



Commonwealth of Massachusetts Announces Last Mile Grant to Bring Wireless Internet to Florida, Hawley, Monroe, & Savoy

MBI Award to WiValley, Inc., will Support Construction of a Cutting-Edge Wireless Network that will Deliver Internet to the Vast Majority of Premises in the Four Towns

OTELCO Will Manage Completed Network and Service Offerings to Over 1,000 Households

WESTBOROUGH – The Massachusetts Broadband Institute, on behalf of the Commonwealth of Massachusetts, has finalized an agreement with WiValley-MA, Inc., on a grant of up to \$2,315,461 to construct and operate a wireless network that will bring high-speed internet connectivity to the towns of Florida, Hawley, Monroe, and Savoy. The four towns have agreed to aggregate their allocations under the Last Mile program and have entered into a separate 10-year agreement with WiValley, which will construct the wireless network and offer service to over 1,000 households in conjunction with Maine-based OTELCO, which will provide wireless internet and telephone services.

The Last Mile grant to WiValley is made under the MBI's [Flexible Grant Program](#), a program launched in October 2017 which sought out "creative, flexible solutions" to address the broadband gaps in the remaining unserved municipalities.

"When our administration re-launched the Last Mile program in 2016, we prioritized flexible approaches and working collaboratively with unserved towns to close broadband gaps," **said Governor Charlie Baker**. "I look forward to seeing the impact that this expanded connectivity will have on the lives of residents and small business owners as it rolls out over the coming months."

“These four municipalities have played a key role in working with the Commonwealth to finalize this agreement, and we thank the officials in each of the towns, including those from Hawley who spearheaded this collaborative work,” **said Lt. Governor Karyn Polito.** “We also thank WiValley, and their partner OTELCO, for responding to the state’s call for proposals and helping us to deliver high-speed internet to these residents and businesses that have waited so long for connectivity.”

WiValley has already delivered the first tower for the project to Savoy and construction will begin immediately, with completion of the entire network expected within 34 weeks. Premises will be connected as each stage of the four-phase project is completed, meaning some customers will gain access within six weeks, given the expedited timelines of wireless projects. The new network will utilize the Commonwealth’s *MassBroadband* 123 ‘middle mile’ network as its primary connection to internet hubs elsewhere in the Commonwealth, also known as backhaul. The project will also rely on microwave links to enhance redundancy and reliability.

The multi-stage project aims to be completed this year and will deliver internet connectivity to at least 96 percent of the premises across the four towns, with at least 75 percent of the premises receiving broadband service at speeds that will meet or exceed the federal broadband standard of 25 megabits per second (mbps) for downloads and 3 megabits per second for uploads. A portion of the premises in the four towns will have access to internet speeds of 12 mbps for downloads and 2 mbps for uploads.

“We’ve been working on bringing broadband to our communities for a couple of years now” **said Lark Thwing, Chairman of the Broadband Committee in Hawley, which led the project on behalf of the four towns.** “Thank you to the Administration and the MBI for this Last Mile grant and for supporting the towns on this project. We’re pleased that Wi-Valley and OTELCO were able to bring a strong solution to the table that will deliver vital internet service to our residents on an expedited basis.”

“Wi-Valley is excited to provide connectivity to these rural communities, to work with the towns to provide broadband solutions that up until now have been unattainable for cost reasons” said Brian Foucher, Wi-Valley President.

“Since the beginning, we’ve been committed to providing rural communities with services not offered by anyone else,” **said OTELCO President and CEO, Rob Souza.** “We’re proud to partner with WiValley and MBI to fill this critical need of providing more reliable Internet connectivity in these areas.”

The MBI’s Flexible Grant Program received five proposals covering 14 of the remaining unserved municipalities in Western and Central Massachusetts, including the WiValley proposal. This is the third wireless project supported by the Last Mile program, following a direct grant from the MBI [to the Town of Warwick in 2016](#), as well as a pilot grant from the MBI and an award from the Executive Office of Housing and Economic Development’s [Last Mile Infrastructure Grant program](#) to the Town of Royalston.

