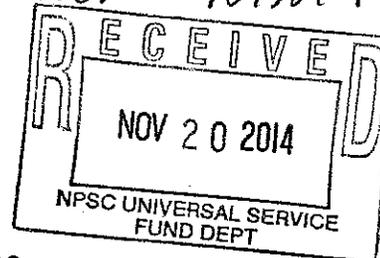


Redacted  
Application

NUSF-92.29



**Nebraska Broadband Pilot Program NUSF - 92**

**Mobius Communications Company  
Rural Dawes County  
Fixed Fiber To The Home(FTTH)**

Mobius Communications Company submits this application for consideration of the NUSF-92 funding.

**PROPOSED STAFF REQUIREMENTS FOR  
APPLICATIONS FOR NEBP SUPPORT**

**1. A listing of all companies associated with the proposed broadband project.**

Mobius Communications Company is Competitive Local Exchange Carrier CLEC and a wholly owned subsidiary of the Hemingford Cooperative Telephone Company. Mobius will be the provider for this project.

Mobius Communications Company  
523 Niobrara Avenue  
Hemingford, NE 69348  
Contact: Joni Jespersen  
308-487-3345  
[jj@bbc.net](mailto:jj@bbc.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.**

Rural Dawes County Fixed Fiber To The Home (FTTH) will allow connectivity for rural consumers where they are currently unserved from the FTTH prospective. This funding requested will be able to provide our rural customers with FTTH and Download Speed 100Mbps Upload Speed of 100Mbps depending on what they would like.

In addition to providing the customer a world class broadband platform the proposed facilities in this application would also be capable of delivering voice services. The customer can expect and will receive all traditional class 5 voice features. Features that will be offered include, but are not limited to, Dial-tone, Long Distance, Caller ID, Call Waiting, Call Forwarding and Voice Mail.

Emergency response will be addressed by ordering direct E911 redundant circuits that tie into the customers emergency dispatch center. These circuits are crucial and guarantee that the E911 call will be routed correctly.

Although not offered at this time, the proposed facilities would have the ability to deliver video services with no additional network investment. Video that would be offered over this facility would not be susceptible to "rain fade" that is common with the traditional small satellite dishes.

This technology will allow us to deliver up to 1Gbit/s of symmetric data (upload and download) over one single-mode optical fiber to the customer. With that being said, our current top tier of internet speed offering is 10Mbit/s. The amount of data that can be offered, with no upgrade, is 100 times greater than our top tier. As the customer's need for speed increases, a simple modification of programming will be made at the Central Office.

**3. A description of which areas are "unserved" or "underserved" in accordance with the Commission's definition.**

Approximately 31 miles are completely unserved with Fixed FTTH. These consumers are underserved and currently receive sporadic services with speeds no greater than 3Mbps download. With the Fixed FTTH each customer will be given the opportunity to have upload of 100Mbps.

**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.**

Census Blocks - Attached at the end of the Grant - with the NUSF Template

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

Potentially there will be 63 new subscribers that will be able to receive Fixed FTTH broadband services. We believe that much of the investment that is made today will still be serving the broadband and communication needs for decades to come to these customers.

**6. A schedule for broadband deployment with commitment to complete the build-out within 24 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.**

**Upon approval from the Nebraska Public Service Commission the build- out over the next 24 months will be as follows:**

**Successful Grant Announcement**

- **0 – 60 Days**            Apply and Obtain Occupy Right of Way  
Order Fiber Optic Cable and communication building  
Meet with contractor about fiber installation scheduling  
Obtain land lease for placement of communications building
  
- **60-150 Days**           Stake Fiber Optic line placement/ outdoor equipment  
Pour concrete for communication building  
Boring and installation of conduit under roadways and river  
Communication building delivered, placed on concrete slab  
Install electric power facilities to new communication building
  
- **150-500 Days**           Receive fiber optic cable  
Locate existing fiber optic facilities, plow facilities location  
Plow in customer drops  
Installation of fiber optic splice pedestals  
Splice all fiber optic cable
  
