

**Nebraska Universal Service Broadband Program**  
**NUSF 92 PO3 2015**  
**Application of Glenwood Network Services, Inc.**

- 1. A listing of all companies associated with the proposed broadband project (excluding vendors) that will provide the broadband or voice component of the service to the consumers, including a main point of contact for all companies.**

Glenwood Network Services, Inc. ("GNS") will provide the voice and broadband coverage for this project. GNS, formerly Keystone-Arthur Telephone Company, is an ILEC and was purchased as a wholly owned subsidiary of Glenwood Telephone Membership Corporation, a rural incumbent local exchange on January 1, 2014.

Main Point of Contact is:

Stanley Rouse  
General Manager  
Glenwood Network Services, Inc.  
PO Box 354  
510 West Gage Street  
Blue Hill, NE 68930-0008  
Phone: (402) 756-3131  
[manager@glenwoodtelco.net](mailto:manager@glenwoodtelco.net)

- 2. A description of the proposed broadband project plan for which NEBP funding is being requested including download and upload speed capabilities which can be provided using the proposed infrastructure. Minimum speed standards should be 4 mbps download and 1 mbps upload.**

GNS is excited to apply for an NUSF 92 grant. We are proposing a FTTH (Fiber to the Home) build in our Keystone and Lemoyne exchanges.

This project targets the northern most areas of GNS's regulated territory, where the population is sparse and the cost to build is high. Due to the high cost of fiber construction, low density areas are typically passed over in Fiber to the Home construction projects, making it a suitable candidate for the NEBP program. The plant in the targeted area is aged legacy Keystone-Arthur Telephone Company Plant. The project would focus on updating this outdated plant with new fiber facilities to provide Fiber to the Home.

This area consists of rural farm and ranch families who increasingly rely on broadband to conduct their business operations, education and recreational activities. Without adequate speeds in these areas, rural farmers and ranchers are at a disadvantage. In a recent Farm and Rural Life Poll, 84% of farmers surveyed indicate they now use the Internet to get information on the weather, markets, general agricultural news and crop production.

Customers can expect speeds ranging from 5 to 100 Mbps download and 1 Mbps upload.

**3. A description of which areas are “unserved” or “underserved” in accordance with the Commission’s definition.**

The project and communities previously listed fall under the category of underserved, based upon the definition released by the Commission of 4 Mbps downstream and 1 Mbps upstream (“4/1”). These communities are served with DSL service, however this service does not meet the requirements of 4/1 service in the rural areas.

**4. A list in Excel Format of all the census blocks where broadband facilities would be deployed for the proposed project which shall include 2010 Census Block identification numbers of service area, by project. The list of census blocks must be identified on a per project basis and must be contained in one spreadsheet. Carriers should not break apart the listing of census blocks in separate workbook tabs.**

Attachment B - Listing of census blocks in Excel format-CONFIDENTIAL

**5. An estimate of the number of potential new broadband subscribers for each project.**

GNS anticipates a 33% penetration rate for potential Internet users living in the rural areas. All customers will receive access to broadband speeds that exceed the 4/1 standards set forth by the Commission.

**6. A schedule for broadband deployment with commitment to complete the build-out within 12 months of approval of the application. The schedule should describe milestones in project completion increments of 25 percent, and the estimated date by which the milestones will be completed.**

Attachment C – Schedule for Broadband Deployment – CONFIDENTIAL

**7. A proposed budget, showing total project costs, in electronic format, with a detailed breakdown of the cost elements and a depreciation schedule showing the life of the investment.**

Attachment D – Proposed budget and depreciation in Excel format – CONFIDENTIAL

- 8. Proposed Retail pricing including both monthly recurring costs and nonrecurring costs for the new broadband service(s) to be offered. Proposed rate, either monthly recurring (MRC) or non-recurring (NRC), for broadband related customer premise equipment (CPE, e.g. modem). If none listed, please state that the applicant will not be charging a rate to the end user for broadband CPE.**

Attachment E – Proposed retail pricing – CONFIDENTIAL

- 9. Retail rate(s) charged for basic voice service. IF a subscriber line charge is assessed, the amount of the (SLC). IF no SLC is assessed then a statement that no SLC is assessed.**

Attachment E – Proposed retail pricing – CONFIDENTIAL

- 10. A description of the applicant's commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years.**

GNS is committed to rural Nebraska and the communities we serve. We are committed to this project for several reasons and, if awarded the funding, we will provide service to this area for at least five years.

