

EXHIBIT I.2.b

Residential Survey Summary

St. Joseph County

St. Joseph County
Residential Survey Summary and Needs Assessment
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St. Joseph County

Foreword

Residential Survey Summary and Needs Assessment

This document contains the survey results of the use of and need for connectivity services in St. Joseph County.

The results of the surveys indicate a gap in connectivity services. The initial gap, however, is not just an availability issue, but a value proposition. In other words, the demand for connectivity services is price sensitive. Although the majority of residences have a high-speed Internet option available, 81% of those with Internet access still choose a low-speed dial-up service. The survey results support the need to increase the awareness of the benefits of advanced connectivity services.

In addition to gaining better understanding of connectivity services, the survey asked a series of questions regarding the performance of electric, Internet, telephone, cable television, and cellular telephone providers. The survey results will allow St. Joseph County stakeholders to:

- Compare utility providers' performance on specific attributes (reliability, rates, customer service, and community service), to identify strategies to encourage improvements.
- Objectively define the strengths and weaknesses of service providers in St. Joseph County.
- Provide baseline information that can be used by the providers to improve performance.
- Understand the customers' perceived value of services received.

The key aspect of the above process is that it is driven from a representative sample of all customers, not just a select few.

St. Joseph County

Residential Survey Summary

Section 1:

Residential Survey Results Summary

St. Joseph County

Residential Survey

Survey Results Summary

Internet and Computer Use

The survey asked a series of questions regarding the use of Internet and computers. The surveys indicated that:

- Residents indicated that they have the following items in their home:
 - 55% have a cell phone
 - 46% have a DVD player
 - 16% have a fax machine
 - 7% have a PDA
 - 95% have telephone service
 - 16% have multiple phone lines
 - 99% have a television
 - 96% have a VCR
- 64% of residents indicated that they have a personal computer in their home. 12% have a laptop.
- The 34% of residents that do not have a computer in their home gave the following reasons for not having a computer at home:
 - 22% felt they had no need for a computer
 - 3% felt it was not worth the price
 - 1% felt they could access a PC elsewhere
 - 2% don't know how to use a PC
 - 6% felt they couldn't afford a PC
- 29% of residents have a child attending a school within St. Joseph County and indicated they would like to access the following information from home:
 - 1% would like to access attendance records
 - 5% would like to access class outlines and resource material
 - 2% would like to communicate with school staff
 - 3% would like to access grade reports
 - 63% would like to access homework assignments
 - 64% would like to access homework grades
 - 42% would like to access lunch menus
 - 65% would like to access school activity announcements

Internet and Computer Use (cont.)

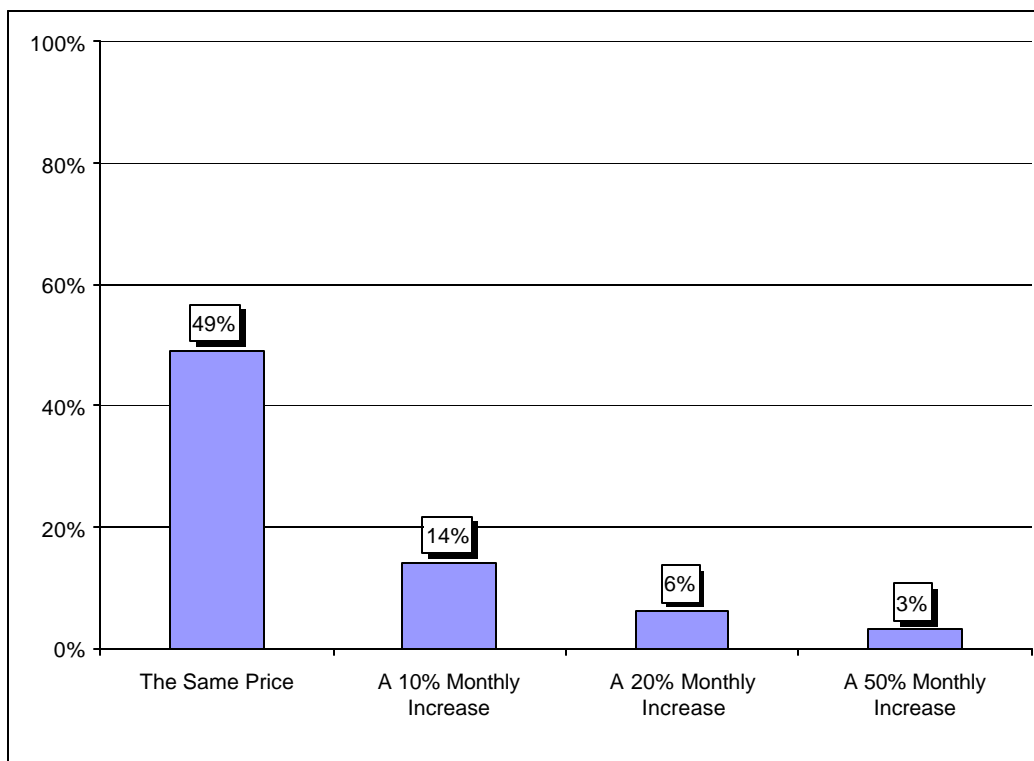
- 58% of St. Joseph County residents have Internet access from home. 67% of those with Internet access have had access for three or more years. St. Joseph County residents responded that they connect to the Internet in the following ways:
 - 14% use a cable modem
 - 2% use DSL
 - 81% use a Telephone dial-up service
 - 1% use wireless
- The 42% of residents that do not have Internet access gave the following reasons for not having Internet access:
 - 57% don't have a computer
 - 14% felt they have no need for Internet access
 - 2% felt Internet access was not worth the price
 - 2% felt they could access the Internet elsewhere
 - 13% cannot afford
 - 2% don't know how to use the Internet
- Of those without Internet access, 70% do not plan to obtain access in the next year.
- 74% of households responded that two or fewer people in their household use the Internet on a regular basis.
- 49% of St. Joseph County households spend less than five hours per week on the Internet. Another 37% spend between 6 and 25 hours per week on the Internet. 15% of households spend more than 25 hours per week.
- When asked about the main purposes for using the Internet, St. Joseph County households responded with the following:
 - 82% Email
 - 45% General Browsing
 - 36% Travel/Directions/ Maps
 - 62% Research
 - 20% News
 - 31% Shopping
 - 20% Access Employer Network
 - 20% Games
- 27% of households use their home Internet access for business use.
- 73% of St. Joseph County households pay less than \$25 per month for Internet access. 5% pay more than \$40 per month.
- St. Joseph County residents were asked to rank Internet services in terms of importance. They felt that lower price, increased connection speed, ability to use phone and Internet at the same time and no need for telephone line to connect were the most important Internet services.

Internet and Computer Use (cont.)

- 11% of respondents indicated that they already have a home-based business or plan to start one in the next three years. Of these, 45% felt that a high-speed data connection would be important or very important for their home-based business.
- When asked about the role government should play in ensuring broadband access, 18% of respondents felt that the government should make rules to promote competition among providers. 65% felt government should have no role and 9% felt the government should install a public broadband infrastructure and let firms provide end-user services.
- When asked about what types of communication uses they may have in the future, St. Joseph County residents had the following responses:
 - 16% Telecommuting
 - 37% Two-way video connection with family & friends
 - 28% Taking classes from home
 - 18% Listening to audio of sporting and other events not available locally
 - 20% Watching sporting and other events not available locally
 - 33% Obtaining all voice, video and data services from same provider

One of the advantages of advanced Internet service is that it eliminates the need to dial up to be connected and offers an increased connection speed or the ability to use a mobile wireless connection. St. Joseph County residents were asked how willing they would be to switch providers for these advanced services at increased prices. Figures 1 and 2 show the results of this analysis.

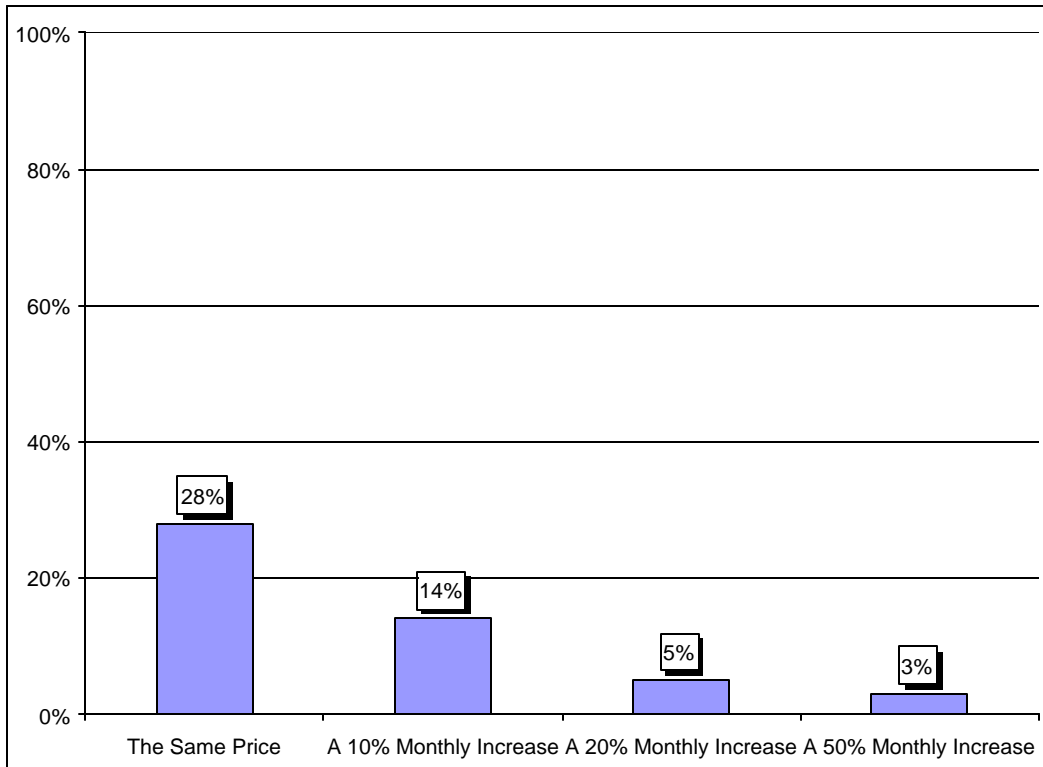
Figure 1 – Residential Propensity to Switch Internet Providers for better service



Internet and Computer Use (cont.)

St. Joseph County residents were also asked how interested they would be in mobile wireless Internet service at an increased price. Figure 2 shows the results of this analysis.

Figure 2 – Residential Propensity to Purchase Mobile Wireless Internet Service



Figures 1 and 2 show there is a strong negative reaction to small price increases for St. Joseph County residents.

Cable/Satellite Television Use

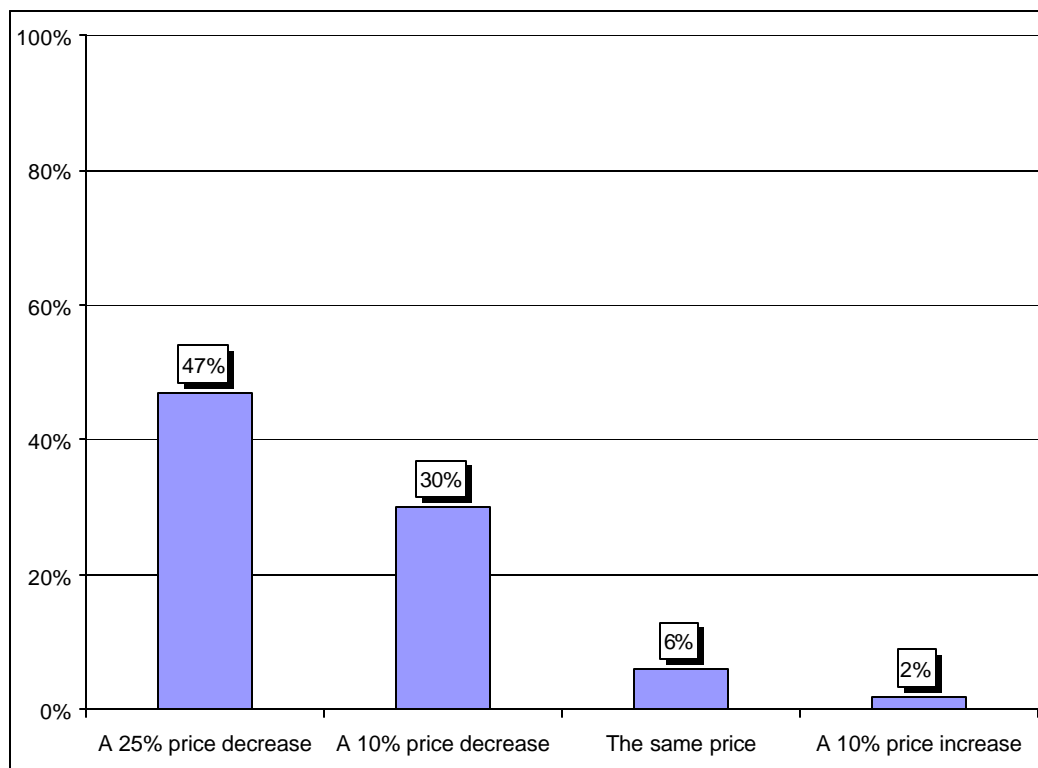
- 45% of St. Joseph County households subscribe to cable service; 26% subscribe to satellite services.

Telephone Use

- 85% of St. Joseph County households have one phone line. 14% have two or more lines.
- 11% of households spend less than \$30 per month for telephone service. 33% spend \$50 or more per month.
- 22% of respondents indicated they would be willing to switch to a cell phone service as their primary telephone number.

Figure 3 shows how willing St. Joseph County residents would be to switch local telephone service for a similar product.

Figure 3 – Residential Propensity to Switch Telephone Providers



Survey Response Data

1,119 Residents in St. Joseph County were asked to take a survey, of which 300 completed surveys. The tolerance interval for 300 responses at the 95% confidence level is $\pm 4.9\%$. That is, one can estimate that 19 times out of 20, the true characteristic of the entire population is within $\pm 4.9\%$ of what the survey data indicate.

To better represent the population demographics of St. Joseph County, the responses used to present these results have been weighted based on the respondent's age.

