

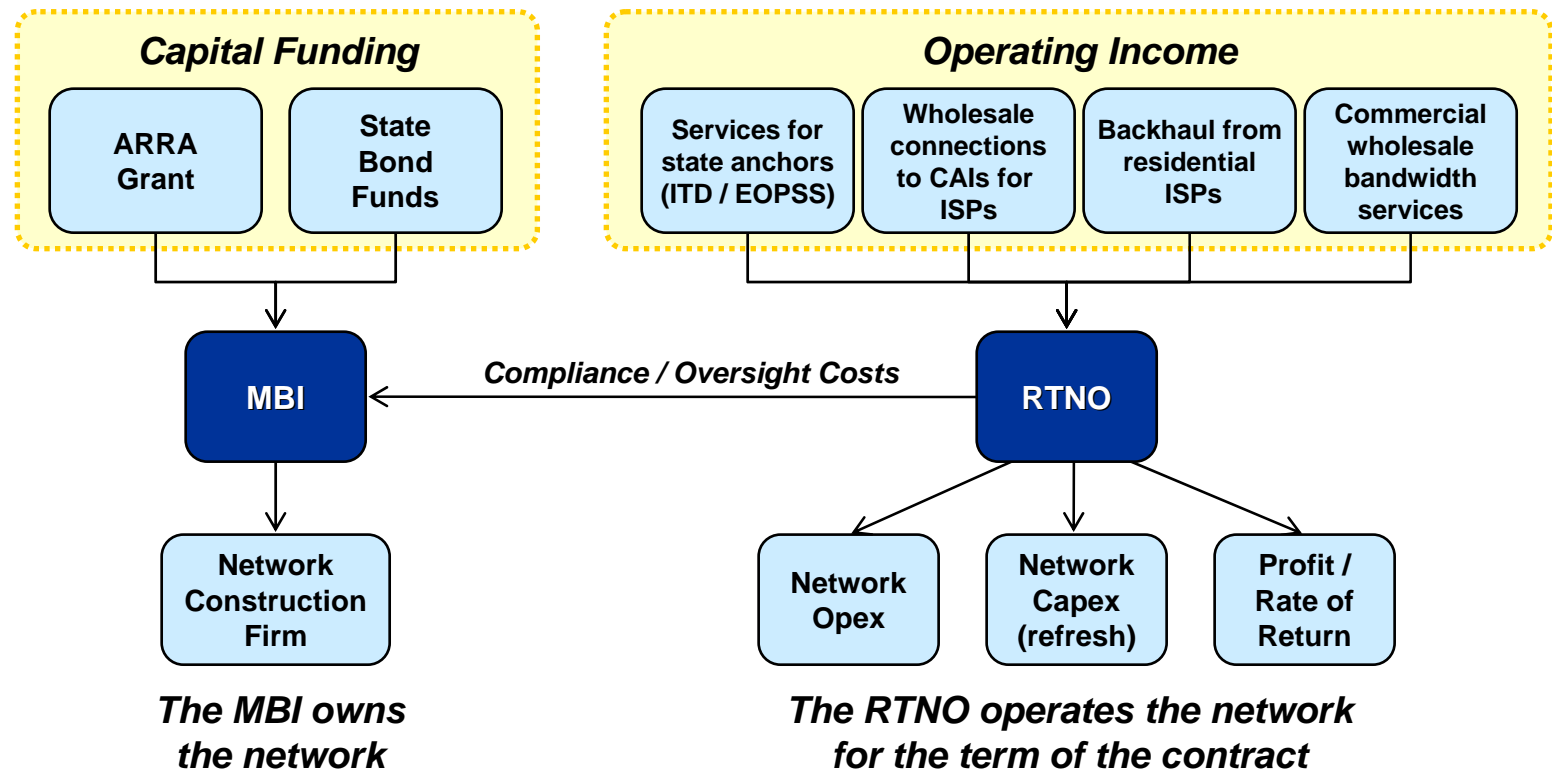


RUN-THE-NETWORK OPERATOR (RTNO) Proposed Structure

February 2010

Flow of Funds

- The MBI will use state and federal funds to construct a lit network; the RTNO operates this network, receiving service revenue to fund operations



Roles and Responsibilities

- MBI sets up the network and contracts with the RTNO for in-life network operations and maintenance; RTNO serves policy¹ and commercial customers

	MBI Responsibilities	RTNO Responsibilities
Set-up	<ul style="list-style-type: none"> • Secure funding for network • Secure spend commitment from State • Select and contract with RTNO • Select and contract with construction firm • Oversee construction of lit network 	<ul style="list-style-type: none"> • Input into network design • Provide in-kind match where applicable (e.g. rights of way, IRUs, network equipment)
In-life Operation	<ul style="list-style-type: none"> • Owner of dark and lit network assets • Oversee RTNO to ensure compliance with MBI policy goals • ARRA compliance / reporting • MA compliance / reporting 	<ul style="list-style-type: none"> • All network operations, including: <ul style="list-style-type: none"> – Sales, billing and collection – Provision services – Network monitoring, maintenance and repair – Customer care (wholesale customers) • Supply bandwidth services to state anchor tenant • Supply wholesale bandwidth services to ISPs at: <ul style="list-style-type: none"> – Connection points in un/underserved areas – Community Anchor Institutions • Supply commercial bandwidth services outside of policy areas¹ • Fund periodic network electronics refresh • Contribute to help cover MBI oversight and compliance costs

Note (1): ISP connection points in unserved and underserved areas; CAI fiber connection points



Summary

- The RTNO role can be summarized as follows:

1. Responsibility for all network operations for MBI-owned lit and dark fiber network, including:
 - Sales, billing and collection
 - Provision services
 - Network monitoring, maintenance and repair
 - Customer care (wholesale customers)
2. Supply bandwidth services to state anchor tenant
3. Supply wholesale bandwidth services to ISPs at:
 - Connection points in un/underserved areas
 - Community Anchor Institutions
4. Supply commercial wholesale services outside of policy areas
5. Fund periodic network electronics refresh
6. Contribute to help cover MBI oversight and compliance costs

Terms and conditions to be determined through RFP and contract negotiations