GNS is located in the western Nebraska counties of Keith, Arthur and McPherson, most notably the north side of Lake McConaughy. We understand that without the latest technology at affordable prices, the erosion of our rural population may continue to accelerate. Increasingly, if people do not have access to the latest technology, they will explore other areas to live, work and vacation. When people move away, it hurts the local economy and rural Nebraska.

Our exceptional customer service and reputation for exceeding customer's expectations makes us a good candidate for a broadband grant. In a recent survey our customers gave a 97% satisfaction rating in overall customer service. This dedication means customers in rural Nebraska will continue to enjoy quality broadband speeds and exceptional customer service.

- 11. A description of the applicant's commitment to provide broadband data to the Commission and its vendors for the duration of the Nebraska Universal Service Fund Broadband Program (NEBP) program so that this broadband coverage area can be depicted on the Commission's state broadband data inventory map and on the National Telecommunications and Information Administration's (NTIA's) national broadband map.**

GNS hereby commits to provide broadband data to the Commission and its vendors for the duration of the NEBP program.

**12. A description of the applicant's financial qualifications, which may be filed on a confidential basis, to meet the commitments made in the application.**

GNS, formerly known as Keystone-Arthur Telephone Company, files an Annual Report M with the Nebraska Public Service Commission.

**13. If the applicant does not have a certificate of public convenience and necessity to provide telecommunications services in Nebraska, a demonstration of the applicant's financial, technical, and managerial competence.**

GNS holds a certificate of public convenience and necessity to provide telecommunications services in Nebraska, granted by the Commission on July 20, 1982, which can be found in Attachment F of this application. The certificate was granted under the name Keystone-Arthur Telephone Company. The Nebraska Public Service Commission granted the request to change the name of the company to Glenwood Network Services, Inc. on April 22, 2014. A copy of that order is also in Attachment F.

**14. A description of the applicant's financial match which will be used to meet the commitments made in the application. Applicant shall submit a proposed budget for the entire project cost.**

GNS commits to fund at least 25% of the project cost with current funds in place and requests grant funds for the remaining 75%. We also commit to providing project invoices as required. A confidential detailed cost estimate is provided in Attachment D.

**15. An affidavit from the Applicant attesting to the truth and accuracy of all information included in the application.**

Attachment G - Affidavit

**Attachment A**  
**GNS Project Summary - CONFIDENTIAL**

**Attachment B**

**List in Excel format of all census blocks where broadband facilities would be deployed-  
CONFIDENTIAL**

**Attachment C**

**Proposed Build-Out Timeline - CONFIDENTIAL**

**Attachment D**

**Proposed Budget and Depreciation in Excel format – CONFIDENTIAL**

**Attachment E**

**Proposed Retail Pricing – CONFIDENTIAL**

Glenwood Network Services, Inc.  
NUSF 92 PO 3 2015 Application

**Attachment F**

**Order Granting Certificate of Public Convenience and Necessity for Keystone-Arthur Telephone Company and the Accompanying order illustrating the name change to Glenwood Network Services, Inc.**

SECRETARY'S RECORD, NEB. PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of }  
Keystone-Arthur Telephone Company, } Application No. C-257  
Keystone, Nebraska, for a Certificate }  
of Convenience and Necessity and for } GRANTED  
authority to borrow funds, to issue and }  
deliver notes and security instruments }  
on its properties there } Entered: July 20, 1982

APPEARANCES: For the applicant  
J. A. Lane, Attorney  
P.O. Box 119  
Ogallala, Nebraska

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed May 12, 1982, the Keystone-Arthur Telephone Company, Keystone, Nebraska seeks a Certificate of Convenience and Necessity and for authority to borrow funds, to issue and deliver notes and security instruments on its properties therefor.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. No protest to the application was filed.

Pursuant to notice required by law, public hearing was held on the application on July 6, 1982, at 8:00 a.m. in the Commission Hearing Room, Lincoln, Nebraska with appearance as set forth above.

