.coffman@mail.house.gov), if I may be of any additional assistance during this process.

Sincerely,



James Comer
Member of Congress

JC/sc

ReConnect Program

Network Design Certification

We the undersigned, certify that the proposed network will be designed and constructed to deliver broadband services to all the premises in the proposed funded service area as indicated below:

_____ 25 Mbps downstream and 3 Mbps upstream

Or

_____ 100 Mbps downstream and 100 Mbps upstream

Moreover, the network, as designed, can meet the proposed build-out timeline, milestones and construction schedule within the costs specified in the application.

4-23-19
(Date)


Certifying Engineer's Signature

Mark Henry
Certifying Engineer's Name (Printed)

Registration Number: 16823

State of Registration: Ky

ENGINEERING COMPANY (if applicable):

(Date)

President's signature

President's Name (Printed)

Name of Engineering Company