

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – Juniata Exchange NE

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-to-the Prem to serve a portion of the Northeastern area of the Juniata, NE ILEC Exchange (partial funding requested)

This area of the Juniata Exchange is not currently offered broadband service above 4Mbps. This project intends to address these customers by placing fiber-to-the-prem to provide download and upload speeds of up to 1Gbps.

- The project will place approximately 3.5 miles of fiber to enable symmetrical FttP services.
- The installation and use of optical equipment within the central office to provide direct service to individual residences and businesses

Windstream projects the total deployment costs for this project is \$260,103 and Windstream is requesting Nebraska Universal Service Funding of \$70,937, 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 - Juniata Exchange NE

Criteria for Determining NUSF Eligibility for Census Blocks in Priority Order for Projects Using Fiber 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	%
310019654003010	Competition - Other	N	N	Competition - Other	CAF2	0	0.0%
310019654003009	Competition - Other	N	N	Competition - Other	NE BB Eligible	3	27.3%
310019654003007	Competition - Other	N	N	Competition - Other	Competition - FW	0	0.0%
310019654003021	Competition - Other	N	N	Competition - Other	Competition - Other	8	72.7%
310019654003006	Competition - FW	N	N	NE BB Eligible	WIN Only	0	0.0%
310019654003024	Competition - Other	N	N	Competition - Other	Total	11	100.0%
310019654003022	Competition - Other	N	N	Competition - Other			
310019654003028	Competition - Other	N	N	Competition - Other	Eligible for Funding	3	27.3%
310019654003008	Competition - FW	N	N	NE BB Eligible			
310019654003005	Competition - FW	N	N	NE BB Eligible			
310019654003023	Competition - Other	N	N	Competition - Other			

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 - Juniata Exchange NE

Exchange	# Locations in Deployment Area
Juniata	48

Estimated Broadband Take Rate 50%
New Broadband Subscribers 24

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

Checklist Item #4 Estimated Schedule – JUNIATA EXCHANGE NE

Proposed Schedule: Total time for project is 180 to 230 days:

	<u>Fiber Build</u>
Engineering design & approval	60 Calendar Days
Permitting & material acquisition	30 Calendar Days
Equipment deployment, testing, and turn-up	90 to 150 Calendar Days

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

Check List #5 Budget & Depreciation - JUNIATA EXCHANGE NE

Budget

Fiber Build

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
Fiber Buildout	\$154,635	\$83,265	\$237,900	1	\$83,265	\$237,900	Placement of approximately 18,480 ft of fiber cable
Total	\$154,635	\$83,265			\$83,265	\$237,900	

Central Office

Item	Labor	Material	Item Total	Quantity	Mat Total	Total	Notes
CO Equipment	\$4,683	\$10,927	\$15,610	1	\$10,927	\$15,610	
Total	\$4,683	\$10,927			\$10,927	\$15,610	

Grand Total **\$159,318** **\$94,192** **\$94,192** **\$253,510**

Excluded Costs

ROW \$0 0 \$0
 IDC \$94,192 5.0% \$4,710

Tax \$94,192 7.0% \$6,593

Total Project Costs **\$260,103**

% of Eligible Census Blocks from Checklist #2 **27%**

Requested Funding Amount **\$70,937**

Depreciation Lives

Life in Years

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

Check List #6 Pricing - Juniata Exchange NE

Tier 1

Price for Internet Only (HSI Simple or Solo Internet)				
Speed		Standard Price	Current Promo	Net Price
Up to 25Mb		\$45	\$8 off for 12 months	\$ 37
50Mb		\$45	\$8 off for 12 months	\$ 37
100Mb		\$45	\$8 off for 12 months	\$ 37
200Mb		\$45	\$8 off for 12 months	\$ 37
300Mb		\$55	\$8 off for 12 months	\$ 47
400Mb		\$55	\$8 off for 12 months	\$ 47
500Mb		\$65	\$8 off for 12 months	\$ 57
1Gb		\$75	\$8 off for 12 months	\$ 67

Price for Internet + Bundle Phone Adder				
Speed		Standard Price	Current Promo	Net Price
Up to 25Mb		\$65	\$8 off for 12 months	\$ 57
50Mb		\$65	\$8 off for 12 months	\$ 57
100Mb		\$65	\$8 off for 12 months	\$ 57
200Mb		\$65	\$8 off for 12 months	\$ 57
300Mb		\$75	\$8 off for 12 months	\$ 67