Section 2:
Residential Survey Responses

St. Joseph County

Residential Survey

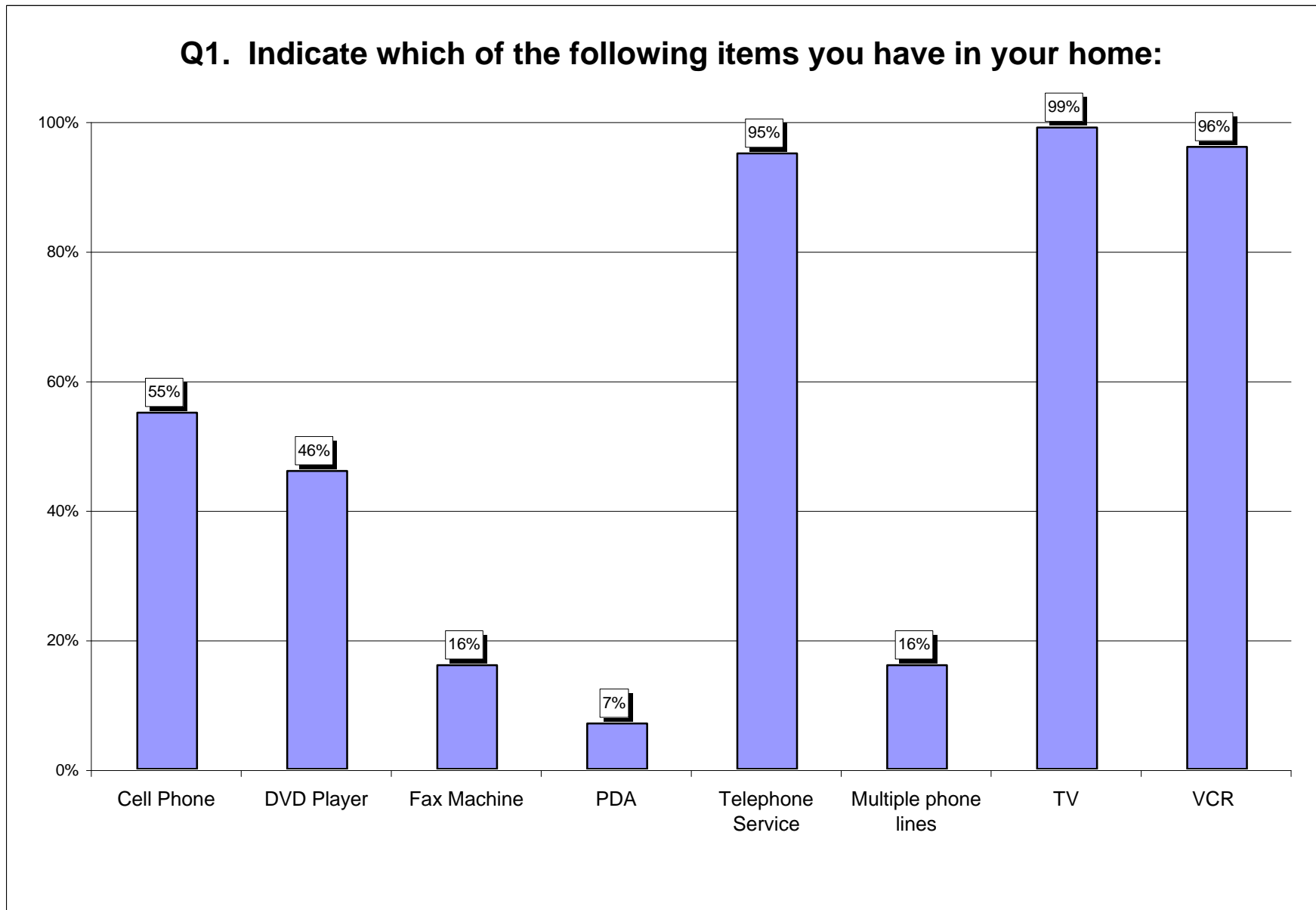
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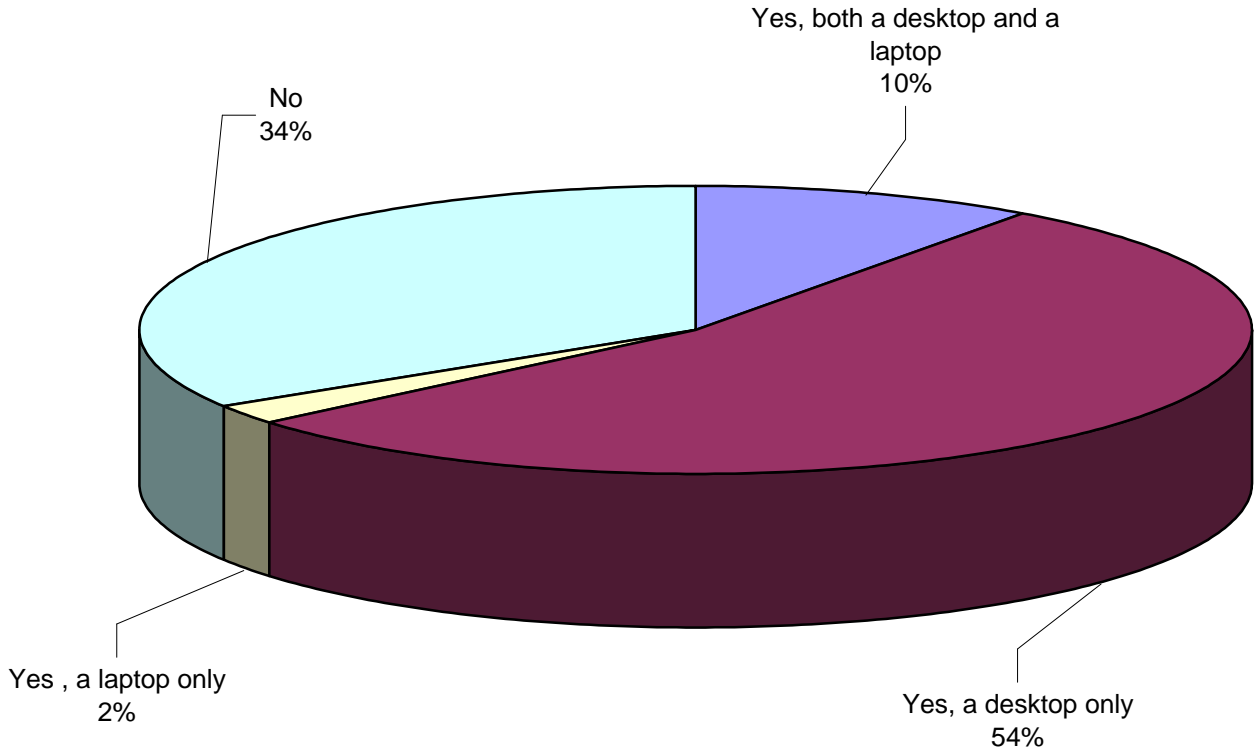
Residential Survey Responses

Q1	Indicate which of the following items you have in your home:	1
Q2	Do you have a personal computer (PC) in your home?	2
Q3	If no, what are some of the reasons you do not have a computer in your home?	3
Q4	Do you have Internet access from your home?	4
Q5	What is the PRIMARY reason you do not have Internet access?	5
Q6	Do you plan to obtain Internet access in the next year?	6
Q7	How long have you had internet access at your home?	7
Q8	How do you connect to the Internet?	8
Q9	How many people in your household use the Internet on a regular basis?	9
Q10	On average, approximately how much time per week does your household (all users combined) spend on the Internet?	10
Q11	Do you use your Internet access for personal or business use?	11
Q12	Approximately how much do you pay PER MONTH for Internet service?	12
Q13	How willing or unwilling would you be to switch to an Internet service that offers an increased connection speed while being on-line all the time for:	13
Q14	How interested would you be in a mobile wireless Internet service that allows you to have access anywhere in your community or region for:	14
Q15	Ranking Internet services in terms of importance:	15
Q16	Do you have children attending a school?	16
Q17	What school information would you like to access from your home?	17
Q18	Which of the following are your HOUSEHOLD purposes for using the Internet?	18
Q19	What types of communication uses might be of interest to you in the FUTURE?	19
Q20	Do you subscribe to cable or satellite television?	20
Q21	How many telephone lines do you have at this residence?	21
Q22	Approximately how much are your monthly telephone bills?	22
Q23	How willing or unwilling would you be to switch local telephone providers with similar product offerings for:	23
Q24	How willing or unwilling would you be to switch to a cell phone (wireless) telephone service?	24
Q25	Do you or someone in your household plan to start a home-based business in the next 1 to 3 years?	25
Q26	How important will be/is a high speed data or Internet connection for your planned/existing home-based business?	26
Q27	Your age group:	27
Q28	How many years have you lived at your current address?	28
Q29	HOUSEHOLD income before taxes:	29
Q30	Where is your residence located?	30
Q31	What do you think the MAIN role of the government should be to help ensure broadband Internet access is available and affordable?	31

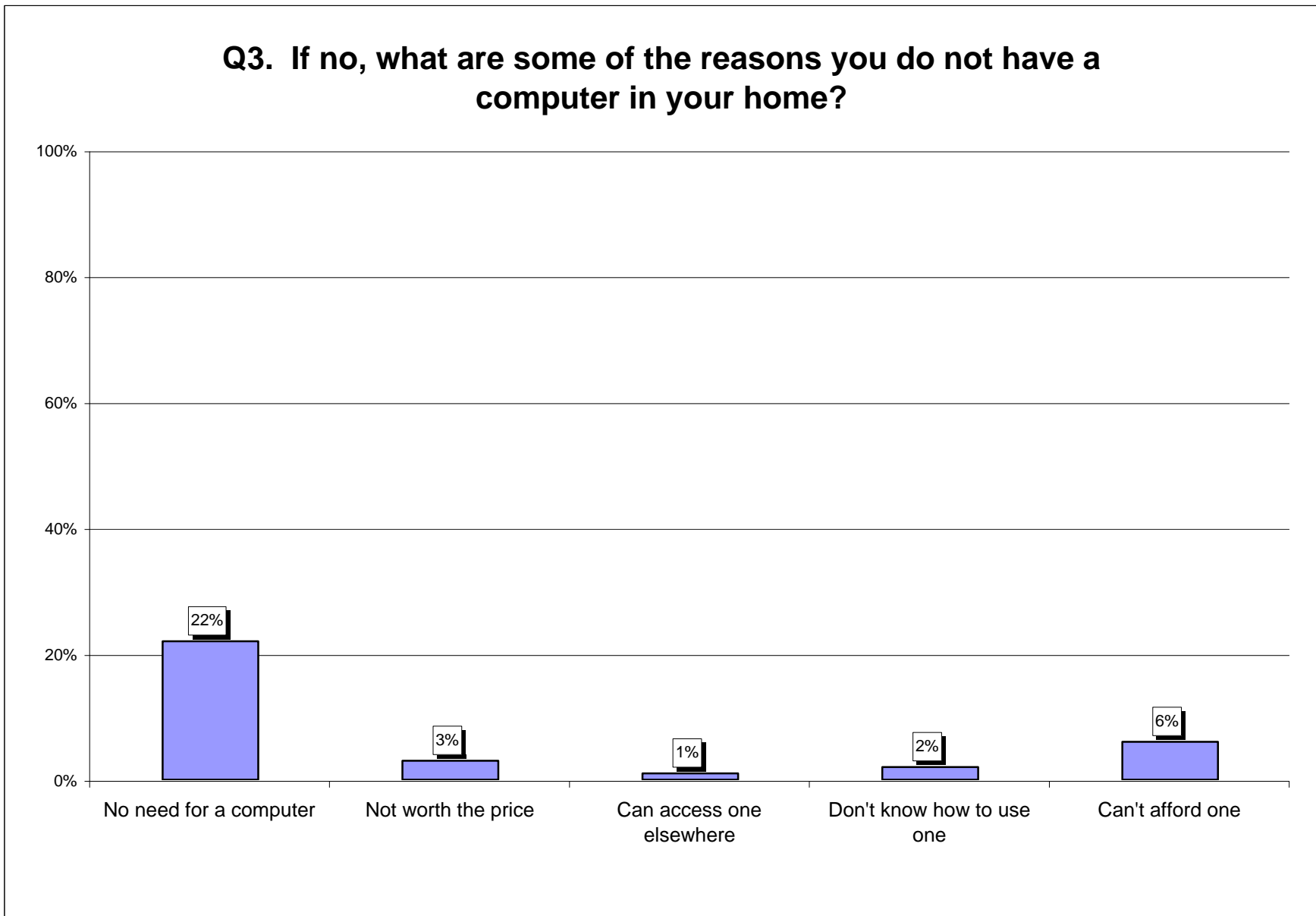
These charts were compiled using weighted data based on the respondent's age. Therefore, the number of responses is not shown on the chart.



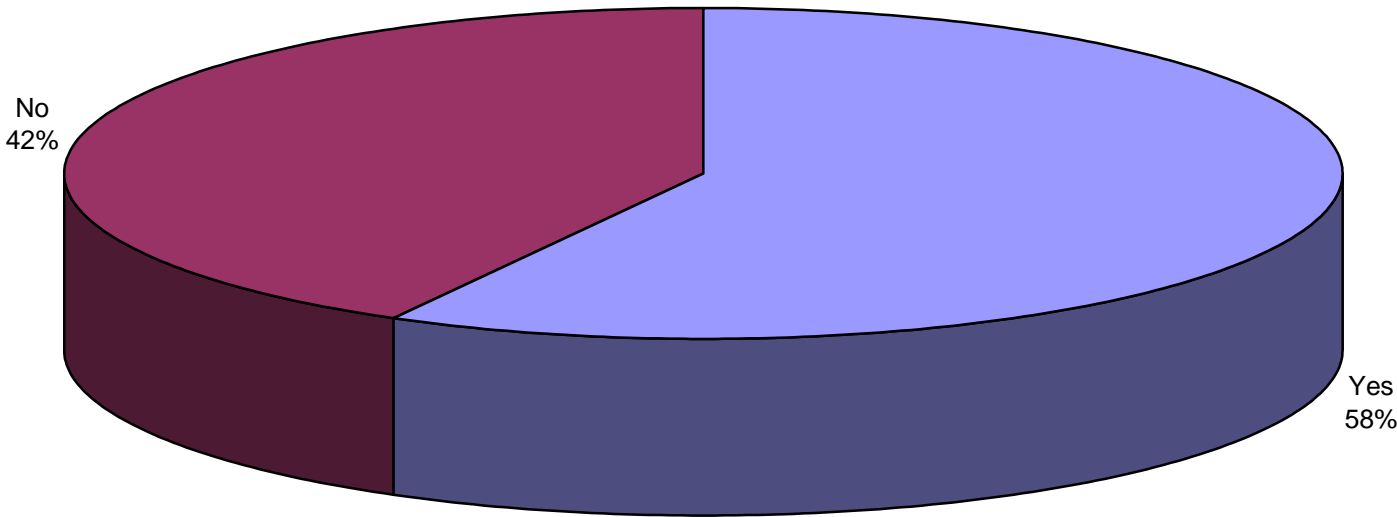
Q2. Do you have a personal computer in your home?

