

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – Octavia EXCHANGE 1F

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 2017 funding allocation.

- Fiber fed DSLAMs to serve a portion of the Northwestern area of the Octavia, NE ILEC Exchange (Partial funding requested)

This area of the Octavia Exchange is not currently offered broadband service above 4Mbps. This project intends to address these customers by placing a fiber fed DSLAM within an appropriate distance to provide a minimum of 10Mbps up to 100Mbps download speeds.

- The project will place a DSLAM site at a remote location approximately 2.7 miles northwest of the Central Office, along with fiber cable placed from the nearest available existing fiber splice.
- The remote DSLAM will provide the broadband connection to the customers, and have fiber backhaul to the Central Office location.

Windstream projects the total deployment costs for this project is \$101,944 and Windstream is requesting Nebraska Universal Service Funding of \$92,949, not including ROW and IDC. 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 or Windstream currently offers broadband of at least 10Mbps. Windstream is requesting that the funding for this project be applied against the remaining 2017 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:

Windstream stands ready to begin project work immediately upon approval of the application, the deployment schedule will be as indicated in the Attached Checklist Item #4.

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:

Due to the challenges of working remotely in response to the Covid-19 virus, Windstream will provide the affidavit upon request at a future date.

CHECK LIST #2 CENSUS BLOCKS - Octavia 1F

Criteria for Determining NUSF Eligibility for Census Blocks in Priority Order for Projects Using DSLAM 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 that receives federal 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 Competitor? *	NUSF Eligibility	Summary	# Census Blocks	%
310239676001276	Competition - FW	N	N	NE BB Eligible	CAF2	-	0%
310239676001277	WIN Only	N	N	WIN Only	NE BB Eligible	31	91%
310239676001147	Competition - FW	N	N	NE BB Eligible	Competition - FW	-	0%
310239676001149	Competition - FW	N	N	NE BB Eligible	Competition - Other	-	0%
310239676001184	Competition - FW	N	N	NE BB Eligible	WIN Only	3	9%
310239676001189	Competition - FW	N	N	NE BB Eligible	Total	34	100%
310239676001496	Competition - FW	N	N	NE BB Eligible			
310239676001173	Competition - FW	N	N	NE BB Eligible	Eligible for Funding	31	91%
310239676001183	Competition - FW	N	N	NE BB Eligible			
310239676001275	Competition - FW	N	N	NE BB Eligible			
310239676001177	Competition - FW	N	N	NE BB Eligible			
310239676001170	Competition - FW	N	N	NE BB Eligible			
310239676001171	Competition - FW	N	N	NE BB Eligible			
310239676001179	Competition - FW	N	N	NE BB Eligible			
310239676001185	Competition - FW	N	N	NE BB Eligible			
310239676001174	Competition - FW	N	N	NE BB Eligible			
310239676001150	Competition - FW	N	N	NE BB Eligible			
310239676001175	Competition - FW	N	N	NE BB Eligible			
310239676001156	Competition - FW	N	N	NE BB Eligible			
310239676001176	Competition - FW	N	N	NE BB Eligible			
310239676001155	Competition - FW	N	N	NE BB Eligible			
310239676001187	WIN Only	N	N	WIN Only			
310239676001151	Competition - FW	N	N	NE BB Eligible			
310239676001178	Competition - FW	N	N	NE BB Eligible			
310239676001495	Competition - FW	N	N	NE BB Eligible			
310239676001145	Competition - FW	N	N	NE BB Eligible			
310239676001274	WIN Only	N	N	WIN Only			
310239676001154	Competition - FW	N	N	NE BB Eligible			
310239676001186	Competition - FW	N	N	NE BB Eligible			
310239676001153	Competition - FW	N	N	NE BB Eligible			
310239676001144	Competition - FW	N	N	NE BB Eligible			
310239676001148	Competition - FW	N	N	NE BB Eligible			
310239676001152	Competition - FW	N	N	NE BB Eligible			
310379648002116	Competition - FW	N	N	NE BB Eligible			

Footnote:

* All of the fixed wireless providers that reflect service in these census blocks per the FCC Form 477 data do not qualify as a competitor for NUSF eligibility purposes.

Check List #3 Subscribers - Octavia 1F

Exchange	# Locations in Deployment Area
Octavia	22

Estimated Broadband Take Rate 50%
New Broadband Subscribers 11

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

Checklist Item #4 Estimated Schedule - Octavia 1F

Proposed Schedule: Total time for project is 120 to 150 days:

	<u>DSLAM Site</u>
Engineering design & approval	30 Calendar Days
Permitting & material acquisition	30 Calendar Days
Equipment deployment, testing, and turn-up	60 to 90 Calendar Days

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

Check List #5 Budget & Depreciation - Octavia 1F

Budget

Fiber Build

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Fiber Buildout	\$61,035	\$26,158	\$87,193	1	\$26,158	\$87,193	Placement of 13,320 ft of fiber cable
Site Work	\$4,000	\$1,000	\$5,000	1	\$1,000	\$5,000	
Total	\$65,035	\$27,158			\$27,158	\$92,193	

Remote Site

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Remote Equipment	\$2,500	\$5,000	\$7,500	1	\$5,000	\$7,500	2-TA1148VXPs AC powered
Total	\$2,500	\$5,000			\$5,000	\$7,500	

Grand Total **\$67,535** **\$32,158** **\$32,158** **\$99,693**

Excluded Costs

ROW	\$0	0				\$0	
IDC	\$32,158	5.0%				\$1,608	

Tax \$32,158 7.0% \$2,251

Total Project Costs **\$101,944**

% of Eligible Census Blocks from Checklist #2 91%

Requested Funding Amount **\$92,949**

Depreciation Lives

Life in Years

Digital Circuit - ADSL	8
Poles	25
Buried Cable - Fiberoptic	25

Check List #6 Pricing - Octavia 1F

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