

NUSF - 99.19

Steve Meradith
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October 4th, 2018

Mr. Michael Hybl
Executive Director
Nebraska Public Service Commission
300 The Atrium, 1200 "N" Street
Lincoln, NE 68508C

RE: In the Matter of the Nebraska Public Service Commission, on its own Motion to administer the Universal Service Fund High-Cost Program: Windstream Nebraska, Inc. Broadband Grant Requests

Dear Mr. Hybl:

Windstream Nebraska, Inc. hereby submits the attached application for broadband funding from the Nebraska Universal Service Fund (NUSF) for a Hansen Fixed Wireless project. An electronic version of this filing has also been submitted to the NUSF Staff.

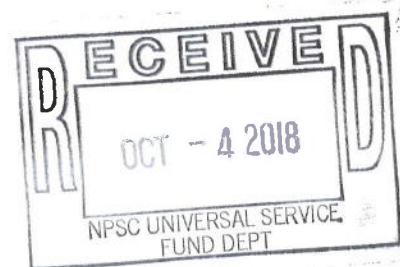
If you have any questions or require any additional information, please let me know.

Sincerely,

A handwritten signature in blue ink that reads "Steve Meradith".

Steve Meradith
Regional Vice President – State Government Affairs
Windstream Communications
1440 "M" Street
Lincoln, NE 68508

Enclosures



WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – HANSEN EXCHANGE

Checklist Item No. 1:

A description of the proposed broadband project including download/upload speed capabilities which can be provided and a description of the proposed network infrastructure to be deployed. Minimum speed standards should be 4 mbps download and 1 mbps upload.

Windstream's Response:

Windstream submits the following project for the Commission's consideration of NUSF-99 broadband funding, to be constructed upon funding approval, using funding available from the 2016 funding allocation.

- Fixed Wireless to serve the Northern and Western side of the Hansen, NE ILEC Exchanges (Partial funding requested)

The Central Office for this exchange is currently connected with interoffice fiber facilities. Customers within reach of the office are qualified for 4Mbps down / 1Mbps upload broadband or better (up to 100Mbps), depending on the copper loop length from the equipment. This project intends to address those customers in the Western area of the exchange that have exceptionally long loop lengths, and therefore are not broadband qualified, by providing a Fixed Wireless solution.

- The project will place 3 sites, one at the Central Office and 2 other remote Base Stations approximately 4 miles Northwest of the Central Office and another approximately 10.5 miles West of the Central Office.
- The remote Base Stations will provide the broadband connection to the customers, and have wireless backhaul to the Central Office location.

These network upgrades will enable a network capable of minimum speeds of 10Mbps download and 1Mbps upload for all impacted customers, and depending upon the distance from the remote Base Station, much faster speeds (up to 100Mbps) will be available.

Windstream projects the total deployment costs for this project is \$228,166 and Windstream is requesting Nebraska Universal Service Funding of \$217,862, the difference between the total project costs and the requested funding is because Windstream is not seeking funding for the areas funded by the FCC's Connect America Fund Phase 2 program. Windstream is requesting that the funding for this project be applied against the remaining 2016 funds allotted to Windstream.

Checklist Item No. 2:

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 number of service area, by project.

Windstream's Response:

See Attached Checklist Item #2.

Checklist Item No. 3:

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

Windstream's Response:

See Attached Checklist Item #3

Checklist Item No. 4:

An estimated schedule for broadband deployment.

Windstream Response:

Upon approval of the application, the deployment schedule will be as indicated in the Attached Checklist Item #4 with the caveat that given the time of year, construction may be delayed due to weather conditions.

Checklist Item No. 5:

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.

Windstream Response:

Please see Attached Checklist Item #5 which also includes the depreciation schedule showing the life of investment for the major plant categories associated with these projects.

Checklist Item No. 6:

Proposed retail pricing, including both monthly recurring costs and nonrecurring costs for the new broadband service(s) to be offered. At a minimum the pricing should reflect the stand alone price for the speeds to be offered to the customer.

Windstream Response:

Attached Checklist Item #6 provides a listing of the retail pricing for the broadband services Windstream will be offering in the proposed service areas. This price list is consistent with Windstream pricing for similar services in other Nebraska exchanges.

Checklist Item No. 7:

The company's commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years.

