

United States Department of Agriculture Rural Development

AIR.R.L.#5 05 FEB - 1 AM 10: 29

JAN 28 2005

Mr. David Sumner Chief Executive Officer American Radio Relay League 225 Main Street Newington, CT 06111-1494

Dear Mr. Sumner:

This is in response to your September 13, 2004, letter concerning the Rural Utilities Service (RUS) Community Connect Grant Program. In particular, you offered comment regarding the use of Broadband over Power Line (BPL) in our grant program.

Ed Cameron, Director of our Advanced Services Division, which administered these grants, called you and discussed your concerns in October. Therefore, you know that no grant applicants proposed BPL technology, and that RUS is aware of the Federal Communications Commission's (FCC) interference mitigation requirements for BPL.

In addition to the Community Connect Grant Program, we administer the Broadband Loan Program, and our electric cooperatives are prime candidates for offering BPL services to their members with or without RUS broadband program funding. I have distributed your report on BPL in Cedar Rapids, IA to our Telecommunications and Electric Program offices.

Your comment that mitigation of BPL interference could be costly is significant to us. Whenever a loan or grant application proposes broadband service delivery via BPL, we will consider the cost of interference mitigation in our financial analysis. Since we require those who borrow and receive grants from us to comply with all FCC requirements, BPL projects we fund will have to comply with the BPL usage conditions adopted on October 14, 2004.

Thank you for bringing this matter to our attention. If you have additional thoughts on BPL, please direct them to Ed Cameron at 202-690-4493.

Sincerely,

FOR Hilda Gay Legg Administrator

Rural Utilities Service

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