

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – Octavia EXCHANGE 1G

**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 Northern area of the Octavia, NE ILEC Exchange (full 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 3 miles north 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 \$137,295 and Windstream is requesting Nebraska Universal Service Funding of the full amount, not including ROW and IDC. 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 1G

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	%
310239676001162	Competition - FW	N	N	NE BB Eligible	CAF2	-	0%
310239676001166	Competition - FW	N	N	NE BB Eligible	NE BB Eligible	37	100%
310239676001193	Competition - FW	N	N	NE BB Eligible	Competition - FW	-	0%
310239676001192	Competition - FW	N	N	NE BB Eligible	Competition - Other	-	0%
310239676001118	Competition - FW	N	N	NE BB Eligible	WIN Only	-	0%
310239676001139	Competition - FW	N	N	NE BB Eligible	Total	37	100%
310239676001142	Competition - FW	N	N	NE BB Eligible			
310239676001170	Competition - FW	N	N	NE BB Eligible	Eligible for Funding	37	100%
310239676001161	Competition - FW	N	N	NE BB Eligible			
310239676001140	Competition - FW	N	N	NE BB Eligible			
310239676001136	Competition - FW	N	N	NE BB Eligible			
310239676001164	Competition - FW	N	N	NE BB Eligible			
310239676001168	Competition - FW	N	N	NE BB Eligible			
310239676001159	Competition - FW	N	N	NE BB Eligible			
310239676001167	Competition - FW	N	N	NE BB Eligible			
310239676001191	Competition - FW	N	N	NE BB Eligible			
310239676001138	Competition - FW	N	N	NE BB Eligible			
310239676001156	Competition - FW	N	N	NE BB Eligible			
310239676001146	Competition - FW	N	N	NE BB Eligible			
310239676001160	Competition - FW	N	N	NE BB Eligible			
310239676001165	Competition - FW	N	N	NE BB Eligible			
310239676001158	Competition - FW	N	N	NE BB Eligible			
310239676001169	Competition - FW	N	N	NE BB Eligible			
310239676001157	Competition - FW	N	N	NE BB Eligible			
310239676001163	Competition - FW	N	N	NE BB Eligible			
310239676001143	Competition - FW	N	N	NE BB Eligible			
310239676001141	Competition - FW	N	N	NE BB Eligible			
310239676001119	Competition - FW	N	N	NE BB Eligible			
310239676001120	Competition - FW	N	N	NE BB Eligible			
310239676001137	Competition - FW	N	N	NE BB Eligible			
310239676001144	Competition - FW	N	N	NE BB Eligible			
310239676001135	Competition - FW	N	N	NE BB Eligible			
310379648001115	Competition - FW	N	N	NE BB Eligible			
310379648002108	Competition - FW	N	N	NE BB Eligible			
310379648002111	Competition - FW	N	N	NE BB Eligible			
310379648001114	Competition - FW	N	N	NE BB Eligible			
310379648001110	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 1G

Exchange	# Locations in Deployment Area
Octavia	41

Estimated Broadband Take Rate                      50%  
New Broadband Subscribers                              21

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

#### Checklist Item #4 Estimated Schedule – Octavia 1G

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 1G

**Budget**

**Fiber Build**

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Fiber Buildout	\$79,890	\$34,238	\$114,128	1	\$34,238	\$114,128	Placement of 17,390 ft of fiber cable
Site Work	\$4,000	\$1,000	\$5,000	1	\$1,000	\$5,000	
<b>Total</b>	<b>\$83,890</b>	<b>\$35,238</b>			<b>\$35,238</b>	<b>\$119,128</b>	

**Remote Site**

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Remote Equipment	\$2,500	\$5,000	\$7,500	2	\$10,000	\$15,000	2-TA1148VXPs AC powered
<b>Total</b>	<b>\$2,500</b>	<b>\$5,000</b>			<b>\$10,000</b>	<b>\$15,000</b>	

**Grand Total**                      **\$86,390**    **\$40,238**                      **\$45,238**    **\$134,128**

**Excluded Costs**

ROW	\$0	0				\$0	
IDC	\$45,238	5.0%				\$2,262	
Tax	\$45,238	7.0%				\$3,167	
<b>Total Project Costs</b>						<b>\$137,295</b>	
<b>% of Eligible Census Blocks from Checklist #2</b>						<b>100%</b>	
<b>Requested Funding Amount</b>						<b>\$137,295</b>	

**Depreciation Lives**

	Life in Years
Digital Circuit - ADSL	8
Poles	25
Buried Cable - Fiberoptic	25

**Check List #6 Pricing - Octavia 1G**

<b>Price for Internet Only (HSI Simple or Solo Internet)</b>				
<b>Speed</b>		<b>Standard Price</b>	<b>Current Promo</b>	<b>Net Price</b>
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

<b>Price for Internet + Bundle Phone Adder</b>				
<b>Speed</b>		<b>Standard Price</b>	<b>Current Promo</b>	<b>Net Price</b>
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