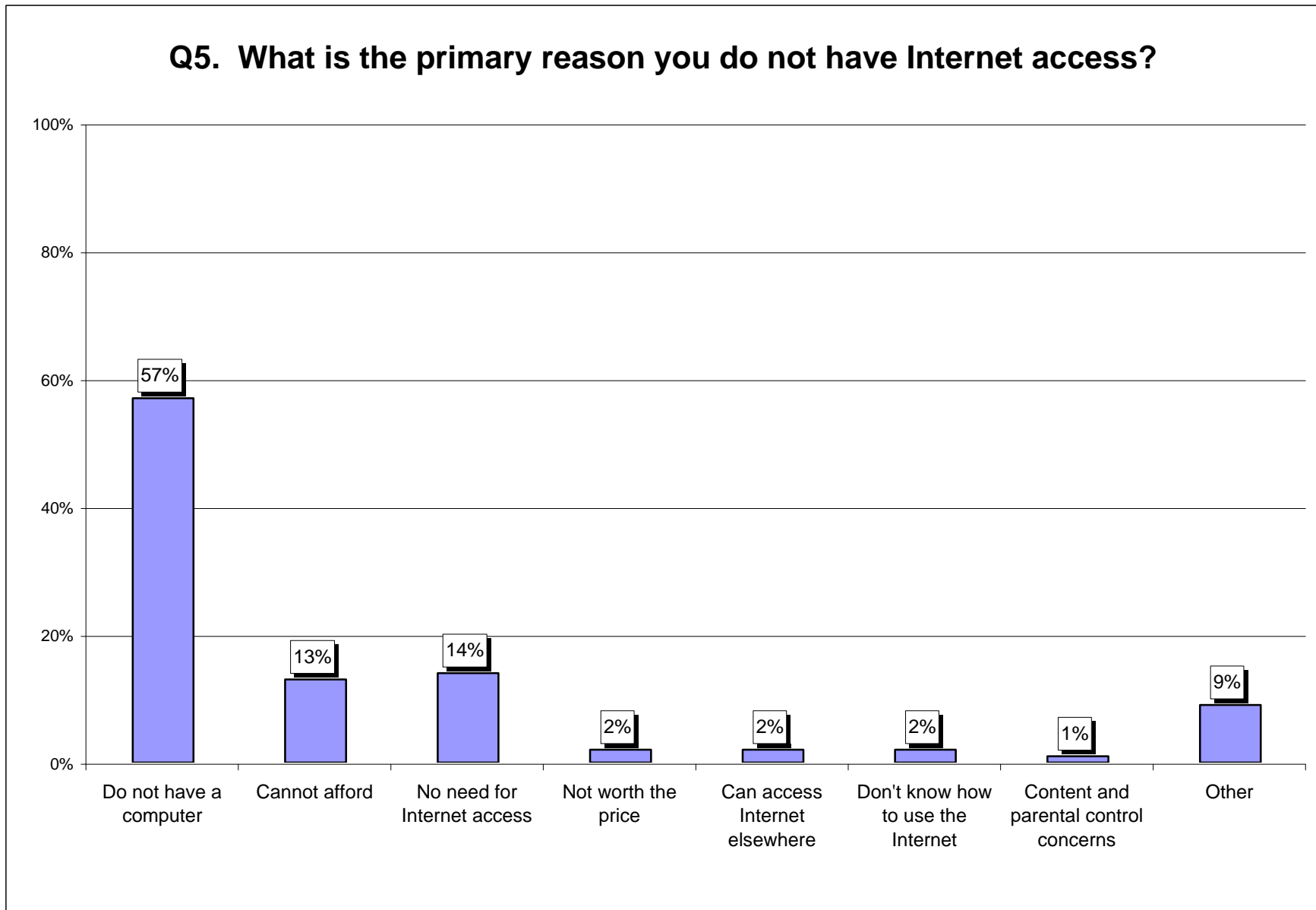


Q3. If no, what are some of the reasons you do not have a computer in your home?

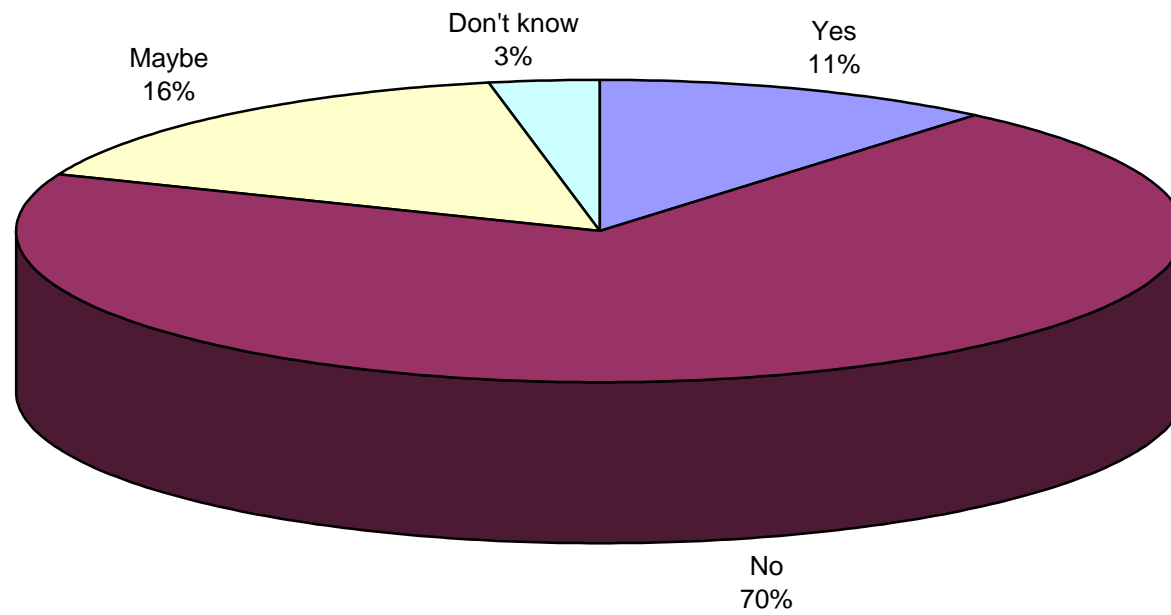


Q4. Do you have Internet access from your home?

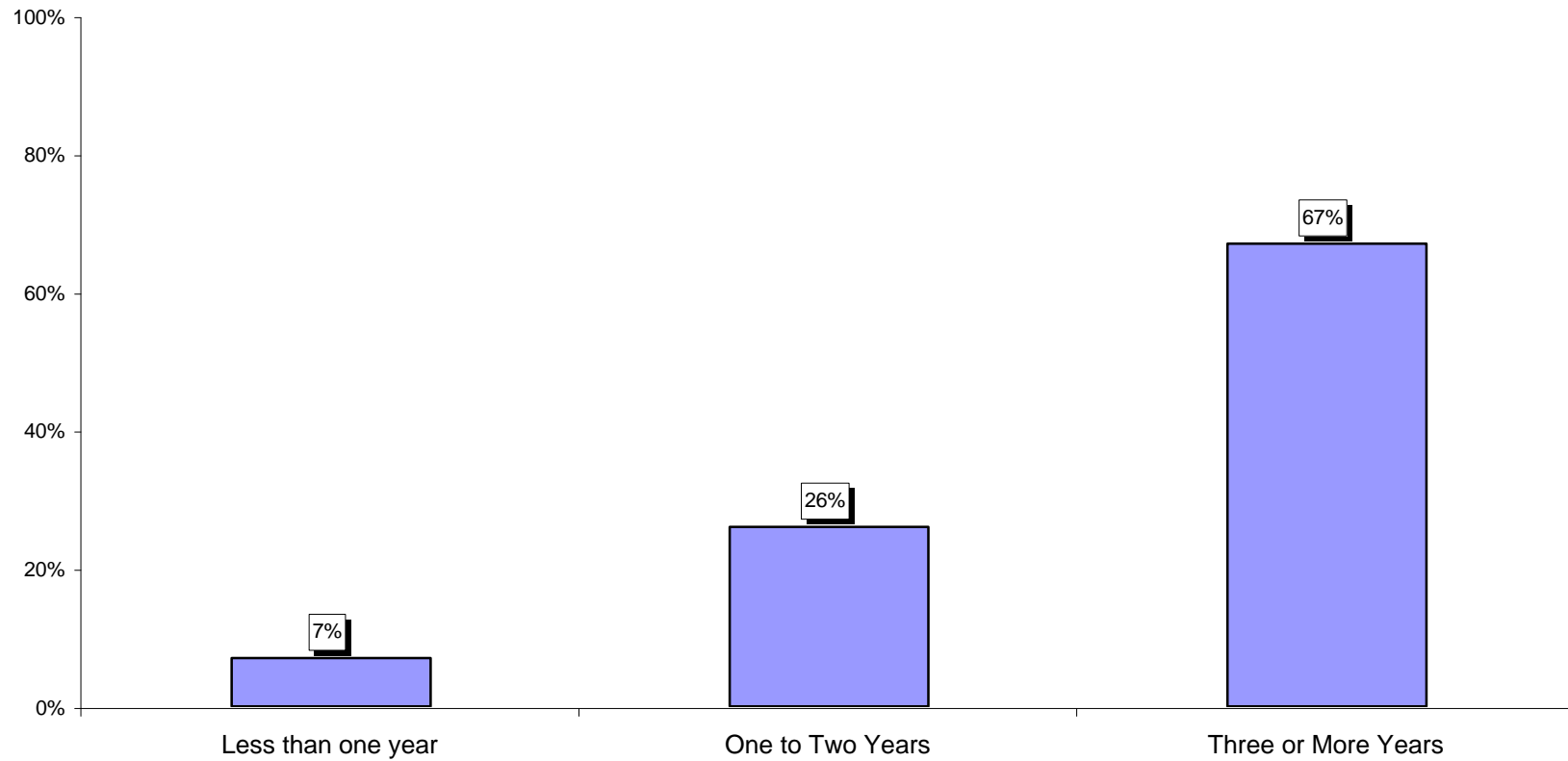




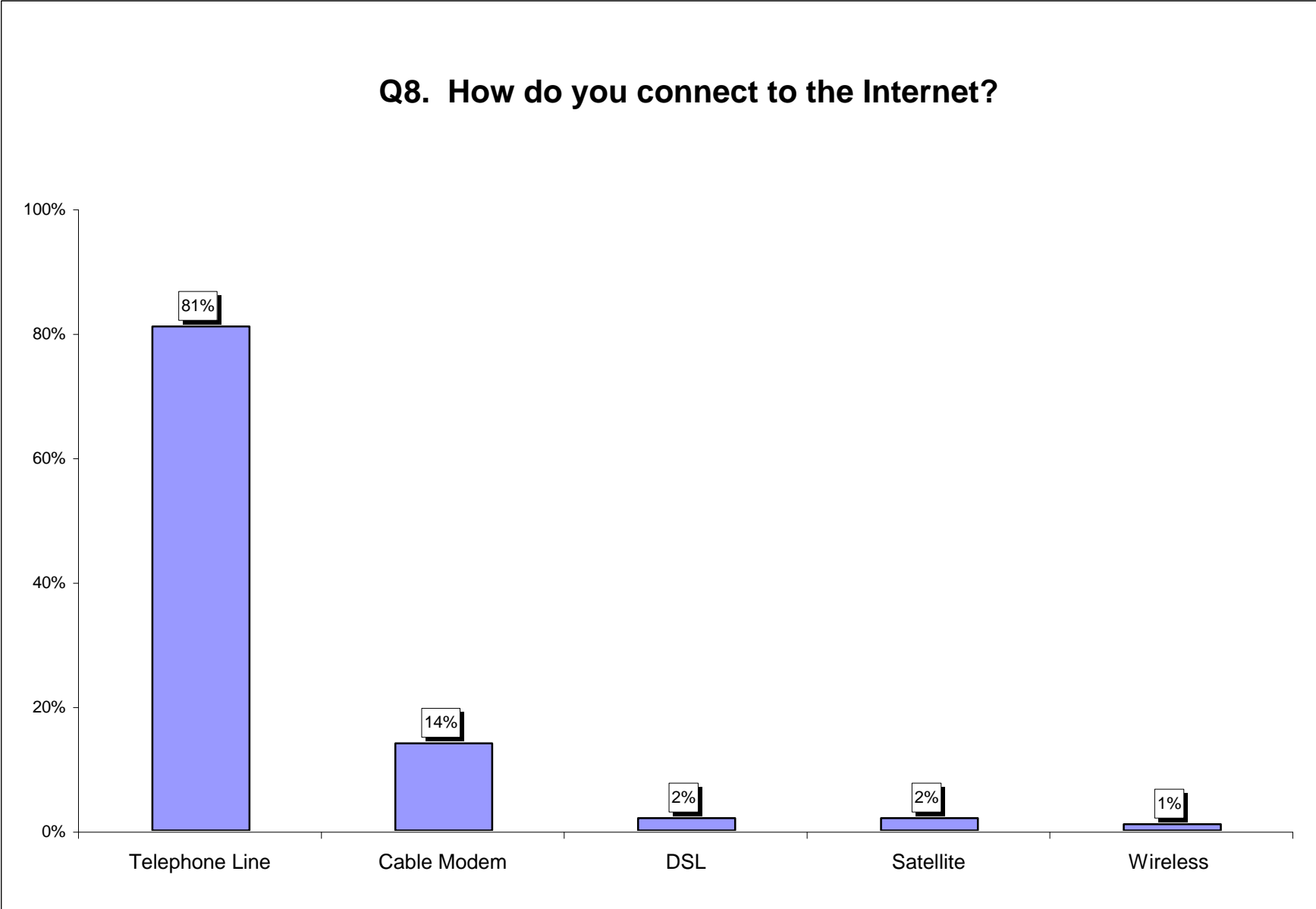
Q6. Do you plan to obtain Internet access in the next year?

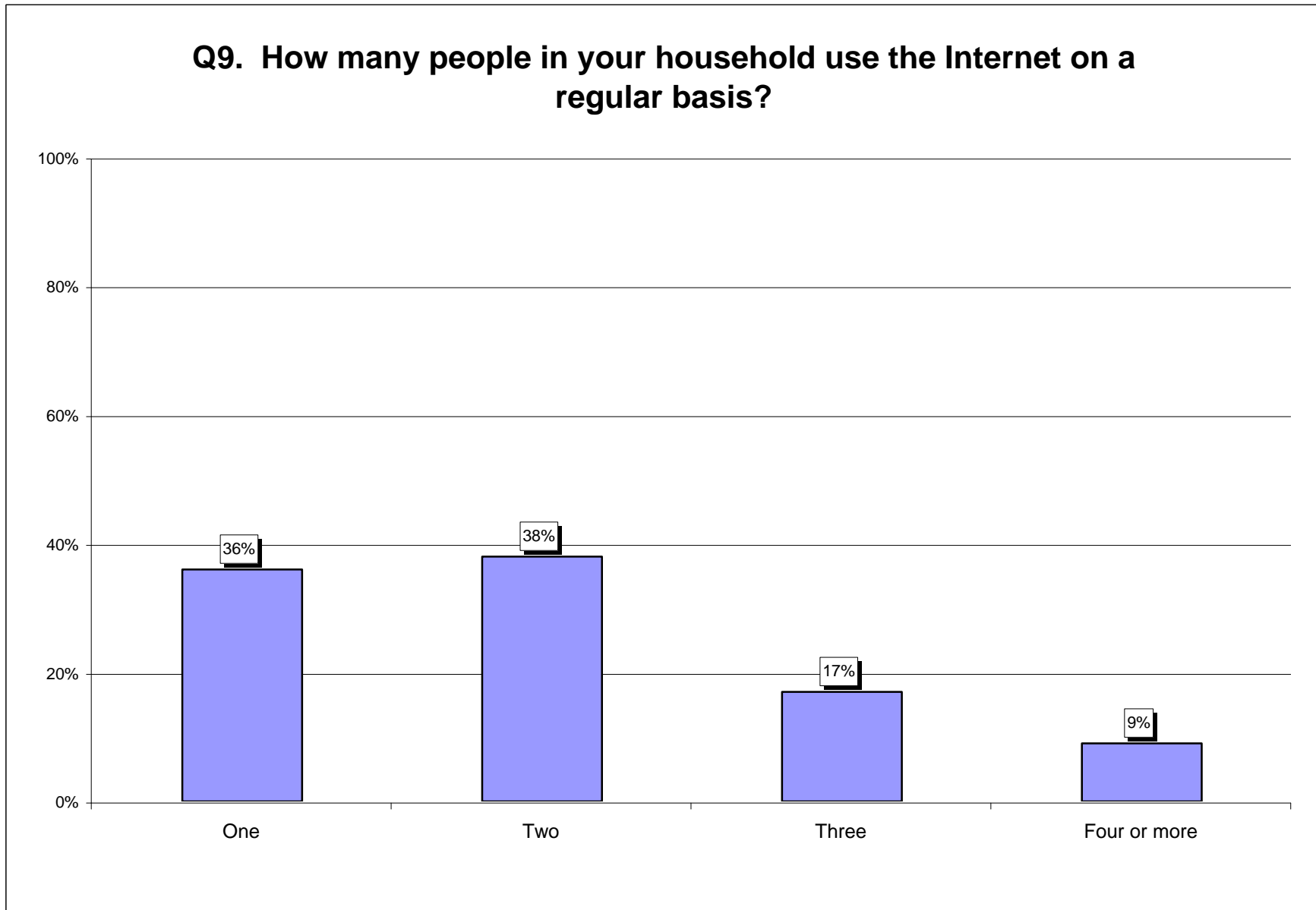


Q7. How long have you had Internet access at your home?