- **500-650 Days**           Installation of customer premise equipment  
Networking equipment in communication building
  
- **650-Completion**           Install voice facilities in existing Mobius class 5 switch  
Test all facilities and begin scheduling with customer to turn up both broadband and voice services  
Turn up services to all customers, work with them to insure services are functioning as expected  
Continue to provide state of the art voice and broadband services to the customer

**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.**

See the attached next page:

- Proposed Budget following this page
- Additionally will be the depreciation schedule
- Projected Cost of Asset Acquisition
- Projected Cost of Employee Labor

Rural Dawes County - Fixed FTTH

Proposed Budget

| YEAR                      | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 5 YR TOTAL | 10 YR TOTAL | 20 YR TOTAL |
|---------------------------|---|---|---|---|---|---|---|---|---|----|------------|-------------|-------------|
| TOTAL INVESTMENT          |   |   |   |   |   |   |   |   |   |    |            |             |             |
| CUMULATIVE DEPRECIATION   |   |   |   |   |   |   |   |   |   |    |            |             |             |
| BOOK VALUE                |   |   |   |   |   |   |   |   |   |    |            |             |             |
| REVENUES                  |   |   |   |   |   |   |   |   |   |    |            |             |             |
| TOTAL REVENUES            |   |   |   |   |   |   |   |   |   |    |            |             |             |
| EXPENSES                  |   |   |   |   |   |   |   |   |   |    |            |             |             |
| TOTAL EXPENSES            |   |   |   |   |   |   |   |   |   |    |            |             |             |
| OPERATING INCOME (LOSS)   |   |   |   |   |   |   |   |   |   |    |            |             |             |
| TAXES                     |   |   |   |   |   |   |   |   |   |    |            |             |             |
| NET INCOME                |   |   |   |   |   |   |   |   |   |    |            |             |             |
| OPERATING CASH FLOW       |   |   |   |   |   |   |   |   |   |    |            |             |             |
| END OF YEAR CASH POSITION |   |   |   |   |   |   |   |   |   |    |            |             |             |

Roughly 30 miles!

DEPRECIATION SCHEDULE

Rural Dawes County - Fixed FTTH

YEAR 1 2 3 4 5 6 7 8 9 10 5 YR TOTAL 10 YR TOTAL

TOTAL INVESTMENT  
DEPRECIATION BY ASSET

PSC Depreciation Rates  
 20% - 5 years  
 20% - 5 years  
 20% - 5 years  
 5% - 20 years  
 5% - 20 years  
 5% - 20 years  
 3% - 33.3 years  
 10% - 10 years  
 8% - 12.5 years  
 5% - 20 years  
 5% - 20 years  
 5% - 20 years

YEAR

TOTAL INVESTMENT  
DEPRECIATION BY ASSET

PSC Depreciation Rates  
 20% - 5 years  
 20% - 5 years  
 20% - 5 years  
 5% - 20 years  
 6% - 20 years  
 5% - 20 years  
 5% - 20 years  
 3% - 33.3 years  
 10% - 10 years  
 8% - 12.5 years  
 5% - 20 years  
 5% - 20 years  
 5% - 20 years