Upon consideration of the application, the evidence adduced at the hearing and being fully advised, the Commission is of the opinion and finds that:

1. Applicant is a corporation organized and existing under the laws of the State of Nebraska with its principal place of business at Keystone, Nebraska. It is engaged in the telephone business as a common carrier and furnishes dial telephone service to approximately 375 subscribers through exchanges at Keystone and Leymore, Nebraska.
2. Applicant has prepared a plan of service improvements which includes upgrading its exchanges to all one party service, new digital central office equipment, extending service to new subscribers and the refinancing of existing indebtedness.
3. In order to provide funds for the proposed service improvements applicant has secured a loan from the Rural Electrification Administration in the amount of \$1,950,000. The proposed loan is to be repaid in thirty-five years with interest at 2% per annum. The details of the proposed loan are fully set forth in the Telephone Loan Contract, Mortgage and Mortgage Note, copies of which were introduced in evidence and are incorporated herein by reference.
4. Applicant also seeks a Certificate of Convenience and Necessity to serve the area it is presently serving as reflected by maps on file with the Commission.
5. The application is fair and reasonable, is in the public interest and should be granted.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. C-257

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ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-257 be and it is hereby granted and the Keystone-Arthur Telephone Company be and it is hereby authorized to borrow up to \$1,950,000 from the Rural Electrification Administration under the terms and conditions set forth in the Opinion and Findings herein.

IT IS FURTHER ORDERED that this order be and it is hereby made the Commission's Official Certificate of Convenience and Necessity to serve the area set forth on maps on file with the Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 20th day of July, 1902.

S

NEBRASKA PUBLIC SERVICE COMMISSION

E

Harold D. Simpson /s/

Chairman

L

ATTEST:

COMMISSIONERS CONCURRING:

Bob Brayton /s/  
Duane D. Gay /s/  
James F. Murnelly /s/  
Harold D. Simpson /s/

Terrence L. Kubicek /s/  
Executive Secretary

# Nebraska Public Service Commission

COMMISSIONERS:  
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EXECUTIVE DIRECTOR:  
STEVE MERADITH

NEBRASKA CONSUMER HOTLINE:  
1-800-526-0017

April 22, 2014

## CERTIFICATION

To Whom It May Concern:

I, Steve Meradith, Executive Director of the Nebraska Public Service Commission, hereby certify that the enclosed is a true and correct copy of the original order made and entered in the proceeding docketed C-4666 on the 22nd day of April 2014. The original order is filed and recorded in the official records of the Commission.

Please direct any questions concerning this order to Nichole Mulcahy, Legal Counsel, at 402-471-3101.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Seal of the Nebraska Public Service Commission, Lincoln, Nebraska, this 22nd day of April 2014.

Sincerely,

A handwritten signature in cursive script that reads "Steve Meradith".

Steve Meradith  
Executive Director



SM:sh

Enclosure

cc: Dunmire, Fisher & Hastings, Charles W. Hastings, 800 W. 3<sup>rd</sup> St. #202, PO Box 1044,  
Hastings, NE 68902-1044  
Keystone-Arthur Telephone Company, Stanley Rouse, 510 West Gage, PO Box 357, Blue  
Hill, NE 68930

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-4666  
of Keystone-Arthur Telephone )  
Company, Blue Hill, seeking )  
approval to change its name to ) GRANTED  
Glenwood Network Services, Inc. )  
 ) Entered: April 22, 2014

BY THE COMMISSION:

On March 10, 2014, an application was filed by Keystone-Arthur Telephone Company (Keystone) of Blue Hill, Nebraska, seeking approval of a name change from Keystone-Arthur Telephone Company to Glenwood Network Services, Inc. Notice of the application was published in The Daily Record, Omaha, Nebraska, on March 12, 2014. No protests were filed; therefore, we process this application pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N   A N D   F I N D I N G S

Keystone is a Nebraska corporation and provides local exchange telecommunication services in Nebraska. In the present application, Keystone requests that the Commission enter an order approving a name change from Keystone-Arthur Telephone Company to Glenwood Network Services, Inc. Keystone has received authority from the Secretary of State to use the new name. Based on the all the evidence adduced, the Commission is of the opinion the application is in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4666 be, and it is hereby, granted and the request of Keystone-Arthur Telephone Company, to change its name to Glenwood Network Services, Inc., is approved.

IT IS FURTHER ORDERED that the Applicant file an updated tariff reflecting the change in name within 30 days of the date of this order.

**Attachment G**

**Affidavit from the Applicant attesting to the truth and accuracy of all information included in the application.**



AFFIDAVIT

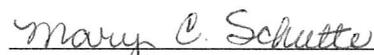
STATE OF NEBRASKA

COUNTY OF WEBSTER

I, Stanley Rouse, being duly sworn on oath do hereby affirm that all information included in this application is true and accurate to the best of my knowledge.

  
\_\_\_\_\_  
Stanley Rouse, CEO/General Manager  
Glenwood Network Services, Inc.

Subscribed and sworn to before me on the 24<sup>th</sup> day of November, 2014.

  
\_\_\_\_\_  
Notary Public