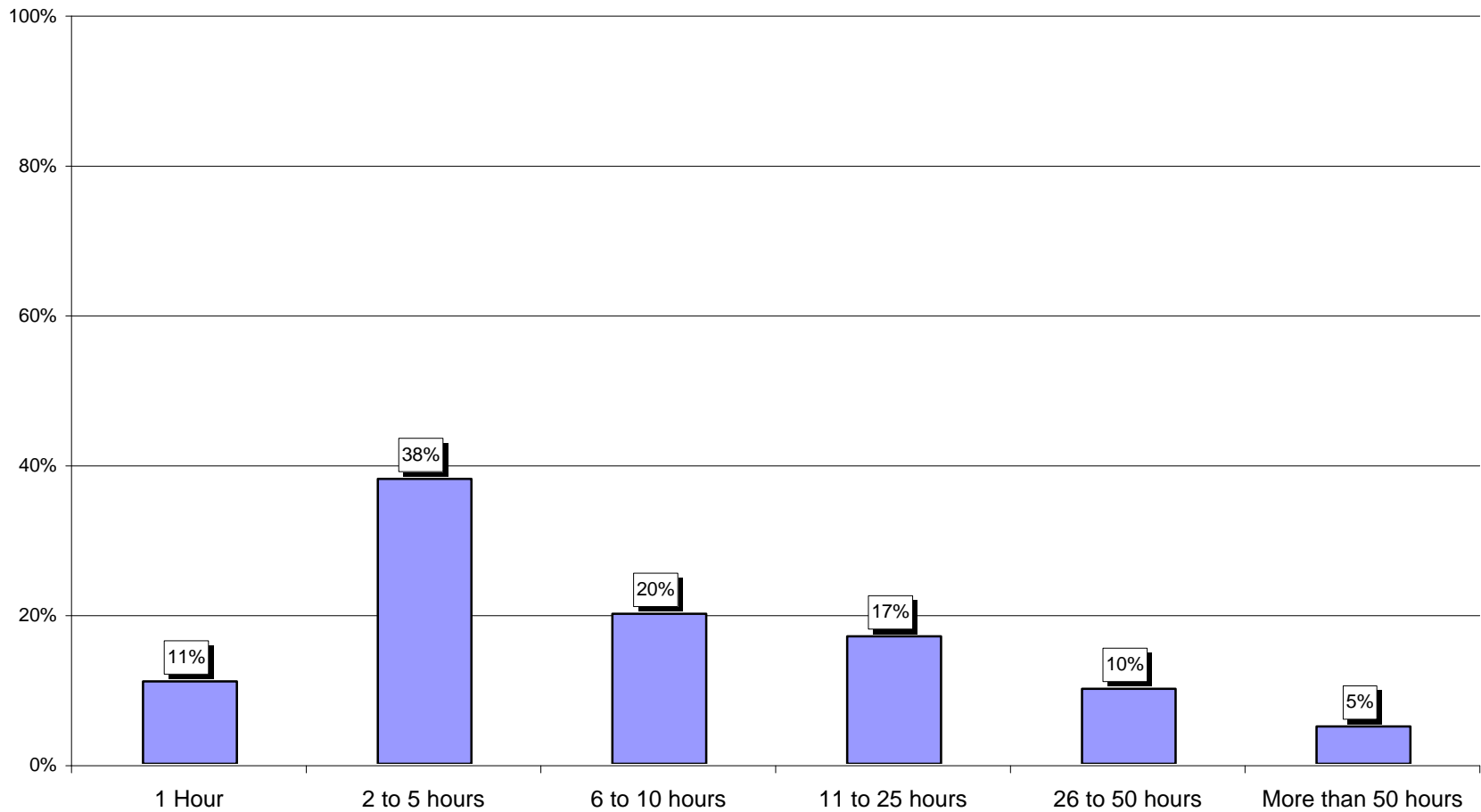


Q8. How do you connect to the Internet?

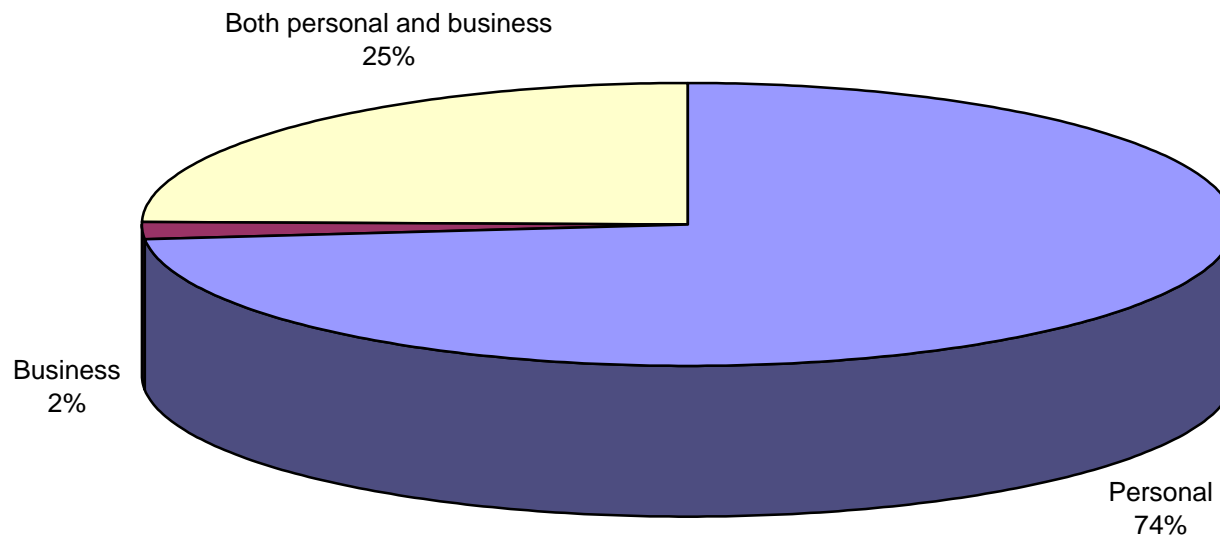




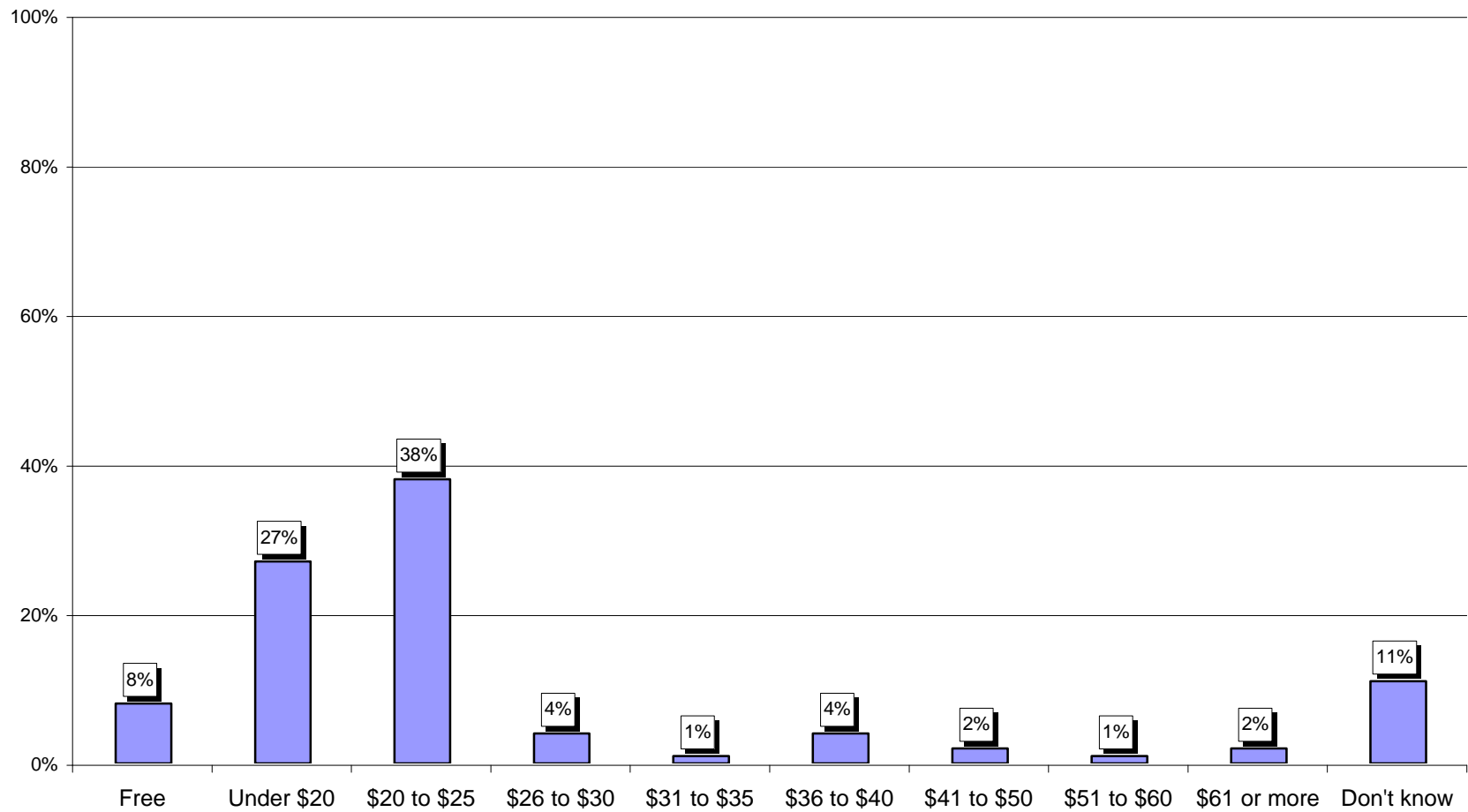
Q10. On average, approximately how much time per week does your household (all users combined) spend on the Internet?



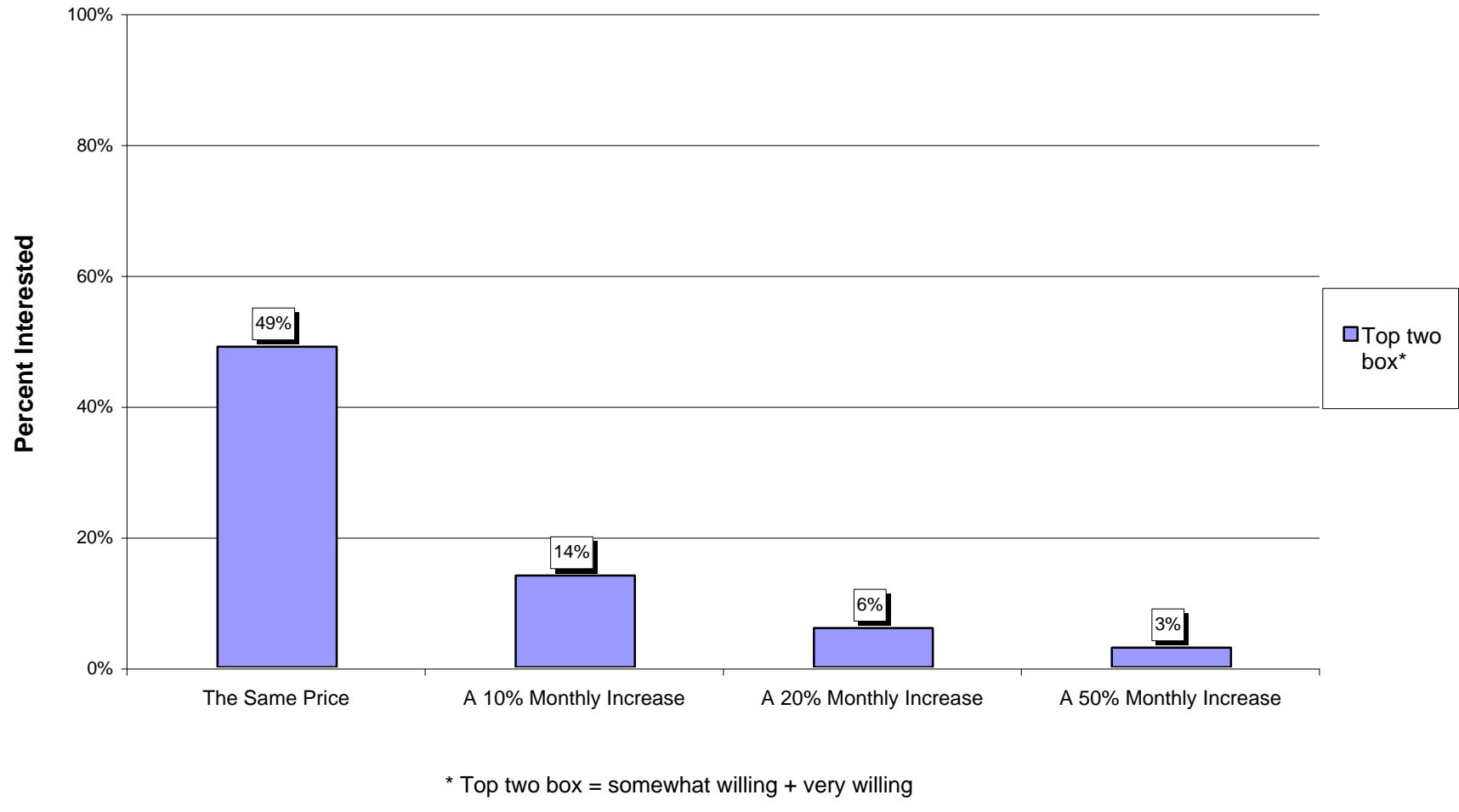
Q11. Do you use your home Internet access for personal or business use?