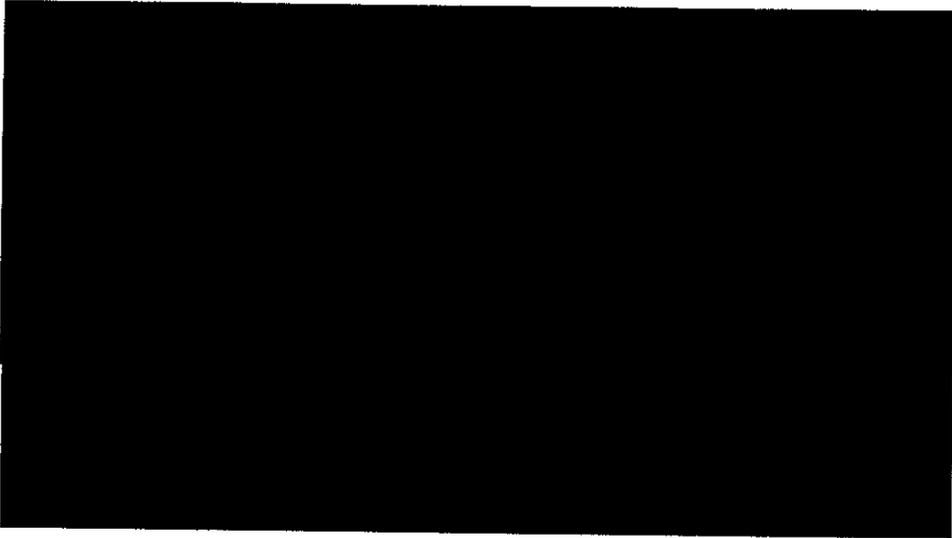


| Detailed Explanation - Engineering, Railroad and Miscellaneous Costs |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| [Redacted Content]   |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Question 8**

**Rural Dawes County - Fixed FTTH**

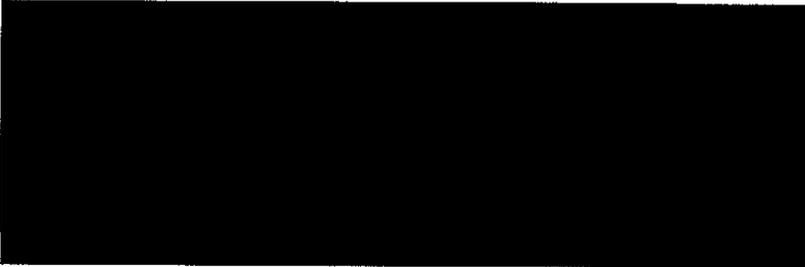
*Proposed Retail Pricing*



**Question 9**

**Rural Dawes County - Fixed FTTH**

*Proposed Retail Pricing*



**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.**

Mobius Communications is committed to the economic development and community service needed to keep "hometowns" and rural areas alive and prospering. Our mission is to deliver excellent and necessary service to these overlooked areas. Mobius knows that broadband is essential for western Nebraska in rural America. Rural consumers deserve the same broadband opportunities as their urban counterparts. Broadband technology is very important; it will be what helps propel rural remote consumers into the future.

Mobius Communications and its parent company, Hemingford Cooperative Telephone Company are committed to our rural customers in providing broadband connectivity. The Hemingford Cooperative Telephone Company (HCTC) has been serving the needs of their customers for over 80 years. Mobius Communications Company and HTCT are committed now and in the future! With Fixed FTTH in Rural Dawes County this connectivity will be able to service the needs of the consumers well beyond five years. We live here, work here and it is important to the future to continue to create the dynamics needed for people to be able to continue to work and live in rural Nebraska.

**11. A description of the applicant's commitment to provide broadband data to the Commission and its vendors for the duration of the State Broadband Data and Development (SBDD) 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.**

The Hemingford Cooperative Telephone Company and their wholly owned subsidiary Mobius Communications Company have participated in the Nebraska Broadband Mapping program since the beginning of the program in the spring of 2010. Our companies have cooperated with representatives of the Nebraska Public Service Commission and the vendors APEX and BroadMap. We have participated in the Broadband Mapping & Planning Meetings via Conference Bridge, and personally attended the regional forum on broadband access development in Gering, NE. Two representatives from our company attended the Broadband Workshop hosted by the Nebraska Public Service Commission and BroadMap held in Lincoln in 2012. Personnel have also participated in multiple webinars since 2010 on Broadband Mapping.