Windstream Response:

If approved for funding, Windstream commits to offer broadband service to all households within the service area of the project for a minimum of five (5) years.

Checklist Item No. 8:

An affidavit from the company attesting 1) (a) that the area of the proposed project is a CAF II eligible area and have not refused CAF II funding, or (b) that the area of the proposed project is ineligible for CAF II funding. 2) That the company has done its due diligence to verify that comparable broadband does not already exist in the area of the proposed project. 3) The truth and accuracy of all information included in the project filing.

Windstream Response:

The Affidavit of Brad A. Brannon is provided in Attached Checklist Item #8.

CHECK LIST #2 CENSUS BLOCKS

Criteria for Determining NUSF Eligibility for Census Blocks in Priority Order for Projects Using Fixed Wireless Technology:

- 1) If Census Block is CAF 2 - Not Eligible
- 2) If Census Block has Wireline Competitor with at least 10/1 broadband - Not Eligible
- 3) If Census Block Wireline Competitor is a Neighboring ILEC Sharing Service in the Census Block - Eligible
- 4) If Census Block has a Fixed Wireless Competitor with at least 10/1 Broadband but Does Not Provide Voice - Eligible
- 5) If Census Block has a Fixed Wireless Competitor with at least 10/1 and Does Provide Voice but gets federal or state USF - Eligible
- 6) If proposal is for a wireline solution, then Fixed Wireless census blocks are counted - Eligible

Census Blocks	CAF 2 and Form 477 Status	Is Wireline Competitor a Neighboring ILEC? *	Does Fixed Wireless Competitor Qualify as a Competitor for this Project? See Table Below **	NUSF Eligibility	Summary	# Census Blocks	%
310019654001023	CAF2			CAF2	CAF2	14	4.5%
310019654001040	CAF2			CAF2	NE BB Eligible	296	95.5%
310019654001060	CAF2			CAF2	Competition - FW	0	0.0%
310019654001073	CAF2			CAF2	Competition - Other	0	0.0%
310019654002000	CAF2			CAF2	Total	310	100.0%
310019654002015	CAF2			CAF2			
310019654002045	CAF2			CAF2	Eligible for Funding	296	95.5%
310790013001325	CAF2			CAF2			
310790013001342	CAF2			CAF2			
310790013002304	CAF2			CAF2			
310790013002337	CAF2			CAF2			
310790013002359	CAF2			CAF2			
310790014002301	CAF2			CAF2			
310790014002396	CAF2			CAF2			
310019654001002	Competition - FW		N	NE BB Eligible			
310019654001003	Competition - FW		N	NE BB Eligible			
310019654001004	Competition - FW		N	NE BB Eligible			
310019654001005	Competition - FW		N	NE BB Eligible			
310019654001006	Competition - FW		N	NE BB Eligible			
310019654001007	Competition - FW		N	NE BB Eligible			
310019654001008	Competition - FW		N	NE BB Eligible			
310019654001009	Competition - FW		N	NE BB Eligible			
310019654001010	Competition - FW		N	NE BB Eligible			
310019654001011	Competition - FW		N	NE BB Eligible			
310019654001012	Competition - FW		N	NE BB Eligible			
310019654001013	Competition - FW		N	NE BB Eligible			
310019654001014	Competition - FW		N	NE BB Eligible			
310019654001015	Competition - FW		N	NE BB Eligible			
310019654001016	Competition - FW		N	NE BB Eligible			
310019654001017	Competition - FW		N	NE BB Eligible			
310019654001018	Competition - FW		N	NE BB Eligible			
310019654001019	Competition - FW		N	NE BB Eligible			
310019654001020	Competition - FW		N	NE BB Eligible			
310019654001021	Competition - FW		N	NE BB Eligible			
310019654001022	Competition - FW		N	NE BB Eligible			
310019654001024	Competition - FW		N	NE BB Eligible			
310019654001025	Competition - FW		N	NE BB Eligible			
310019654001026	Competition - FW		N	NE BB Eligible			
310019654001027	Competition - FW		N	NE BB Eligible			
310019654001028	Competition - FW		N	NE BB Eligible			
310019654001029	Competition - FW		N	NE BB Eligible			
310019654001030	Competition - FW		N	NE BB Eligible			
310019654001031	Competition - FW		N	NE BB Eligible			
310019654001032	Competition - FW		N	NE BB Eligible			
310019654001033	Competition - FW		N	NE BB Eligible			
310019654001034	Competition - FW		N	NE BB Eligible			
310019654001035	Competition - FW		N	NE BB Eligible			
310019654001036	Competition - FW		N	NE BB Eligible			
310019654001037	Competition - FW		N	NE BB Eligible			
310019654001038	Competition - FW		N	NE BB Eligible			
310019654001039	Competition - FW		N	NE BB Eligible			
310019654001041	Competition - FW		N	NE BB Eligible			
310019654001044	Competition - FW		N	NE BB Eligible			
310019654001045	Competition - FW		N	NE BB Eligible			
310019654001046	Competition - FW		N	NE BB Eligible			
310019654001047	Competition - FW		N	NE BB Eligible			
310019654001048	Competition - FW		N	NE BB Eligible			
310019654001051	Competition - FW		N	NE BB Eligible			
310019654001052	Competition - FW		N	NE BB Eligible			
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310019654001055	Competition - FW		N	NE BB Eligible			
310019654001056	Competition - FW		N	NE BB Eligible			
310019654001057	Competition - FW		N	NE BB Eligible			
310019654001059	Competition - FW		N	NE BB Eligible			
310019654001066	Competition - FW		N	NE BB Eligible			
310019654001075	Competition - FW		N	NE BB Eligible			
310019654001076	Competition - FW		N	NE BB Eligible			
310019654001077	Competition - FW		N	NE BB Eligible			
310019654001078	Competition - FW		N	NE BB Eligible			

