

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – YUTAN EXCHANGE 6F

**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 2018 funding allocation.

- Fiber fed DSLAM to serve a portion of the Eastern area of the Yutan, NE ILEC Exchange (partial funding requested)

Customers in this area of the Yutan Exchange are not currently offered broadband service above 10Mbps, and most are limited to less than 4Mbps. This project intends to address these customers by placing a fiber fed DSLAM within an appropriate distance to provide a minimum of 25Mbps up to 100Mbps download speeds.

- The project will place a DSLAM site at a remote location approximately 1.3 miles east 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 \$22,812 and Windstream is requesting Nebraska Universal Service Funding of \$19,002, 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, areas where Windstream already provides broadband service up to 10Mbps download speeds, or areas where a terrestrial competitor already provides broadband service up to 10Mbps download speeds. Windstream is requesting that the funding for this project be applied against the remaining 2018 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 - YUTAN EXCHANGE 6F**

**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 |
|-----------------|---------------------------|--|---|------------------|
| 310550075081048 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003011 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003106 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003097 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003008 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003009 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003002 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003102 | WIN Only                  | N  | N   | WIN Only         |
| 311559684003086 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003003 | WIN Only                  | N  | N   | WIN Only         |
| 311559684003098 | Competition - FW          | N  | N   | NE BB Eligible   |
| 311559684003104 | Competition - FW          | N  | N   | NE BB Eligible   |

| Summary                    | # Census Blocks | %      |
|----------------------------|-----------------|--------|
| <b>CAF2</b>                | 0               | 0.0%   |
| <b>NE BB Eligible</b>      | 10              | 83.3%  |
| <b>Competition - FW</b>    | 0               | 0.0%   |
| <b>Competition - Other</b> | 0               | 0.0%   |
| <b>WIN Only</b>            | 2               | 16.7%  |
| Total                      | 12              | 100.0% |
| Eligible for Funding       | 10              | 83.3%  |

**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. The fixed wireless providers either do not provide voice service, do not provide broadband speeds greater than or equal to 10/1 or receive Federal USF support.

Check List #3 Subscribers - YUTAN EXCHANGE 6F

| Exchange | # Locations in Deployment Area |
|----------|--------------------------------|
| Yutan    | 97                             |

Estimated Broadband Take Rate                      50%  
New Broadband Subscribers                              49

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

#### Checklist Item #4 Estimated Schedule – YUTAN EXCHANGE 6F

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 - YUTAN EXCHANGE 6F

**Budget**

**Fiber Build**

| Item           | Labor          | Material       | Item Total | Quantity | Mat Total      | Total          | Notes                              |
|----------------|----------------|----------------|------------|----------|----------------|----------------|------------------------------------|
| Fiber Buildout | \$1,400        | \$600          | \$2,000    | 1        | \$600          | \$2,000        | Placement of 200 ft of fiber cable |
| Site Work      | \$4,000        | \$1,000        | \$5,000    | 1        | \$1,000        | \$5,000        |                                    |
| <b>Total</b>   | <b>\$5,400</b> | <b>\$1,600</b> |            |          | <b>\$1,600</b> | <b>\$7,000</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        | 3-TA1148VXPs AC powered |
| <b>Total</b>     | <b>\$2,500</b> | <b>\$5,000</b> |            |          | <b>\$10,000</b> | <b>\$15,000</b> |                         |

Tax \$11,600 7.0% \$812

**Grand Total** \$7,900 \$6,600 \$11,600 \$22,812

**Excluded Costs**

|     |          |      |  |  |  |       |  |
|-----|----------|------|--|--|--|-------|--|
| ROW | \$0      | 0    |  |  |  | \$0   |  |
| IDC | \$11,600 | 5.0% |  |  |  | \$580 |  |

**Total Project Costs** \$22,812

**% of Eligible Census Blocks from Checklist #2** 83%

**Requested Funding Amount** \$19,002

**Depreciation Lives**

**Life in Years**

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

**Check List #6 Pricing - YUTAN EXCHANGE 6F**

| <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   |  | \$60                  | \$5 off for 12 months | \$55             |
| 50Mb   |  | \$70                  | \$5 off for 12 months | \$65             |
| 100Mb  |  | \$70                  | \$5 off for 12 months | \$65             |

| <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                                     |  | \$80                  | \$5 off for 12 months | \$75             |
| 50Mb   |  | \$90                  | \$5 off for 12 months | \$85             |
| 100Mb  |  | \$90                  | \$5 off for 12 months | \$85             |

\$50 Activation Fee and Free Professional Installation