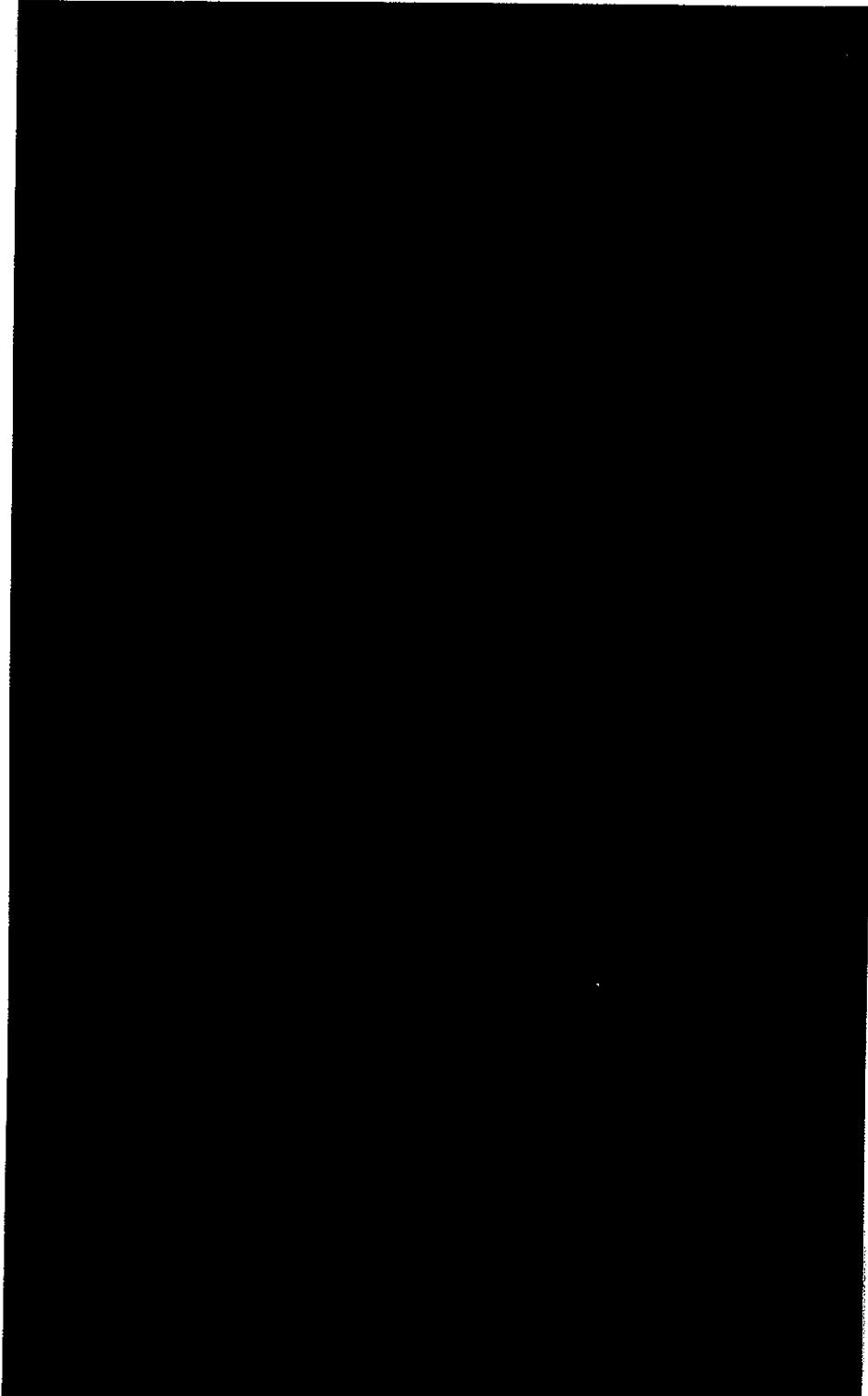
Our companies have fully participated in all ten broadband mapping requests from the Nebraska Broadband Mapping Initiative. We have shared enduser address/census tract information, technology of service, maximum advertised and typical upload and download speeds, weighted nominal speeds, middle mile connection sites, anchor institutions served, and marketing materials. As soon as shapefiles were allowed to be added for wireline providers, we hired an engineering firm to create maps of our service areas to add to the Nebraska Broadband Map. We have updated these maps as we have expanded services in our surrounding areas. We have contributed countless man hours to complete each the ten Nebraska Broadband Mapping Requests and used company resources to secure updated shapefile maps. We are proud of our dedication to the people who chose to live and work in the Nebraska Panhandle. It is our goal to provide our customers in our service areas the latest in technology to ensure that our citizens can experience the best in education, health care, and economic commerce and development.

