ARROWHEAD ELECTRIC COOPERATIVE FIBER TO THE HOME BROADBAND PROJECT OVERVIEW AND FREQUENTLY ASKED QUESTIONS:

Project Overview:

Utilizing an approximately \$16.1 million dollar grant/loan award from the Rural Utilities Service available under the American Recovery & Reinvestment Act Arrowhead Electric Cooperative with the help of our partner Pulse Broadband will engineer, construct, operate and maintain a fiber optic network to provide internet and telephone services to our members and to customers of the Grand Marais PUC.

1. When will construction begin and who will do the construction?

Prior to construction a walk through of the existing electric system and final design must occur. Construction will be completed by a to be determined construction company.

2. Who is handling the contracting work for your project?

Currently, we are utilizing Pulse Broadband (www.pulsebroadband.net) to oversee our project.

3. Where will construction begin?

The location of project construction and commencement date has yet to be determined.

4. What will the new service cost and what packages will be available?

Internet and Telephone service will be offered. Television service is being evaluated. Final selections of internet and phone packages still need to occur. However, we estimate the base internet service will provide about 10Mb up and 10Mb down. Phone service shall include unlimited long distance, call waiting, caller ID and more.

Prices for individual and bundled services have not been set.

5. Will there be any installation fees associated to obtaining the new service?

We have not finalized any installation cost, though our goal is to make sure those costs are affordable for every home and business.

6. Will there be both residential and commercial type accounts?

Yes, residential and commercial accounts will be available. Pricing and service levels for either residential or commercial accounts have not been determined.

7. When will customers be able to start using this new service?

A start date has not been determined and will be dependent upon construction start. All construction activities must be 100% completed within three years of the grant & loan funding acceptance.

8. Is the triple play (Internet, Phone and TV) offered?

Internet and phone service will be offered. TV service is under consideration.

9. If existing electrical service is underground, how will the fiber be run?

Construction crews will follow the existing power lines in regards to running the fiber. If the electric is in the air, the fiber will be in the air. If the electric is running underground, the fiber will be placed underground.

10. Once construction has been completed who will maintain the fiber lines and/or make repairs if necessary.

Arrowhead Electric Cooperative will be responsible and provide maintenance and repair of fiber lines.

11. How fast is the internet service?

Final internet services must still be determined. The base package will most likely be 10Mbps up and 10Mbps down. However, the system will be capable of speeds up to 100Mbps.

12. Will this project directly create any new jobs in Cook County?

We are evaluating the possibility of creating new employment opportunities within Arrowhead Electric Cooperative.

Bringing fiber into the County will offer numerous opportunities for business growth locally and provide opportunity for new companies to Cook County.

13. Will Arrowhead Electric install a smart meter as a result of this project?

Arrowhead Electric Cooperative will review and evaluate vendors and costs associated with installing new meters and/or new devices. No determination has been made if a new metering system will be installed at this time.

14. How will Arrowhead Electric partner or work with Northeast Service Cooperative (NESC)?

Northeast Service Cooperative (NESC) received a middle-mile award to install fiber optic lines into Cook County. NESC's grant is intended to provide service to larger institutions.

Arrowhead Electric will be discussing any potential partnerships with NESC to leverage funds, construction activities, and other opportunities.

15. Will the broadband project increase or decrease electric rates?

The loan for this project will be to Arrowhead Electric Cooperative. The project will at all times consider the overall impact to best ensure the stability and health of the Cooperative to protect our membership.

The main objective with a fiber to the home project is economic growth in Cook County. If the county grows the rate base increases and the costs of providing services to the membership can be spread over a larger group.

16. I live "off-grid" will I be able to receive fiber optics to my property?

Homes and businesses that do not have electric service from Arrowhead Electric Cooperative or the Grand Marais PUC have not been included in the grant/loan award.

Arrowhead Electric Cooperative does not wish to exclude anyone in Cook County and will work to help provide service to everyone. The financial details of how property owners "off-grid" may receive service have not been determined.