Footnotes:

- * The neighboring ILEC for these census blocks is Hamilton Telephone Company
- ** There are seven Fixed Wireless providers per Form 477 data that provide broadband in these census blocks.
Below is a table explaining why each of these providers should not be considered a valid competitor for purposes of reviewing whether each of the above census blocks should be NE BB Eligible:

Name as Used on FCC Form 477	Do they Provide Voice Service?*	Speed equal to at least 10/1?	Is Provider Unsubsidized?***	NUSF Eligibility?
Hamilton.net Inc.	N	Y - 25/5	Y	NE BB Eligible
Edgar Rental Corp/ERC Communications	N	Y - 20/1	Y	NE BB Eligible
N.E. Colorado Cellular Inc.	N	Y - 15/5	N	NE BB Eligible
Glenwood Telecommunications Inc.	N	N - 6/3	Y	NE BB Eligible
Skybeam Acquisition Corporation	Y	Y - 60/31	N	NE BB Eligible
Precision Technology Inc. dba Connecting Point	N	N - 5/2	Y	NE BB Eligible
KDSC Inc.	N	N - 5/2	Y	NE BB Eligible

Footnotes for Table:

- *Windstream has contacted each of these providers' call centers and all but Skybeam said that voice services are NOT offered with their fixed wireless internet service.
- ** N.E. Colorado Cellular Inc. receives \$1,242,714 per quarter in Federal USF support for Nebraska per the 4th Quarter 2018 USAC Report
- ** Skybeam Acquisition Corporation receives \$65,440 per quarter in Federal USF support for Nebraska per the 4th Quarter 2018 USAC Report

Check List #3 Subscribers

Exchange	# Locations in Deployment Area
Hansen	260

Estimated Broadband Take Rate	50%
New Broadband Subscribers	130

50% Take Rate assumption is likely low since broadband is generally not available due to long loop lengths

Checklist Item #4 Estimated Schedule

Proposed Schedule:

Engineering design & approval	30 Calendar Days
Site Acquisition, permitting & material acquisition	90 to 120 Calendar Days
Equipment deployment, testing, and turn-up	30 Calendar Days

Notes:

If multiple sites are involved, work activities will be conducted concurrently, so that total time for the project is 150 to 180 days

Schedule is subject to seasonal limitations regarding when construction can commence or be completed.