**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.**

MOBIUS COMMUNICATIONS COMPANY  
INCOME STATEMENTS  
For the Years Ended December 31, 2013 and 2012

2013

2012



**13. 3. 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.**

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-2551  
Mobius Communications Company, )  
Hemingford, seeking authority to ) GRANTED  
provide competitive local exchange )  
telecommunications services. ) Entered: August 7, 2001

BY THE COMMISSION:

By its application filed June 11, 2001, Mobius Communications Company (Applicant) of Hemingford, Nebraska, seeks authority through a combination of its own facilities, facilities leased from incumbent local exchange carriers and resold services to provide local exchange telecommunications services in the State of Nebraska. Notice of the application appeared in The Daily Record on June 13, 2001. No protests or petitions to intervene in the application were filed. Therefore, the Commission deems it reasonable and proper to proceed with the disposition of this application by its modified procedure in accordance with Rule 018.03 of the Rules of Commission Procedure.

E V I D E N C E

The application filed by the applicant in this matter, which was verified by Theron Jensen, the president of the applicant, provides the following facts in support of the grant of this application:

Applicant is a Nebraska corporation with its principal offices located at 523 Niobrara Street, P.O. Box 246, Hemingford, Nebraska 69348-0246. Applicant holds authority from this Commission to operate in this state as an intrastate interexchange intraLATA and interLATA telecommunications carrier, which authority was granted in Application No. C-2461 on January 23, 2001. Applicant is a wholly-owned subsidiary of The Hemingford Cooperative Telephone Company which is an incumbent local exchange carrier that currently provides communications services to approximately 1000 customers in Nebraska.

With the exception of the authorization as a resale long distance carrier issued by this Commission, applicant has not re-quested operating authority in any other state, and does not

transact business in any other states. There have been no formal regulatory complaints or other investigatory or enforcement proceedings involving the communications business operations of the applicant, any of its officers, directors or relating to the communications business operations of its sole shareholder.

Applicant proposes to focus on supplying digital subscriber line (ADSL) services to business and residential customers on a facilities and resold basis. As business and economic circumstances warrant, applicant also proposes to provide additional local exchange, access and dedicated transport services. Statewide authority to provide such services is requested, however, applicant initially proposes to offer the services in geographic areas served by Qwest Corporation and United Telephone Company of the West upon completion of interconnection and operational arrangements that will be negotiated in accordance with the Telecommunications Act of 1996 (the Act). At this time, applicant does not plan to provide services in the service areas of incumbent local exchange carriers that qualify for the rural exemption pursuant to Section 251(f) of the Act; nor does applicant intend to provide local exchange services in the area served by its parent corporation.

Applicant will draw on the management resources of its parent corporation and certain consultants for planning, marketing, network, service development, provisioning and delivery, and legal and regulatory assistance. Applicant and its parent corporation have prior experience in providing local exchange and interexchange telecommunications services in Nebraska.

Applicant has submitted its financial statements for the years ending December 31, 2000, 1999 and 1998 to the Commission under seal as a proprietary and confidential filing. Applicant believes that it has the requisite financial qualifications to provide the proposed services in the territory intended to be served.

Applicant states in its application that a grant of the application will be advantageous to Nebraska customers and is in the public interest. Specifically, the Nebraska Panhandle, which is the primary geographic area that applicant proposes to serve, will be benefitted by the provision of the proposed services in certain areas that service is not now available, and in other areas, by providing a choice of carriers in connection

with the provision of the services.