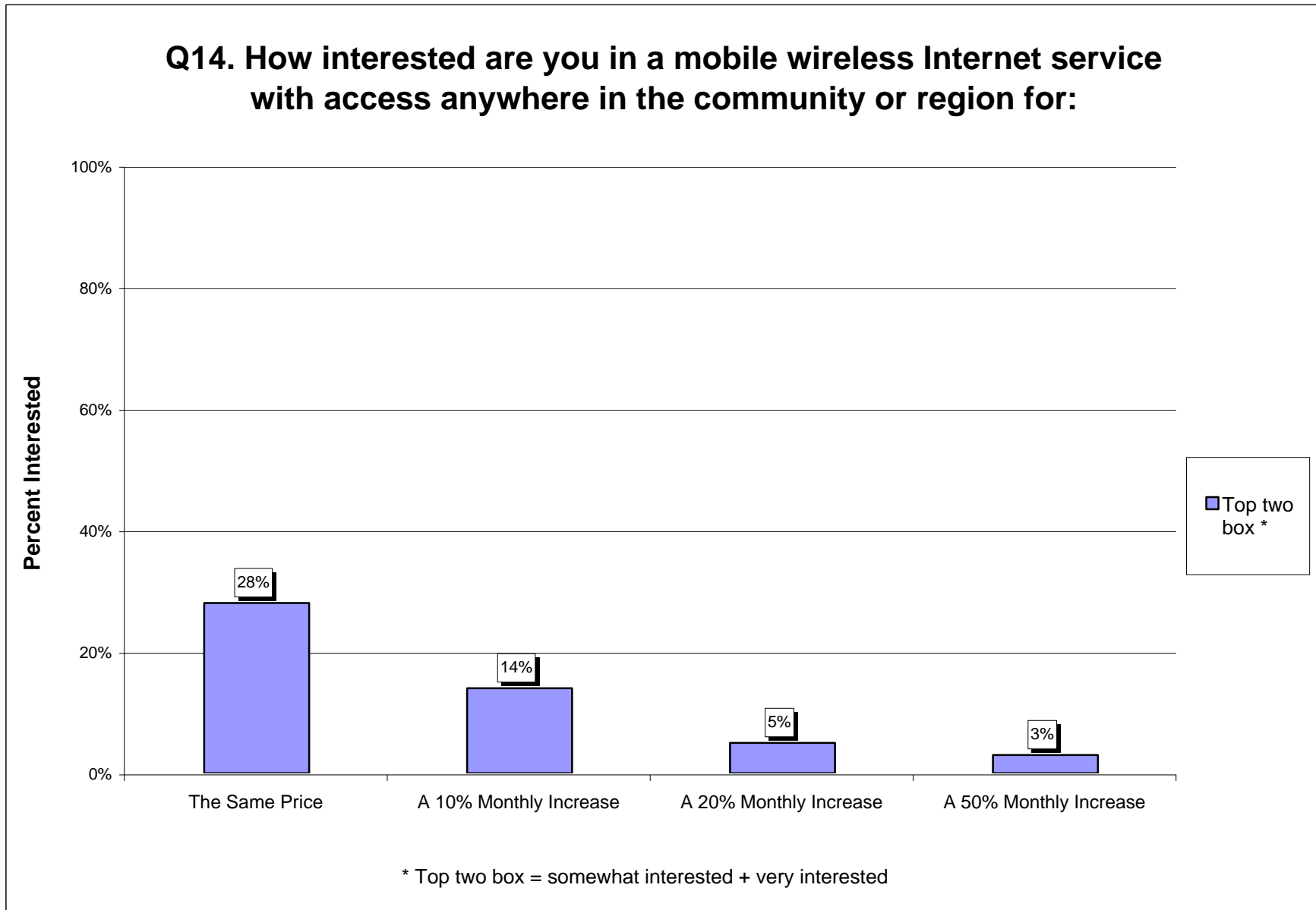


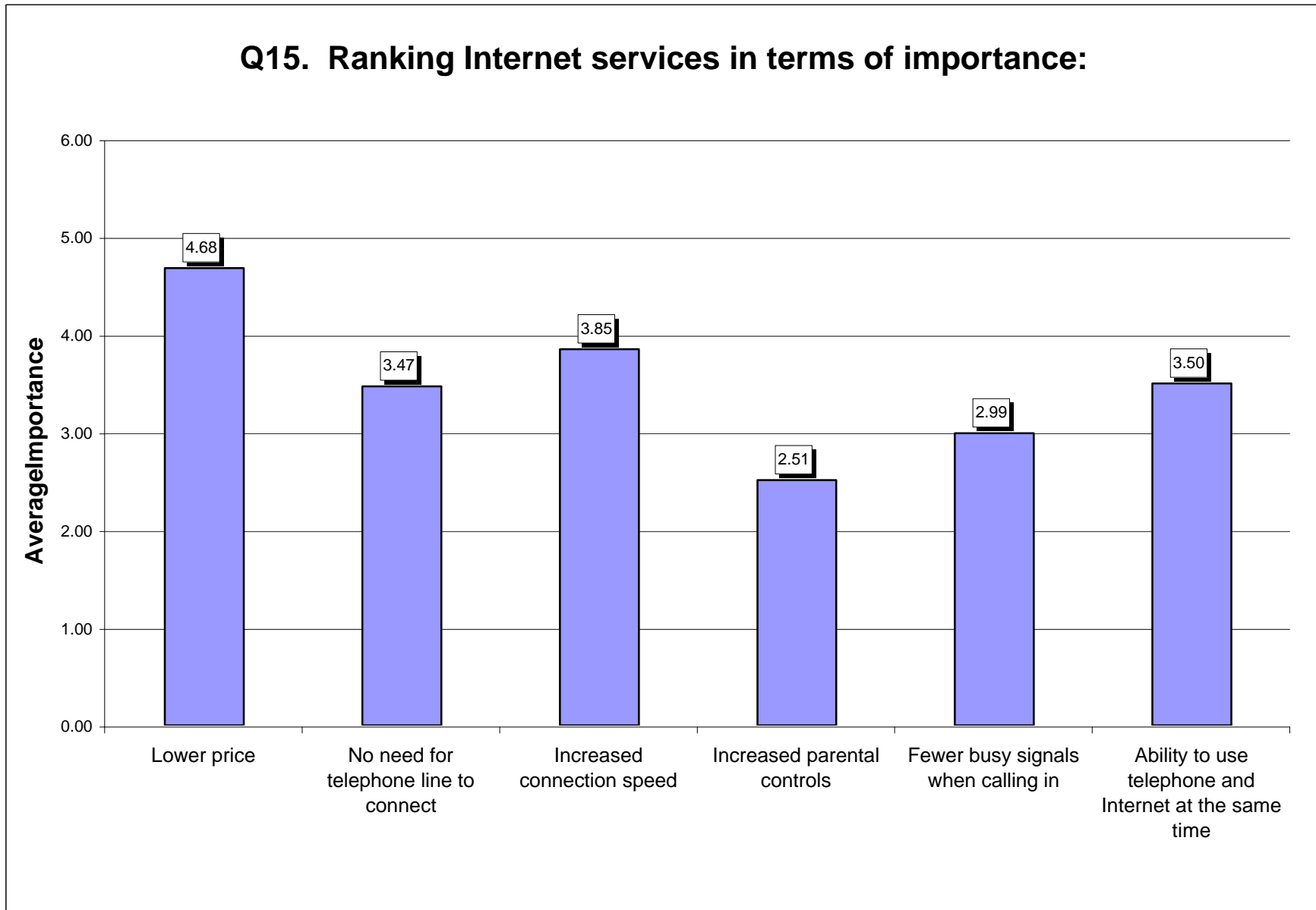
Q12. Approximately how much do you pay per month for Internet service?



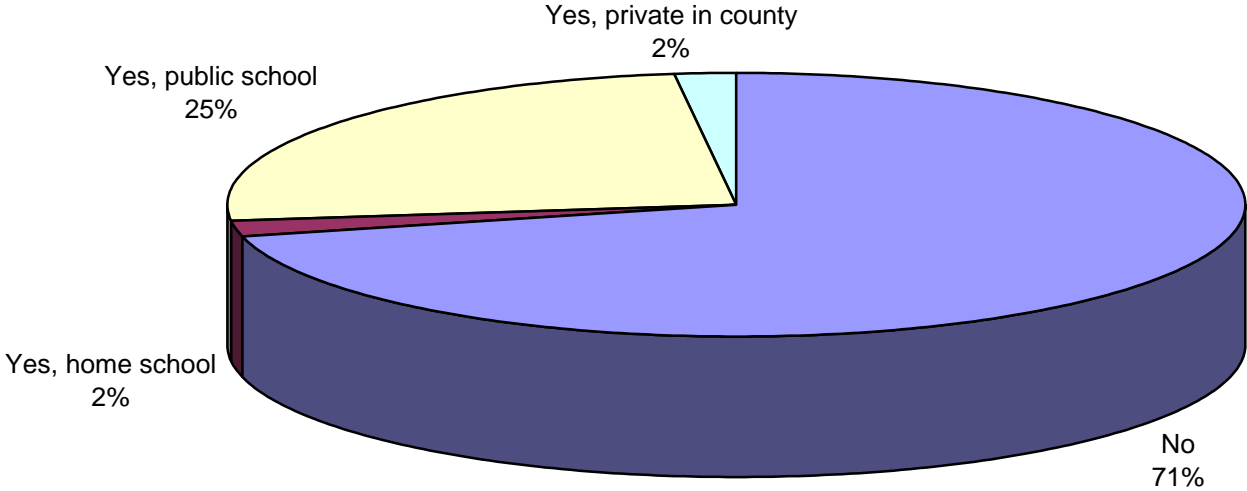
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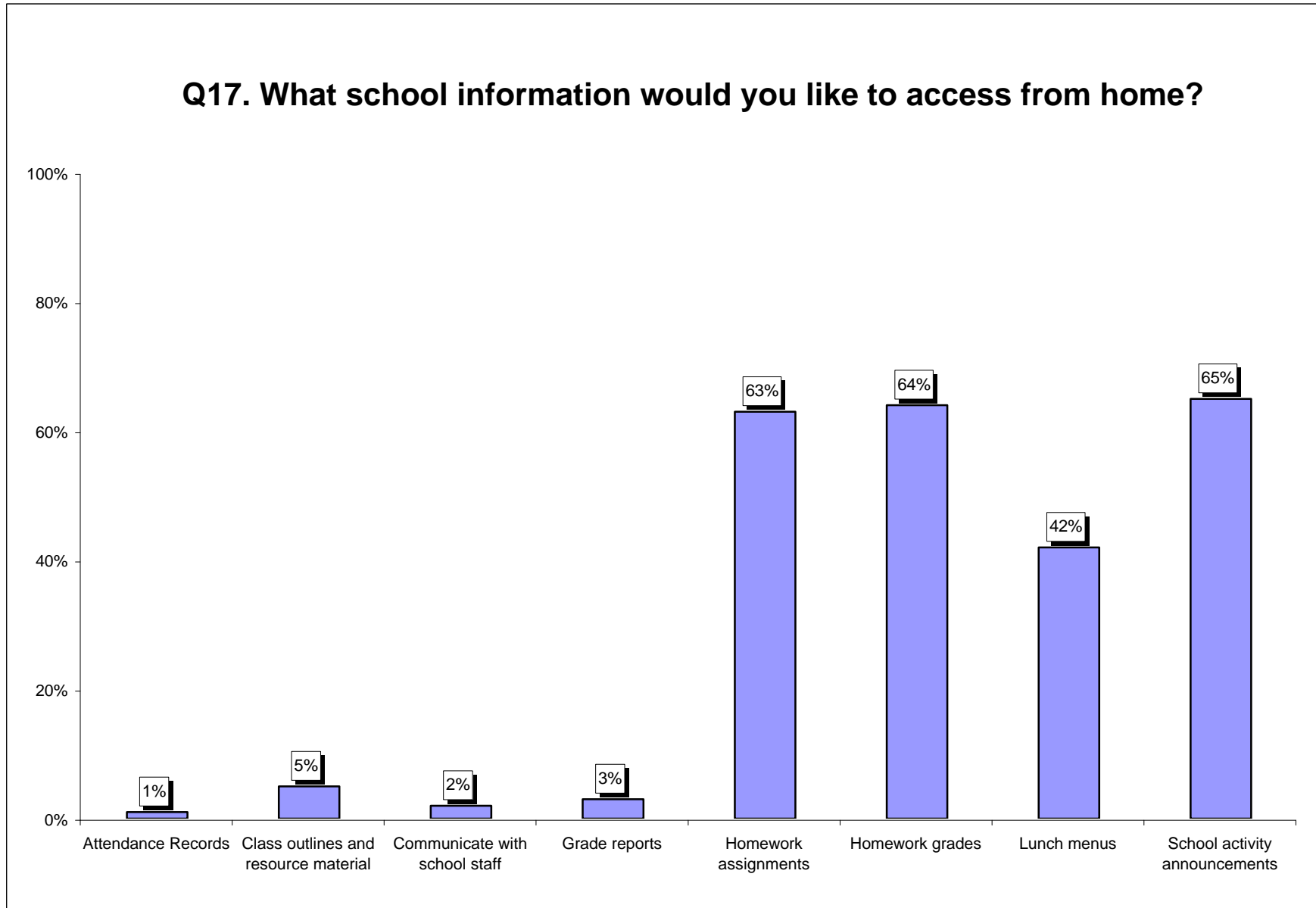




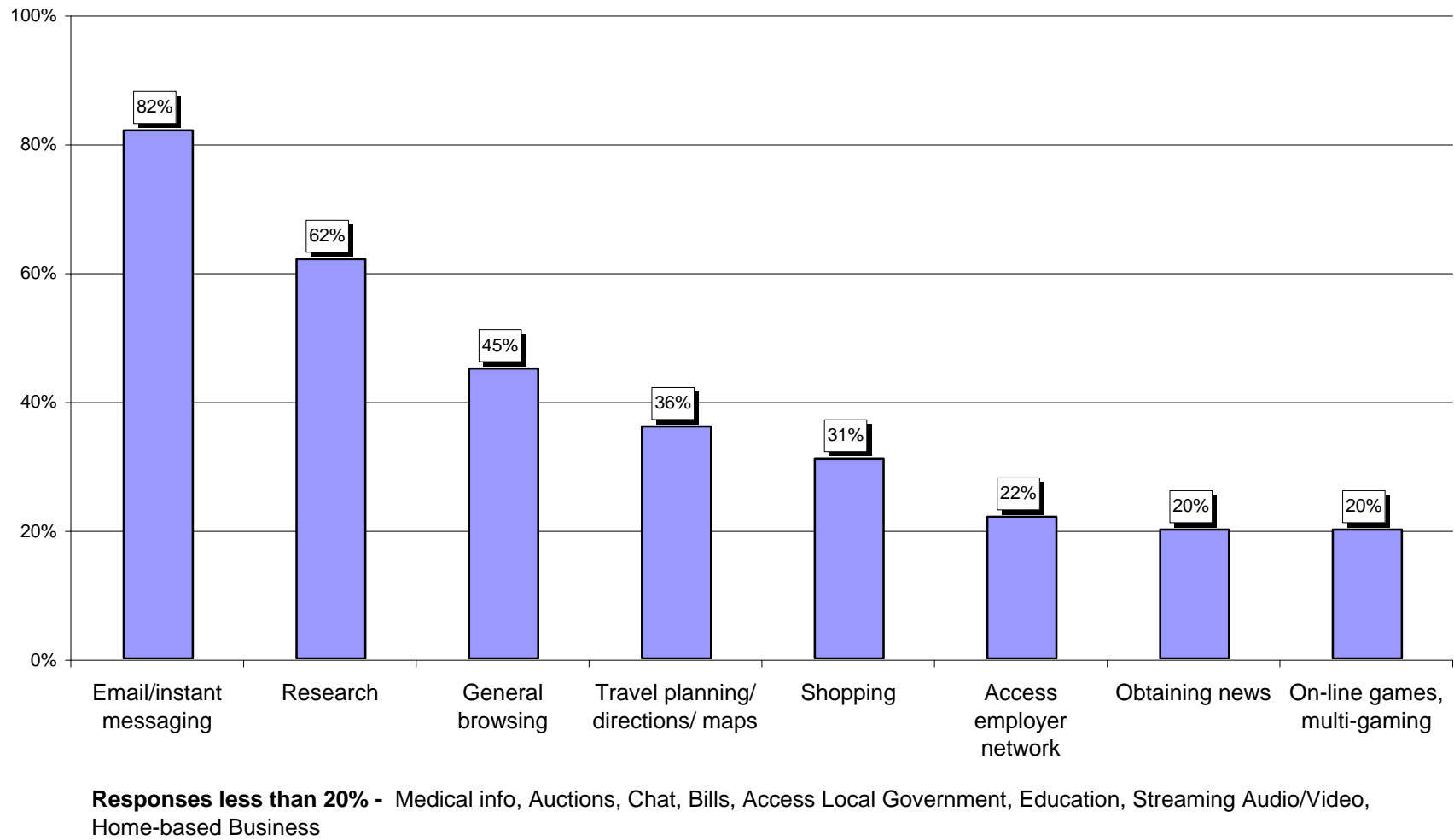


Q16. Do you have children attending a local school?