Check List #5 Budget & Depreciation

Budget

Central Office site

Item	Labor	Material	Item Total	Quantity	Mat Total	Grand Total	Notes
Site Survey	\$1,000	\$0	\$1,000	2	\$0	\$2,000	
Desktop Planning	\$18	\$0	\$18	606	\$0	\$10,908	
Site Engineering	\$3,300	\$0	\$3,300	1	\$0	\$3,300	
PtP FCC License	\$1,250	\$0	\$1,250	1	\$0	\$1,250	FCC Coordination Point to Point (PtP) License Fee
110 ft wooden pole	\$0	\$24,000	\$24,000	1	\$24,000	\$24,000	To be placed at CO.
Base Station	\$4,433	\$5,513	\$9,946	4	\$22,054	\$39,784	5 GHz PtMP radio
PtP Radlo	\$7,125	\$8,825	\$15,950	1	\$8,825	\$15,950	Assuming 18 GHz radio - Link Budget Calculation pending
Site Work	\$2,250	\$2,500	\$4,750	1	\$2,500	\$4,750	Placeholder for fiber + electricity work + pole mounted cabinet
Cabinet/PoE Switch	\$0	\$7,500	\$7,500	1	\$7,500	\$7,500	Switch
Total					\$64,879	\$109,441	

Remote Sites

Item	Labor	Material	Item Total	Quantity	Mat Total	Grand Total	Notes
Site Survey	\$1,000	\$0	\$1,000	1	\$0	\$1,000	
Desktop Planning	\$18	\$0	\$18	248	\$0	\$4,464	
Site Engineering	\$3,300	\$0	\$3,300	1	\$0	\$3,300	
Site Acquisition	\$10,183	\$0	\$10,183	1	\$0	\$10,183	
Power Make Ready	\$7,995	\$0	\$7,995	1	\$0	\$7,995	
110' AGL Wood Pole	\$0	\$23,800	\$23,800	1	\$23,800	\$23,800	
Base Station	\$4,433	\$5,513	\$9,946	4	\$22,054	\$39,784	5 GHz PtMP radio
PtP Radio	\$7,125	\$8,825	\$15,950	1	\$8,825	\$15,950	Assuming 18 GHz radio - Link Budget Calculation pending
Site Work	\$2,250	\$2,500	\$4,750	1	\$2,500	\$4,750	Placeholder for fiber + electricity work + pole mounted cabinet
Cabinet/PoE Switch	\$0	\$7,500	\$7,500	1	\$7,500	\$7,500	Pole-mounted
Total					\$64,679	\$118,725	

Grand Total **\$129,557** **\$228,166**

Excluded

ROW		2				\$0
IDC	\$129,557	5.00%				\$6,478
Tax	\$129,557	5.00%				\$6,478

Total Project Costs **\$228,166**
% of Eligible Census Blocks from Checklist #2 **95.5%**
Requested Funding Amount **\$217,862**

Depreciation Lives

	Life In Years
Fixed Wireless Assets	45
Poles	33

Check List #6 Pricing

Price for Internet Only (HSI Simple or Solo Internet)				
Speed		Standard Price	Current Promo	Net Price
Up to 25Mb		\$45	\$10 off for 12 months	\$35
50Mb		\$45	\$10 off for 12 months	\$35
100Mb		\$45	\$10 off for 12 months	\$35
1 Gbps		\$75	\$20 off for 12 months	\$55

Price for Internet + Bundle Phone Adder				
Speed		Standard Price	Current Promo	Net Price
Up to 25Mb		\$65	\$10 off for 12 months	\$55
50Mb		\$65	\$10 off for 12 months	\$55
100Mb		\$65	\$10 off for 12 months	\$55
1 Gbps		\$95	\$20 off for 12 months	\$75

\$50 Activation Fee and Free Professional Installation

AFFIDAVIT OF BRAD BRANNON

I, Brad Brannon, being first duly sworn upon oath, state as follows:

1. I am currently employed by Windstream as the Vice President Consumer & Small Business - Business Intelligence. In that capacity, I am personally familiar with the company's network structure in Nebraska.
2. I have reviewed the foregoing project filing and certify that (a) the areas of the proposed project are CAF II eligible areas and have not refused CAF II funding, or the areas of the proposed project are ineligible for CAF II funding; (b) Windstream has done its due diligence to verify that comparable broadband does not already exist in the areas of the proposed project that we are requesting funding; and (c) all information included in the project filing is true and accurate to the best of my knowledge and belief.



 Brad Brannon

ACKNOWLEDGMENT

STATE OF ARKANSAS)

:SS



COUNTY OF ~~PULASKI~~ Lonoke

Subscribed, sworn to and acknowledged before me on this 1st day of October, 2018
by Brad Brannon



 Notary Public

My Commission Expires:
09-15-2024