“We’re excited at the progress that the Last Mile program has seen over the recent months, not only in adding four more towns onto the path to connectivity, but also the new homes and businesses coming online each week,” **said Carolyn Kirk, Executive Director of the Massachusetts Technology Collaborative, the parent organization of the MBI.** “The Last Mile program has turned a corner and we’re excited to see how these towns build around this new connectivity and expand economic opportunity.”

“Residents, homeowners, students and businesses in Florida, Hawley, Monroe and Savoy have called for reliable and affordable broadband access since long before I was elected,” **said State Senator Adam G. Hinds, who represents 52 western communities in the Berkshire, Hampshire, Franklin, & Hampden District.** “This project, chosen as the most desirable Last Mile Solution by those who live there, will soon bridge the digital divide in four of the smallest, most rural communities that I represent. I am excited to watch this partnership unfold and hope it brings my constituents the service they have long desired.”

“This is a great opportunity for collaboration between four of the smallest towns in Massachusetts on a shared problem we face throughout our region,” **said State Representative Paul Mark.** “The lack of access to high-speed internet service has held us back in many ways, including economically, so any step taken to help bridge this divide is a step in the right direction. I will continue to partner with MBI and the administration to ensure that every community finally has access to these basic 21st century services.”

“This is great news for all the communities who will be receiving broadband service. I have confidence that WiValley will complete their work quickly and to everyone’s satisfaction,” **said State Representative John Barrett**, who represents the Town of Florida.

Of the 53 communities that were either completely or partially unserved at the beginning of 2017, only three remain after this award, as 50 towns are now on a dedicated path to broadband. The Commonwealth has awarded nearly \$34 million total to close broadband gaps in Western Massachusetts and the Berkshires.

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About the Massachusetts Broadband Institute at MassTech (MBI)

A division of the Massachusetts Technology Collaborative, the Massachusetts Broadband Institute at MassTech (MBI) is working to extend high-speed Internet access to homes, businesses, schools, libraries, medical facilities, government offices, and other public places across the Commonwealth, allowing for greater participation in the global economy and civic society. The MBI also promotes broadband usage and adoption by residents and small businesses. Learn more at <http://broadband.masstech.org>.

About WiValley

WiValley leverages the strengths of the latest wireless and fiber technologies to bring broadband to underserved communities, taking advantage of our ability to innovate and scale. We engineer custom hybrid fiber/wireless solutions that address future communications needs of both business and residential customers, with broadband speeds that exceed those available over traditional copper (wired) infrastructures. Our involvement with state and town initiatives include projects with NH FastRoads and the Massachusetts Broadband Institute (MBI).

Founded in 2008, WiValley provides broadband coverage to a growing list of over 50 communities in MA, NH and VT. Our track record demonstrates that we possess the organizational capacity, financial resources and requisite

experience to effectively manage long-term construction and operational risks.

About OTELCO

OTELCO Inc. provides wireline telecommunications services in Alabama, Maine, Massachusetts, Missouri, New Hampshire, Vermont and West Virginia. The Company's services include local and long distance telephone, digital high-speed data lines, transport services, network access, cable television and other related services. With approximately 99,000 voice and data access lines, which are collectively referred to as access line equivalents, OTELCO is among the top 25 largest local exchange carriers in the United States based on number of access lines. OTELCO operates eleven incumbent telephone companies serving rural markets, or rural local exchange carriers. It also provides competitive retail and wholesale communications services and technology consulting, managed services and private/hybrid cloud hosting services through several subsidiaries. For more information, visit the Company's website at www.otelco.com.

OTELCO Forward Looking Statements

Statements in this press release that are not statements of historical or current fact constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, and other unknown factors that could cause the actual results of the Company to be materially different from the historical results, or from any future results expressed or implied by such forward-looking statements. In addition to statements, which explicitly describe such risks and uncertainties, readers are urged to consider statements labeled with the terms "believes", "belief", "expects," "intends," "anticipates," "plans", or similar terms to be uncertain and forward-looking. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the Company's filings with the Securities and Exchange Commission.