



Three North Dakota Broadband Stimulus award winners select Calix for fiber access initiatives

Reservation Telephone Cooperative, BEK Communications Cooperative, and Dakota Central Telecommunications push "Fiber Forward" with Calix Unified Access Portfolio to deliver advanced services to rural subscribers

April 27, 2010—PETALUMA, CA—[Calix](#) (NYSE: CALX) today announced that [Reservation Telephone Cooperative](#), [BEK Communications Cooperative](#), and [Dakota Central Telecommunications](#) – all of which were awarded funds in Round One of the Broadband Initiatives Program of the American Recovery and Reinvestment Act of 2009 – are moving "Fiber Forward" by selecting the [Calix Unified Access portfolio](#) to deliver broadband services to underserved and unserved communities across North Dakota and Montana. Rural subscribers included in the projects awarded to these three communications service providers (CSPs) will be served directly by both gigabit passive optical network (GPON) and Active Ethernet (AE) technologies, capable of broadband speeds up to one gigabit per second (Gbps) and delivering advanced services such as Internet Protocol television (IPTV). With today's announcement, Calix has been selected as the access vendor of choice for all five awarded "Last Mile" and "Middle Mile" Broadband Stimulus projects in North Dakota and Montana, representing a total of \$37.2M in Stimulus-related grants, loans, and private investment for plant engineering, materials, labor, and other costs, including access equipment.

"We believe the need for advanced broadband services in the state of North Dakota is as strong as, if not stronger, than anywhere else in the country, but the predominantly rural geography and long winters of our state pose unique challenges in pulling fiber deep enough into our network to deliver high bandwidth services to many of our residents," said Keith Larson, general manager of Dakota Central Telecom. "The combination of the Broadband Stimulus program, coupled with Calix fiber access solutions optimized to address the deployment and ongoing operational challenges of rural service providers, has provided us with the opportunity to move 'Fiber Forward' with Calix and deliver some of the nation's most advanced services to North Dakotans that otherwise would have been left behind. Calix has become the obvious choice for communications service providers in our region not only because their Unified Access portfolio is well suited to our deployment needs, but also because they have proven over time that they understand the unique challenges of rural operators and they continue to deliver and meet the needs of our business and our subscribers."

“Calix played an instrumental role in helping us to understand the strategic opportunity that the Broadband Stimulus program held for both Reservation Telephone and our subscribers,” said Royce Aslakson, general manager of Reservation Telephone Cooperative. “Thanks to this program, we will be providing not only advanced broadband services, but hope and opportunity to some of the most economically challenged areas of the country. We have appreciated the assistance that Calix has provided to us throughout this process, and look forward to moving on to the next stages of making the promise of this program a reality for the rural residents of North Dakota and Montana.”

The combined total project value of the three Round One Broadband Initiatives Program awarded projects announced today with CSPs that have selected Calix is \$32.7 million. This value reflects the total sum of the project awards, and includes plant engineering, materials, labor, and other costs, including access equipment. Although all of these CSPs are delivering predominantly fiber access solutions in their networks, each will be leveraging a variety of technologies to deliver a unique set of services.

- Reservation Telephone Cooperative, with its \$21.9 million award consisting of a grant and loan, will provide service in rural areas in and around the Fort Berthold Indian Reservation in Montana and North Dakota. The project will use access equipment provided by Calix, including the [EXA Powered C7 Multiservice Access Platform \(MSAP\)](#) for delivery of GPON and very-high speed digital subscriber line 2 (VDSL2) services, and the [700GX/700GE portfolio of ONTs](#) to bring traditional voice services, Microsoft Mediaroom IPTV middleware, and advanced broadband data services to homes, businesses, schools and libraries, and tribal government facilities, as well as to cell towers for [mobile backhaul](#).
- BEK Communications (BEK) will use its \$6.0 million award, consisting of a grant, loan, and matching private investment, to deliver GPON and AE broadband services to underserved homes and anchor institutions in Burleigh County, North Dakota. This project will leverage access equipment provided by Calix, including the [EXA Powered E7 Ethernet Service Access Platform \(ESAP\)](#) for GPON and 10 gigabit Ethernet (GE) transport services, as well as the extensive [700GX/700GE ONT portfolio](#). Armed with this advanced network, BEK will deploy SIP voice over IP (VOIP), Cisco middleware for IPTV, and advanced data services to households and businesses, with the goal of supporting consumer demand, business growth, and public safety in this rural area.
- Dakota Central Telecommunications will use its \$4.75 million award, consisting of a grant and private investment, to bring GPON-enabled broadband services to every subscriber in its Streeter and Gackle, North Dakota exchanges. This project will leverage access equipment provided by Calix, including the [EXA Powered E7 ESAP](#) and a variety of [700GX/700GE](#)

[ONTs](#). Dakota Central Telecommunications will use this advanced network to deploy SIP VOIP, Nokia Siemens middleware for IPTV, and advanced data services to households, businesses, and key community organizations, as well as T1 pseudowire (PWE3) and Ethernet services for cell tower mobile backhaul.

"We congratulate Reservation Telephone Cooperative, BEK Communications Cooperative, and Dakota Central Telecommunications on their selection as Broadband Stimulus award winners," said John Colvin, vice president of field operations at Calix. "Round One 'Last Mile' Broadband Stimulus awards continue to go to CSPs deploying fiber access technologies, and the Calix Unified Access portfolio remains the platform of choice for these CSPs because of its ability to address varying needs across GPON and AE technologies. Calix looks forward to working with these CSPs to move 'Fiber Forward' in their communities."

About Calix

Calix is a leading provider in North America of broadband communications access systems and software for copper- and fiber- based network architectures that enable communications service providers to connect to their residential and business subscribers. Calix has shipped over six million ports of its Unified Access Infrastructure portfolio to more than 500 North American and international customers, whose networks serve over 32 million subscriber lines in total.

This press release may contain forward-looking statements that are based upon management's current expectations and are inherently uncertain. Forward-looking statements are based upon information available to us as of the date of this release and we assume no obligation to revise or update any such forward-looking statement to reflect any event or circumstance after the date of this release, except as required by law. Actual results and the timing of events could differ materially from current expectations, based on risks and uncertainties affecting the Company's business. The reader is cautioned not to unduly rely on the forward-looking statements contained in this press release. Additional information on potential factors that could affect Calix's results and other risks and uncertainties are detailed in its prospectus, filed with the SEC on March 24, 2010, available at <http://www.sec.gov>.

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