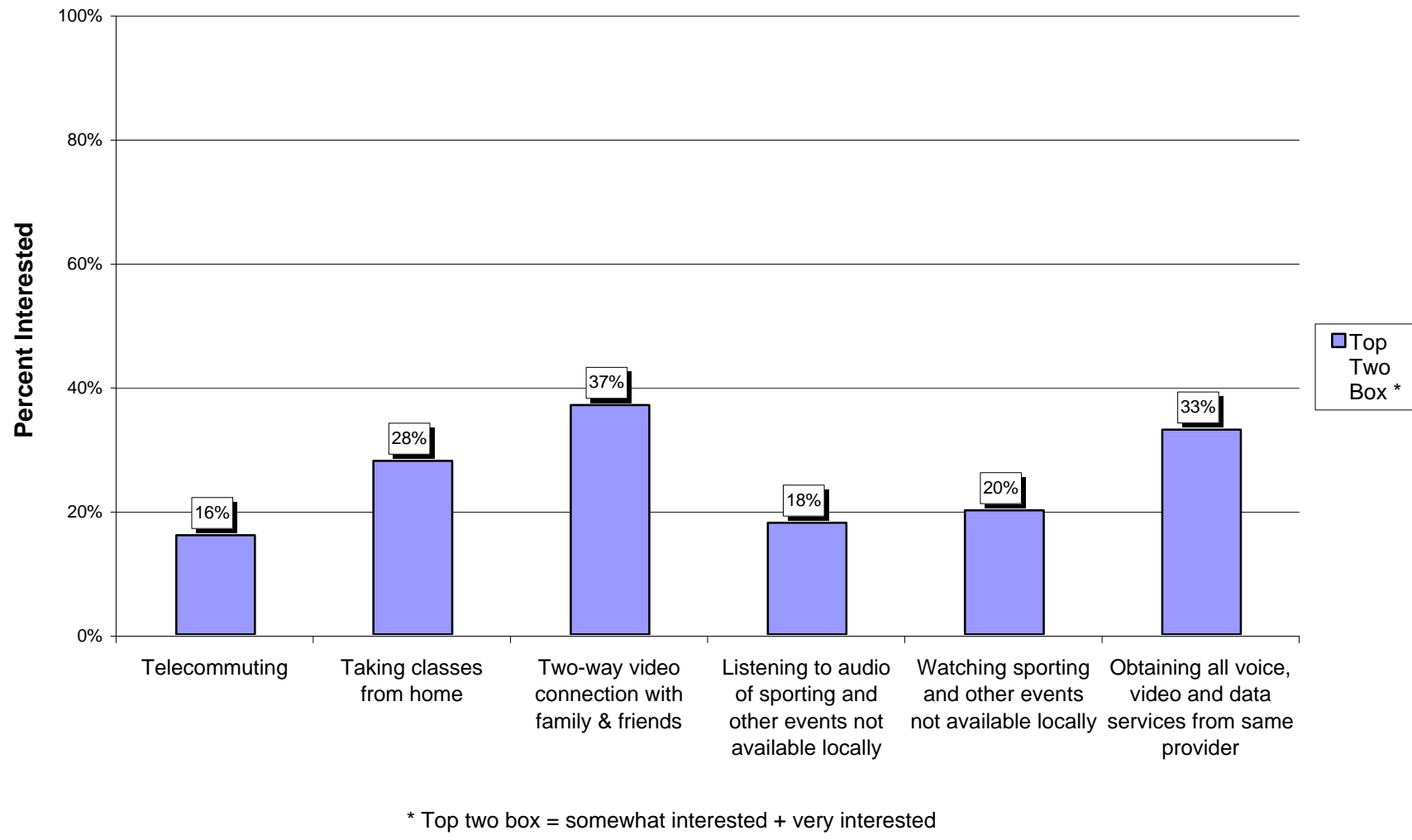




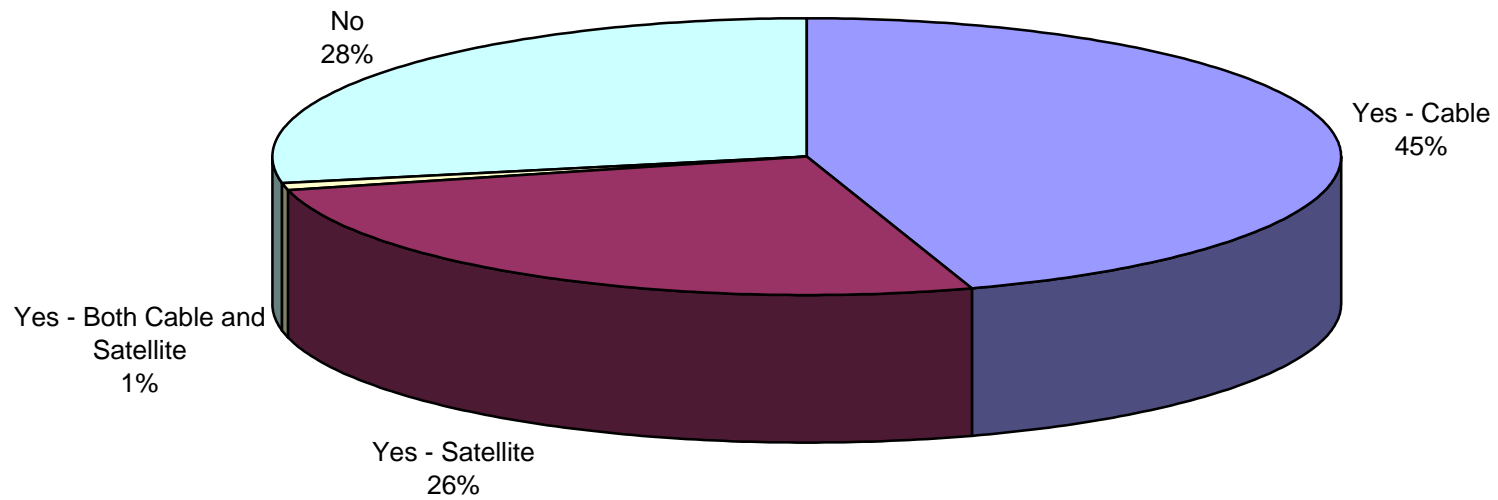
Q18. Which of the following are your HOUSEHOLD's main purposes for using the Internet?

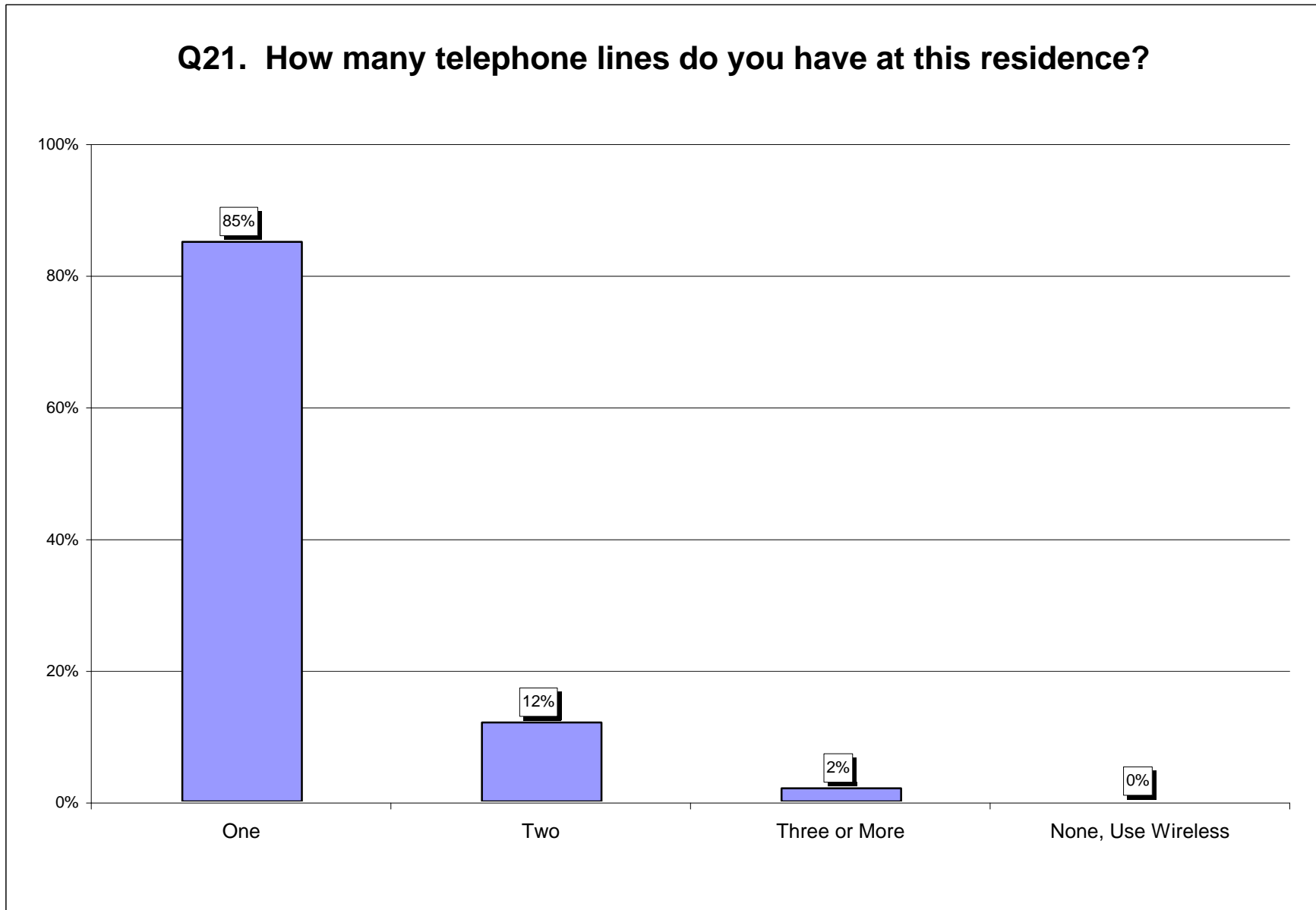


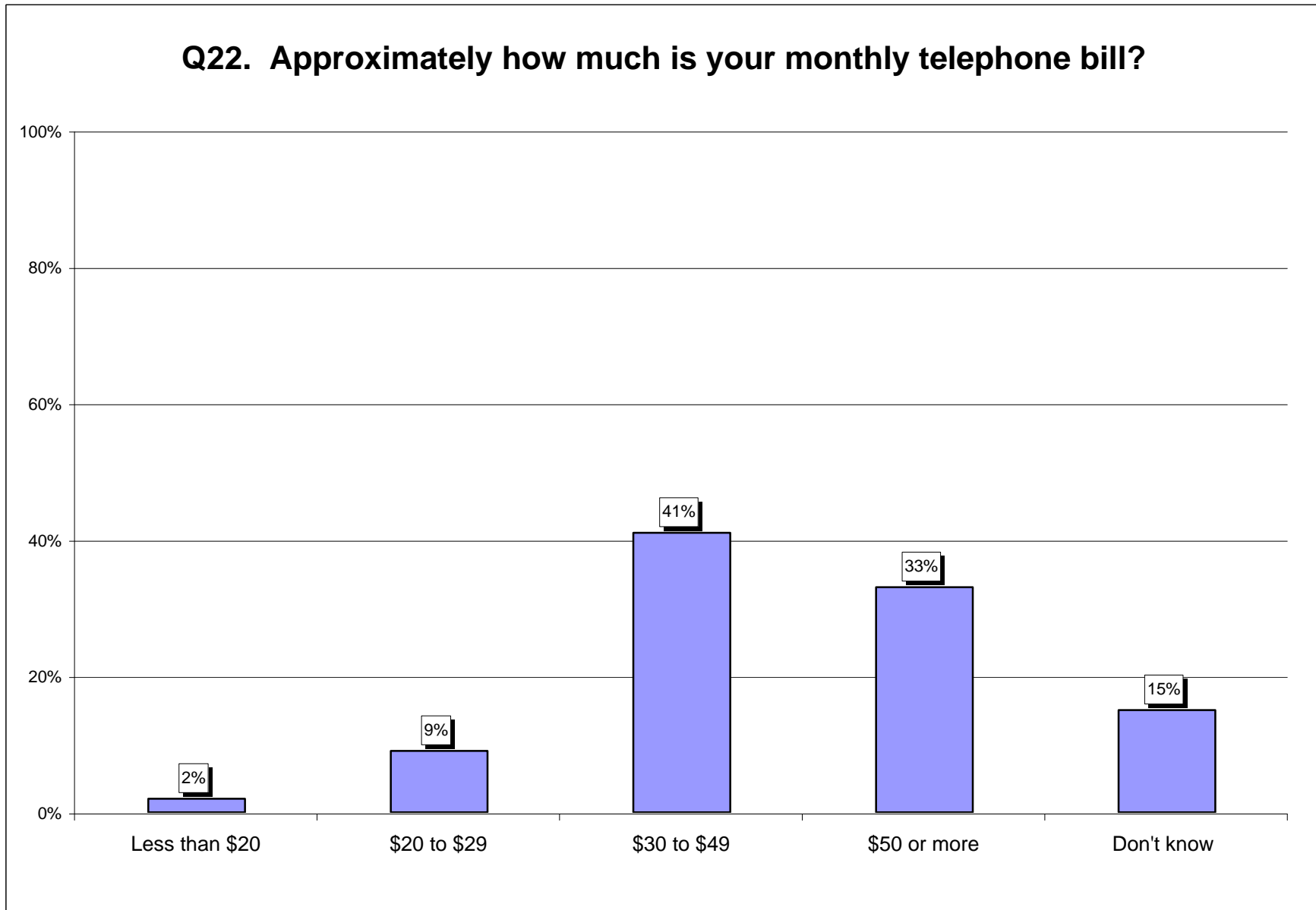
Q19. What types of communications might be of use to you in the future:



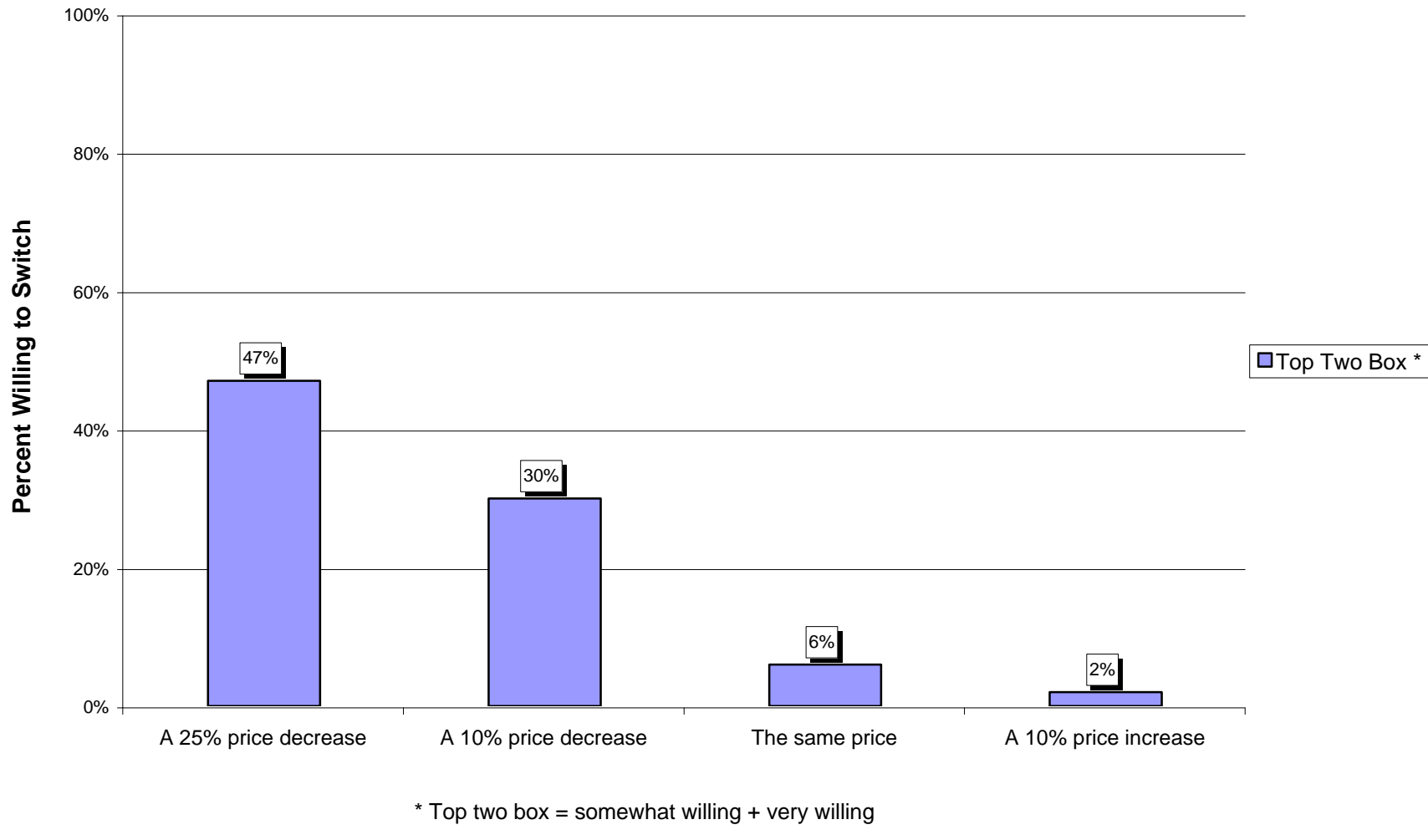
Q20. Do you subscribe to cable or satellite television?



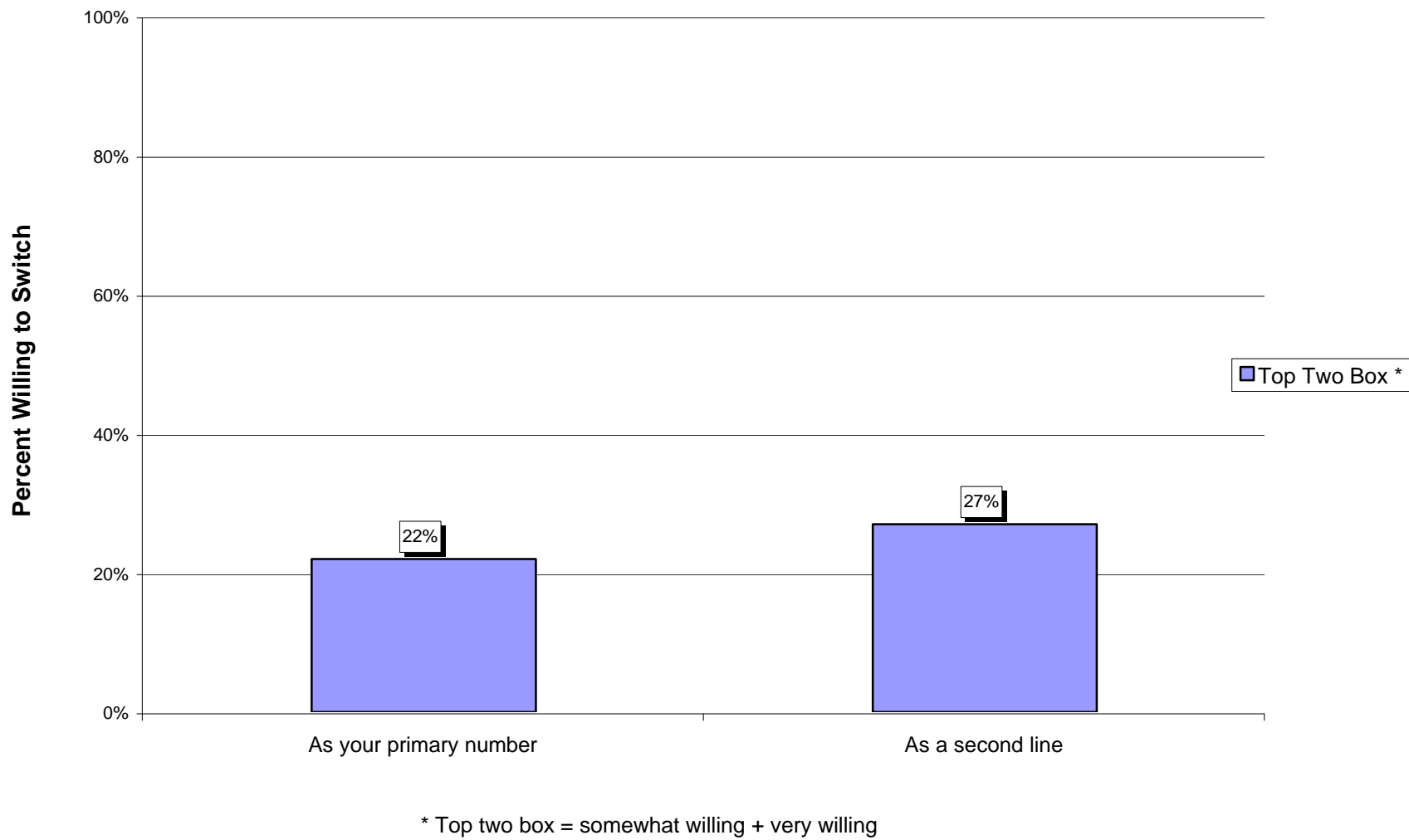




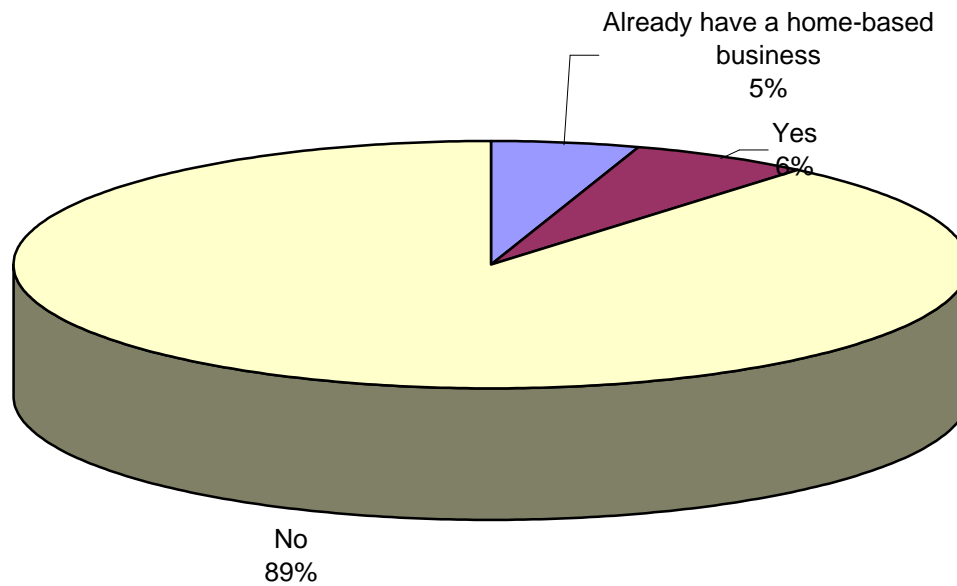
Q23. How willing would you be to switch to a cell phone (wireless) telephone service?



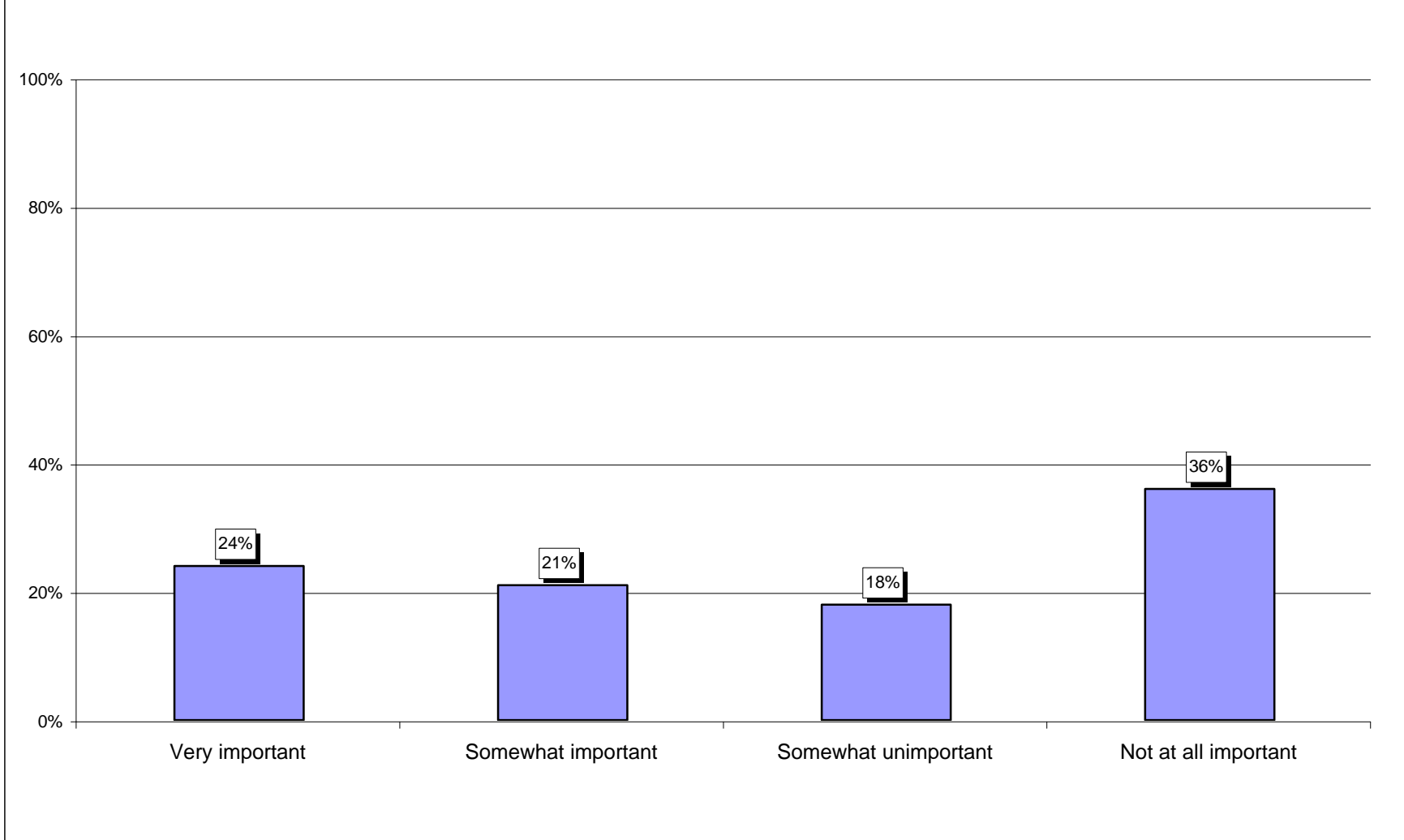
Q24. How willing would you be to switch local telephone providers with a similar product offering for:

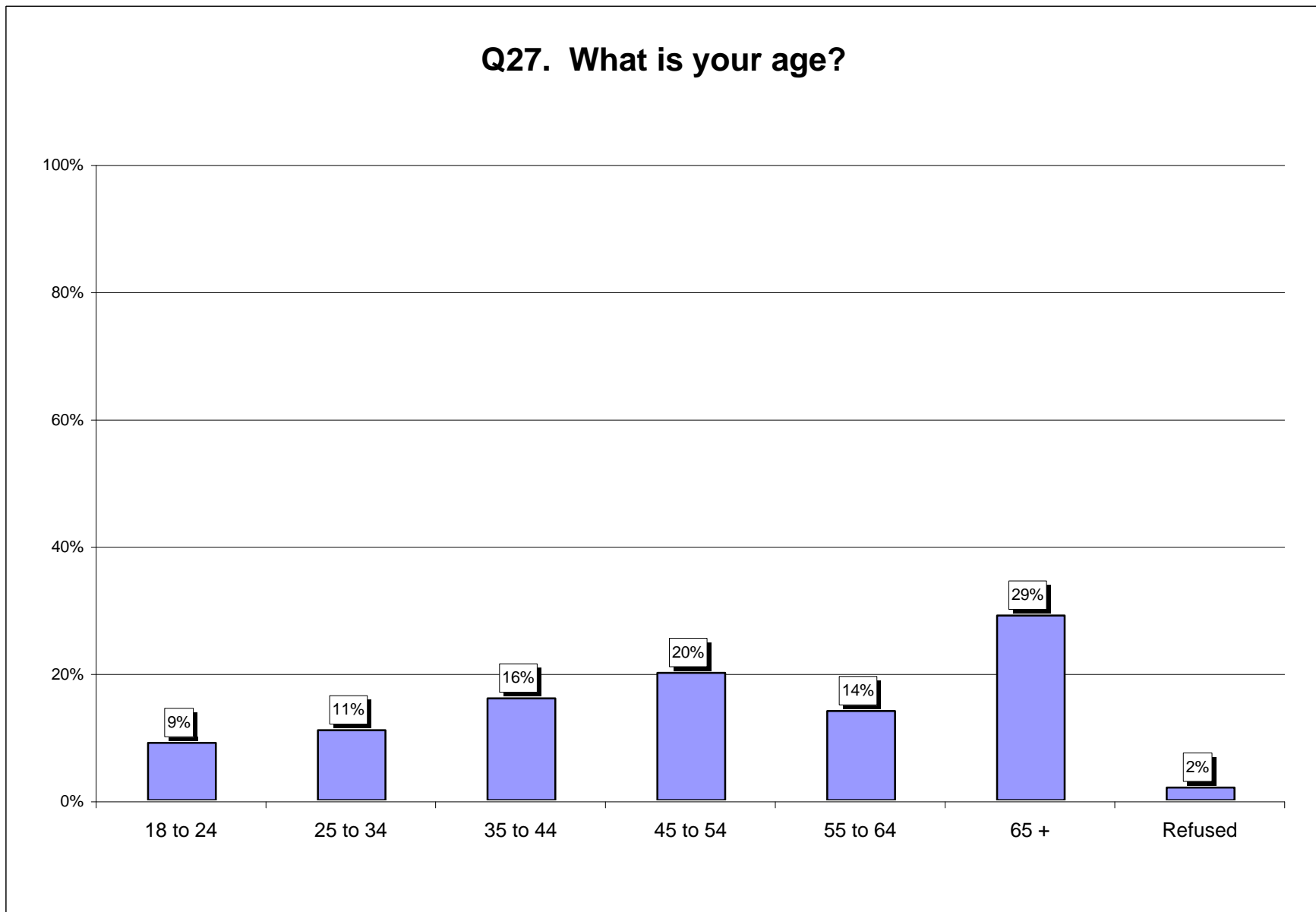


Q25. Do you or does someone in your household plan to start a home-based business in the next 1 to 3 years?