Applicant proposes to negotiate interconnection agreements with Qwest Corporation and United Telephone Company of the West as required for the conduct of its business. The services are expected to involve the resale of incumbent local exchange carrier (ILEC) unbundled network elements and resale of local exchange service pursuant to Commission-approved interconnection agreements and/or the use of facilities owned by the applicant.

Applicant will make such arrangements as may be required to provide operator services and directory assistance, 911 emergency services and Telecommunications Relay Service. The application states that applicant agrees to adhere to all laws of the state of Nebraska applicable to it, and to all Commission policies, rules and orders.

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

The Commission considers this application for authority in light of the following criteria and standards established in the Commission's telecommunications rules:

- (a) Whether the applicant has provided the information required by the Commission;
- (b) Whether the applicant has provided a performance bond, if required;
- (c) Whether the applicant possesses adequate financial resources to provide the proposed service;
- (d) Whether the applicant possesses adequate technical competence and resources to provide the proposed service;
- (e) Whether the applicant possesses adequate managerial competence to provide the proposed service; and
- (f) Whether granting the applicant a certificate preserves and advances universal service, protects the public safety and welfare, ensures the continued quality of telecommunications services and safeguards the rights of consumers, pursuant to Section 253(b) of the Act.

Applicant has demonstrated that it meets the standards of financial, technical and managerial competence and all other criteria necessary to provide local exchange service in the state of Nebraska.

These opinions and findings carry no precedential value other than establishing minimum standards and criteria to apply when considering applications to provide local exchange service in the above-mentioned territories. All telecommunications carriers seeking such a certificate must demonstrate that they meet, at a minimum, the standards and criteria set forth herein.

Before the applicant is allowed to provide local exchange service to its users, it must either:

- (1) Through negotiation or arbitration, reach an interconnection/resale agreement with the pertinent incumbent local exchange carrier and receive Commission approval of the interconnection/resale agreement; or
- (2) In the event a certified local exchange carrier provides a wholesale tariff, purchase rates from that tariff, file its own tariff and receive Commission approval of its tariff.

This order does not terminate, waive or in any manner diminish the exemptions and protections created by the Act for rural carriers, as defined by the Act. This order does not address the issue of the rural local exchange carrier exemption under the Act. Rural exemptions may be terminated, suspended or modified only as provided in Section 251(f) of the Act.

Prior to providing local exchange service in any area in the state of Nebraska, applicant must file and the Commission must approve, a tariff in accordance with the provisions of Section 002.21 of the Neb. Admin. R. & Regs. Title 291, ch. 5.

As a provider of local exchange service in the state of Nebraska, applicant will be subject to the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal service, restrictions on joint marketing and quality of service) applicable to any other local exchange company except those obligations imposed on ILECs pursuant to Section 251(c) of the Act.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2551 be, and hereby is, granted with the limitations set forth above.

IT IS FURTHER ORDERED that the applicant comply with Section 251(f)(1)(B) of the Telecommunications Act of 1996 and that the applicant submit any bona fide request(s) for interconnection, services or network elements from a rural telephone company to the Commission for its approval.

IT IS FURTHER ORDERED that applicant is obligated to abide by the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal service, restrictions on joint marketing and quality of service) applicable to any other local exchange carriers, except obligations imposed on incumbent local exchange carriers pursuant to Section 251(c) of the Act.

IT IS FURTHER ORDERED that, to the extent applicant provides access line service as referenced in the Telecommunications Relay System Act, Neb. Rev. Stat. ' ' 86-1302 through 86-1306 (Relay Act) and defined in Neb. Admin. R. & Reg. Title 291, ch. 5, sec. 001.01B, the applicant shall collect from its subscribers a surcharge (Relay Surcharge) pursuant to the Relay Act and the Commission's annual orders establishing the amount of the sur-charge, and shall remit to the Commission the proceeds from the relay surcharge as provided by the Relay Act.

