

NEWS RELEASE



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State of North Dakota Announces Intent to Award Telecommunications Contract

June 29, 2000 (Bismarck, North Dakota) – The North Dakota Information Technology Department (ITD) announced its' intent to award Dakota Carrier Network (DCN) the provisioning of the transport for the communications network for all state agencies, higher education and school systems in North Dakota. The DCN proposal met the ND ITD requirements for a highly reliable, state-of-the-art network that covers the entire state. DCN General Manager, Evan Hass, commented on the announcement by Governor Schafer stating, "The local North Dakota Telephone Companies formed Dakota Carrier Network to provide the kind of statewide data, video and voice services the State requested. DCN and the local Telephone Companies are excited to be part of providing these services and are committed to creating one of the most modern telecommunications systems available in any state."

Dakota Carrier Network and its Member Companies serve communities with state-of-the-art transport facilities and switches that provide a wide variety of telecommunications services. These companies provide local and toll service to 250 of the 286 North Dakota exchanges and serve these exchanges with fiber optic based transport.

DCN was formed to serve these companies and also to provide broadband communications transport throughout North Dakota as well as connecting to the Region. The broadband transport is in the form of redundant fiber optic SONET rings designed for quality and reliability. The rings have generated local economic development and are a vital link for those customers that require uninterrupted service for their communications needs.

The SONET rings are basic building blocks that provide the structure to add more advanced network services. Asynchronous Transfer Mode (ATM) core switches are being

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installed and tested to provide cell switching services that can carry voice, data and video services throughout the state. Dakota Carrier Network will use an ATM Network to provide the wide area communications network requirements for the state of North Dakota. Three ATM core switches are located at Bismarck, Fargo and Grand Forks. Additional ATM backbone switches will be added as traffic develops at Devils Lake, Dickinson, Jamestown, Minot and Williston. DCN Member Companies are also placing ATM switches in their networks that will allow customers outside of the eight nodes to gain access to the network. DCN's advanced network design fully met the State's goals to deploy an integrated state-of-the-art network to meet future telecommunications requirements for government and education.

ATM service will be used by other DCN customers to connect their data networks. It allows businesses to build their Wide Area Networks (WAN) and also use ATM service for video and voice. This is a high-speed service that enables new applications, such as the use of multimedia to the desktop. The ATM backbone will also be used to more effectively provide Internet services marketed by Internet Service Providers.

DCN's ATM network is one more key element in which the North Dakota based companies provide state-of-the-art telecommunications to customers throughout the state. The rural telecommunications companies and DCN will continue to invest to bring new services needed for growing businesses economic development.

"The ATM Network that will be used to serve the State of North Dakota will also extend enhanced services throughout the state," stated Mr. Hass. "When the ATM Network is fully configured these advanced services will be available in all communities and will add services to the extensive list already offered by the North Dakota Independent Telecommunications Companies."

Dakota Carrier Network was formed by fifteen independent telephone companies in North Dakota providing local service to over ninety percent of the state's geography. They serve over 160,000 local lines with service ranging from broadband Internet access to cable TV, MMDS, PCS and interactive video. They have invested over \$600M in modern telecommunications services. This investment includes local loop plant, digital switching offices, ATM and Frame Relay switches and over 8,000 route miles of fiber optic cable. These companies employ over 800 North Dakota based employees trained and technically up to date to provide high quality service.

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