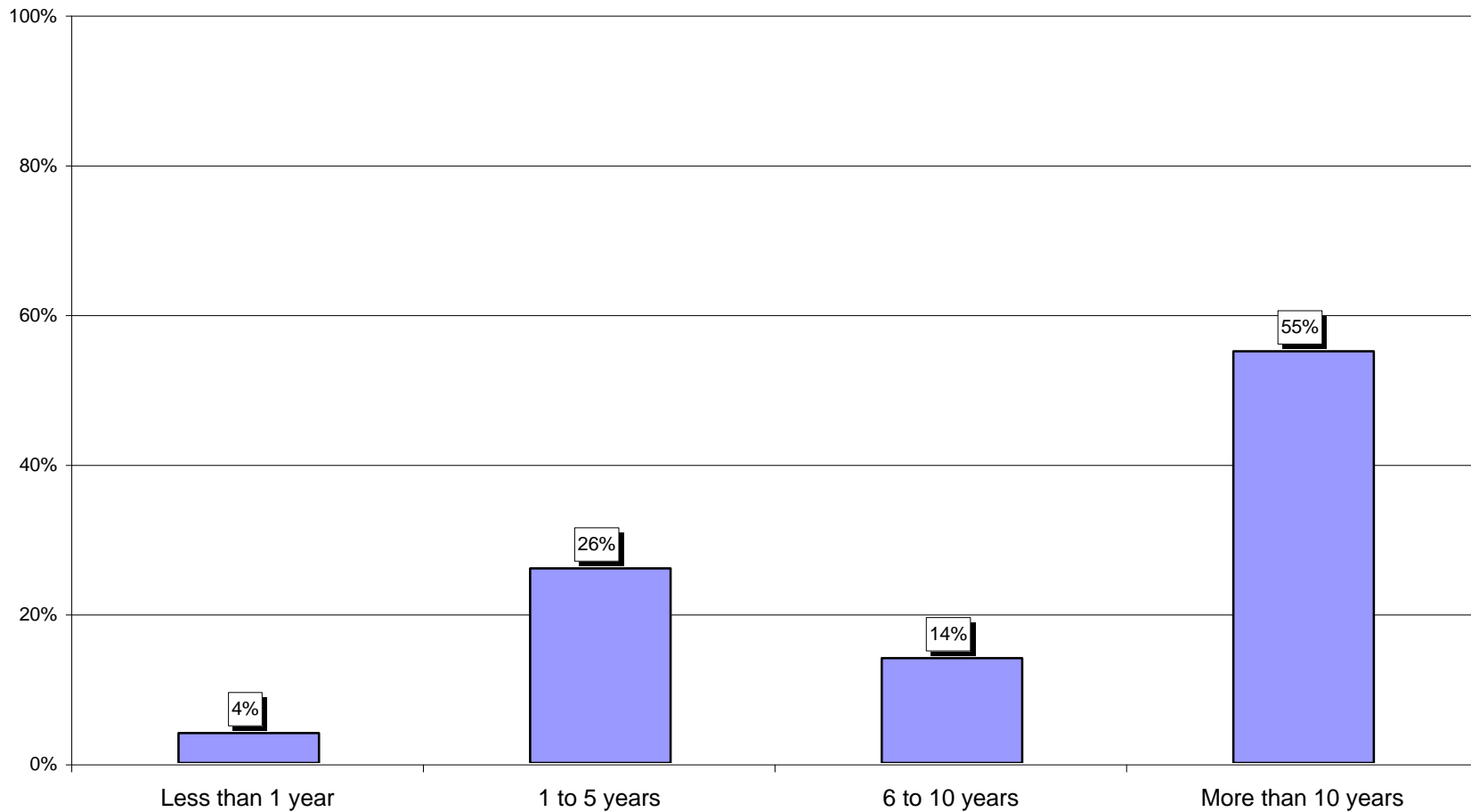


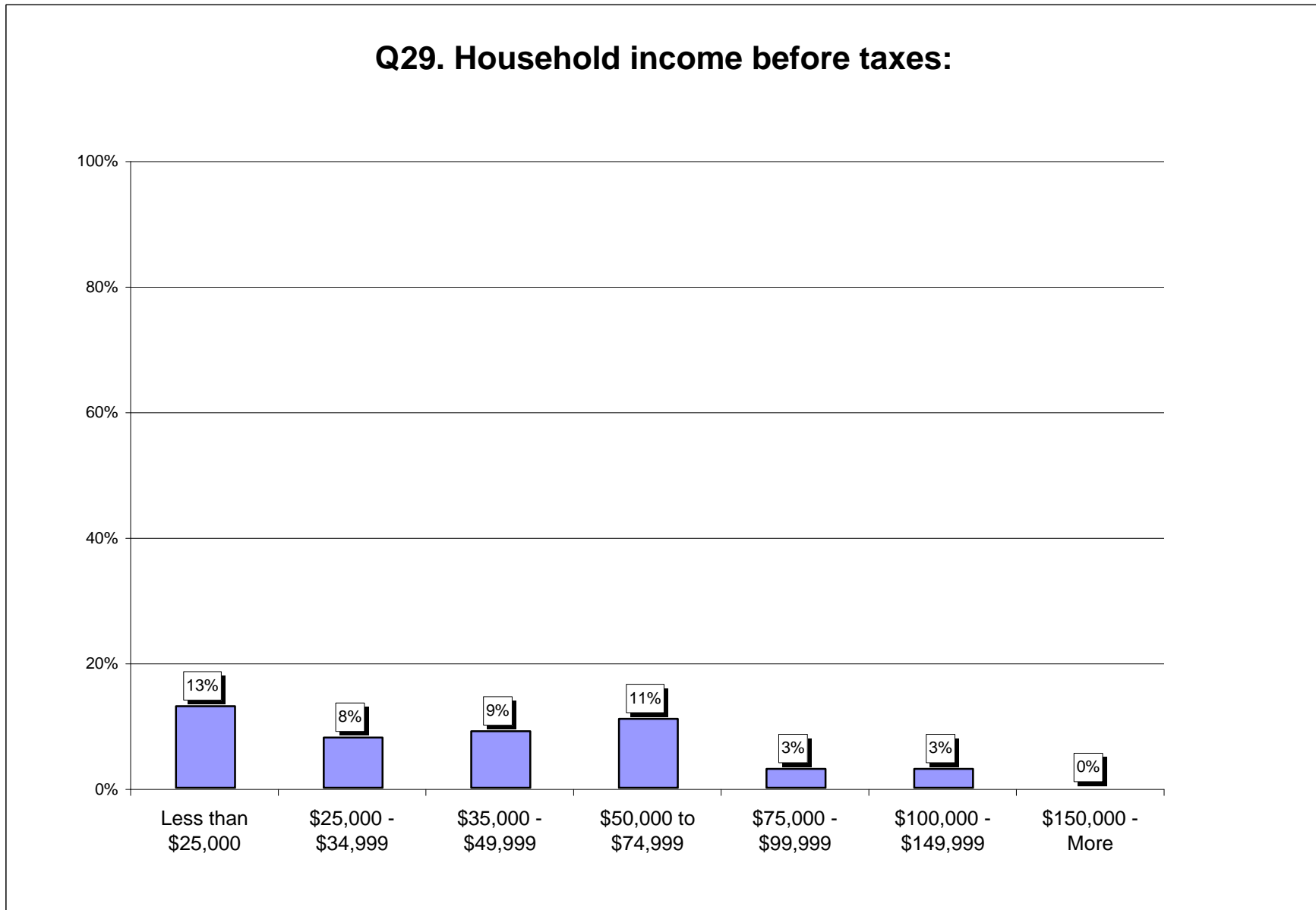
Q26. How important will be/is a high speed data or Internet connection for your planned/existing home-based business?



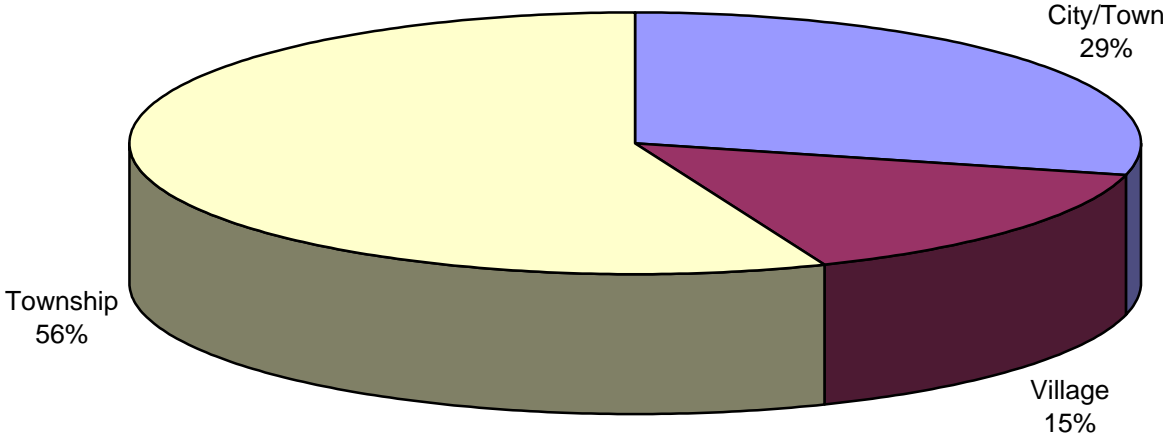


Q28. How many years have you lived at your current address?

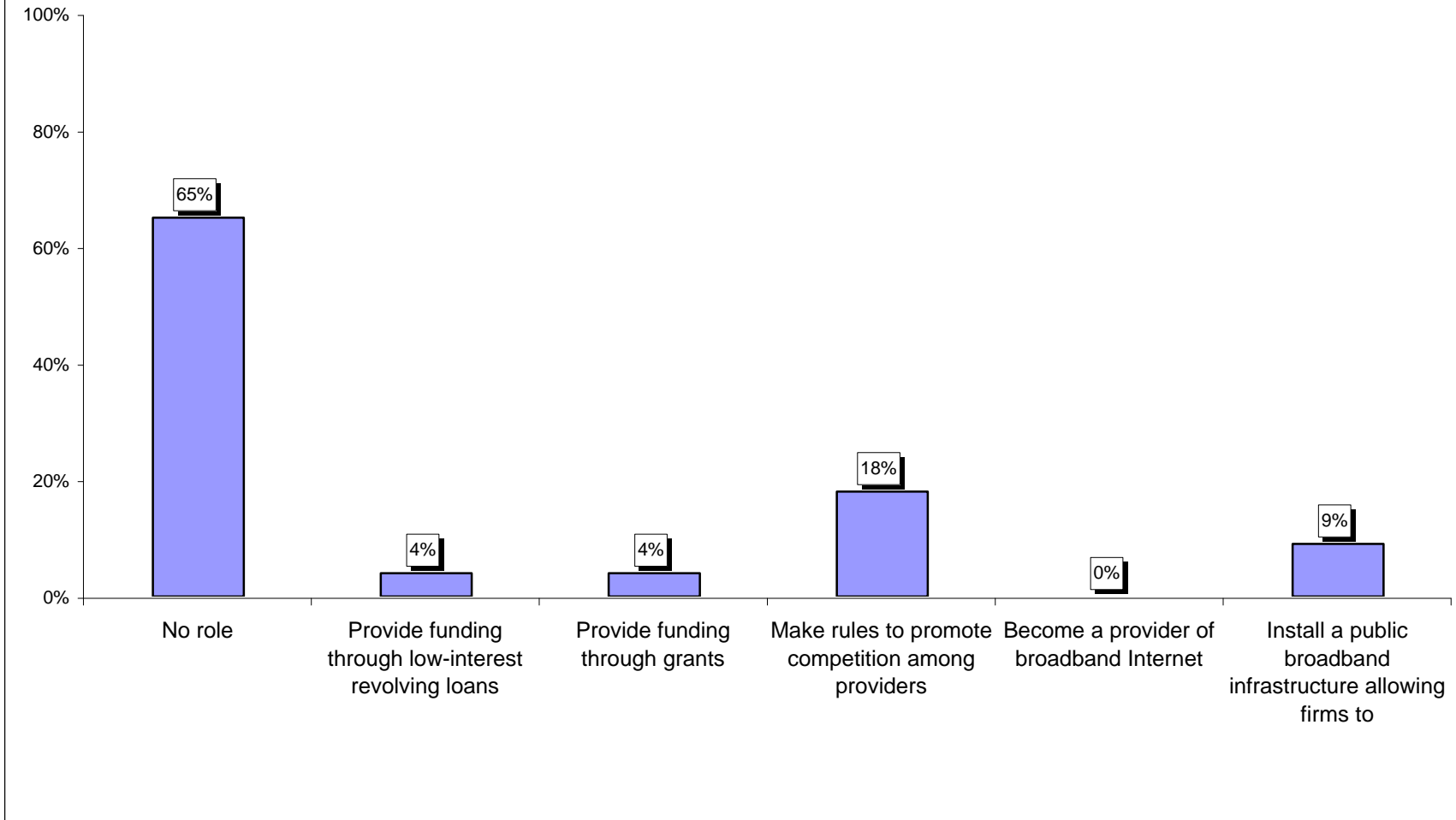




Q30. Where is your residence located?



Q31. What do you think the role of the government should be to help ensure broadband access is available and affordable?



Section 3:

Residential Survey Cross Tabulations

St. Joseph County

Residential Survey

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