

WINSTREAM NEBRASKA, INC.

NUSF-99 PRICE CAP APPLICATION – North Palmyra EXCHANGE – RL03

**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.

- Fixed Wireless to serve the Northern area of the Palmyra, NE ILEC Exchange (Partial funding requested)

The Central Office for Palmyra is currently connected with interoffice fiber facilities. Customers within reach of the office are qualified for 4Mbps down / 1Mbps upload broadband or better, depending on the copper loop length from the equipment. This project intends to address those customers in the Northern 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 one remote Base Station located approximately 3.5 miles north of the Central Office.
- The Palmyra remote Base Station will provide the broadband connection to the customers and have fiber backhaul to the Palmyra Central Office.

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, the majority of customers will have speeds of 25Mbps and up to 100Mbps available.

Windstream projects the total deployment costs for this project is \$128,016, and Windstream is requesting Nebraska Universal Service Funding of \$48,238, 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 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:

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 shows the proposed budget and the depreciation schedule showing the life of investment for the major plant categories associated with this project.

**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 Brannon is provided in Attached Checklist Item #8.

CHECK LIST #2 CENSUS BLOCKS - NORTH PALMYRA - RL03

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 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 | %    |
|-----------------|---------------------------|--|---|------------------|----------------------|-----------------|------|
| 310259659004094 | CAF                       | NA   | N   | CAF2             | CAF2                 | 38              | 55%  |
| 310259659004096 | CAF                       | NA   | N   | CAF2             | CAF2                 | 26              | 38%  |
| 310259659004117 | CAF                       | NA   | N   | CAF2             | CAF2                 |                 | 0%   |
| 310259659004118 | CAF                       | NA   | N   | CAF2             | CAF2                 |                 | 0%   |
| 310259659004120 | CAF                       | NA   | N   | CAF2             | WIN Only             | 5               | 7%   |
| 310259659004121 | CAF                       | NA   | N   | CAF2             | Total                | 69              | 100% |
| 310259659004122 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 310259659004123 | CAF                       | NA   | N   | CAF2             | Eligible for Funding | 26              | 38%  |
| 310259659004124 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002008 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002009 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002010 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002012 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002013 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002014 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002015 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002017 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002018 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002020 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002021 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002025 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002027 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002029 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002032 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002035 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002038 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002039 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002041 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002043 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002079 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002086 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002087 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002088 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002097 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002099 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002100 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002101 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002134 | CAF                       | NA   | N   | CAF2             |                      |                 |      |
| 311319668002011 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002016 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002022 | WIN Only                  | No Wireline Competitor                     | N   | WIN Only         |                      |                 |      |
| 311319668002023 | WIN Only                  | No Wireline Competitor                     | N   | WIN Only         |                      |                 |      |
| 311319668002024 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002026 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002028 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002030 | WIN Only                  | No Wireline Competitor                     | N   | WIN Only         |                      |                 |      |
| 311319668002031 | WIN Only                  | No Wireline Competitor                     | N   | WIN Only         |                      |                 |      |
| 311319668002033 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002034 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002036 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002037 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002040 | WIN Only                  | No Wireline Competitor                     | N   | WIN Only         |                      |                 |      |
| 311319668002042 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002069 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002074 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002075 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002076 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002077 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002078 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002080 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002081 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002082 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002083 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002084 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002085 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002098 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002102 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002103 | Competition - FW          | No Wireline Competitor                     | N   | NE BB Eligible   |                      |                 |      |
| 311319668002104 | Competition - FW          | No Wireline Competitor                     | 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. 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 - North Palmyra - RL03

| Exchange | # Locations in Deployment Area |
|----------|--------------------------------|
| Palmyra  | 70                             |

Estimated Broadband Take Rate                      50%  
New Broadband Subscribers                              35

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

**Checklist Item #4 Estimated Schedule – North Palmyra – RL03**

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 - North Palmyra - RL03**

**Budget**

**Remote Sites**

| Item               | Labor    | Material | Item Total | Quantity | Mat Total       | Grand Total      | Notes   |
|--------------------|----------|----------|------------|----------|-----------------|------------------|---|
| Site Survey        | \$1,065  | \$0      | \$1,065    | 1        | \$0             | \$1,065          |   |
| Fiber Buildout     | \$1,050  | \$450    | \$1,500    | 1        | \$450           | \$1,500          | Placement of 150 ft of fiber cable                              |
| Desktop Planning   | \$18     | \$0      | \$18       | 91       | \$0             | \$1,638          |   |
| Site Engineering   | \$3,600  | \$0      | \$3,600    | 1        | \$0             | \$3,600          |   |
| 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      | \$27,354 | \$27,354   | 1        | \$27,354        | \$27,354         |   |
| Base Station       | \$4,433  | \$5,513  | \$9,946    | 4        | \$22,054        | \$39,784         | 5 GHz PtMP radio  |
| PtP Radio          | \$0      | \$0      | \$0        | 0        | \$0             | \$0              |   |
| Site Work          | \$5,000  | \$12,600 | \$17,600   | 1        | \$12,600        | \$17,600         | Placeholder for fiber + electricity work + pole mounted cabinet |
| Cabinet/PoE Switch | \$0      | \$13,500 | \$13,500   | 1        | \$13,500        | \$13,500         | Pole-mounted  |
| <b>Total</b>       |          |          |            |          | <b>\$75,958</b> | <b>\$124,218</b> |   |

Tax \$75,958 5.00% \$3,798

**Grand Total \$75,958 \$128,016**

**Excluded**

ROW 2 \$0  
 IDC \$75,958 5.00% \$3,798

**Total Project Costs \$128,016**

**% of Eligible Census Blocks from Checklist #2 37.7%**

**Requested Funding Amount \$48,238**

**Depreciation Lives**

**Life in Years**

Fixed Wireless Assets 45  
 Poles 33

**Check List #6 Pricing - North Palmyra - RL03**

**Price for Internet Only (HSI Simple or Solo Internet)**

| Speed      | Standard Price | Current Promo         | Net Price |
|------------|----------------|-----------------------|-----------|
| Up to 25Mb | \$45           | \$9 off for 12 months | \$36      |
| 50Mb       | \$45           | \$9 off for 12 months | \$36      |
| 100Mb      | \$45           | \$9 off for 12 months | \$36      |

**Price for Internet + Bundle Phone Adder**

| Speed      | Standard Price | Current Promo         | Net Price |
|------------|----------------|-----------------------|-----------|
| Up to 25Mb | \$65           | \$9 off for 12 months | \$56      |
| 50Mb       | \$65           | \$9 off for 12 months | \$56      |
| 100Mb      | \$65           | \$9 off for 12 months | \$56      |

\$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

Subscribed, sworn to and acknowledged before me on this 22 day of Nov, 2018<sup>9</sup>  
by Brad Brannon

  
\_\_\_\_\_  
Notary Public

My Commission Expires  
  
FELICIA DAVIS  
MY COMMISSION # 12690156  
EXPIRES: June 24, 2025  
Pulaski County