IT IS FURTHER ORDERED that the applicant comply with all necessary statutes and Commission Rules and Regulations as they pertain to the Nebraska Universal Service Fund.

IT IS FURTHER ORDERED that applicant shall file, in accordance with the applicable statutes, on or before April 30 of each year, an annual report with the Commission consisting of: (a) a copy of any report filed with the Federal Communications Commission; (b) a copy of any annual report to stockholders, if applicable; and (c) a copy of the latest Form 10-K filed with the Securities and Exchange Commission, if applicable. If such reports are unavailable, applicant shall file a balance sheet and income statement for the previous year of operation, and for the State of Nebraska on a combined interstate-intrastate basis, the investment in the telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, operating expenses and taxes.

IT IS FURTHER ORDERED that within 30 days from the entry of this order that the applicant file a tariff with the Commission as required by state statutes and the Commission's regulations.

IT IS FINALLY ORDERED that this order be, and hereby is, made the Commission's official Certificate of Public Convenience

and Necessity to the applicant to provide local exchange telecommunications services in the state of Nebraska as set forth above.

MADE AND ENTERED at Lincoln, Nebraska, this 7th day of August, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

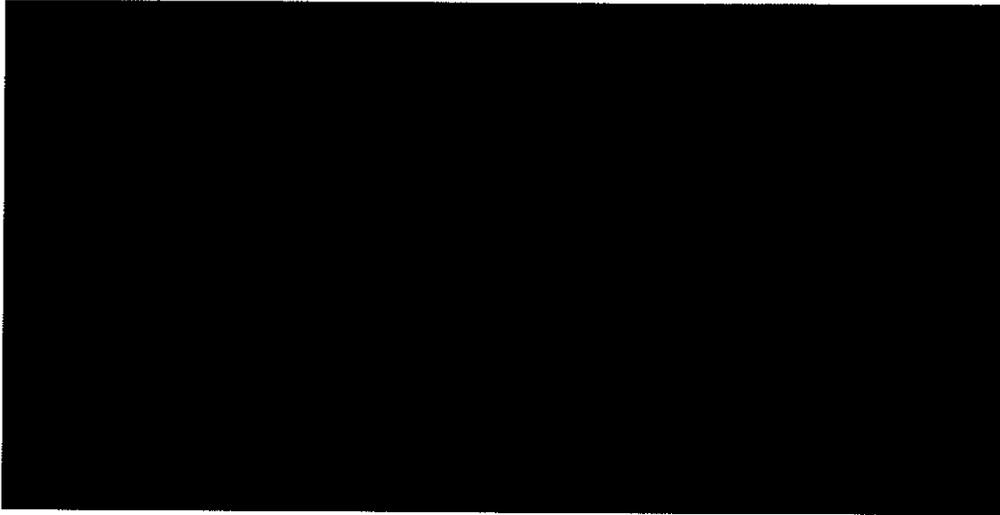
Chairman

ATTEST:

Executive Director

## Rural Dawes County - Fixed FTTH

Year 1 - Cash Source Breakdown:



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

**GENERAL AFFIDAVIT**

STATE OF Nebraska

COUNTY OF Box Butte

PERSONALLY came and appeared before me, the undersigned Notary, **Tonya I. Mayer, General Manager of Mobius Communications Company** who makes this her statement and General Affidavit upon oath and affirmation of belief and personal knowledge that the application for NEBP Support set forth are true and correct to the best of her knowledge:

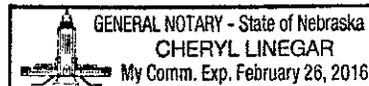
DATED this the 13 day of November, 2014

Tonya Mayer  
Signature of Affiant

SWORN to subscribed before me, this 13<sup>th</sup> day November, 2014

Cheryl Linegar  
NOTARY PUBLIC

My Commission Expires:  
2-26-16



Attachment:  
Question #4

