PSC REF#:432623

Public Service Commission of Wisconsin
RECEIVED: 03/16/2022 8:21:13 AM

BROADBAND EXPANSION GRANT APPLICATION
For Fiscal Year 2022

Primary Applicant (Name and Address):	Applications MUST be UPLOADED to ERF via the Commission's website, http://psc.wi.gov/apps35/ERF_upload/content/mymenu.aspx. Refer to section 2.3 for detailed instructions. Applications are due and MUST be uploaded to ERF no later than: **March 17, 2022** at 4:00pm (16:00) Central Time. **Late applications will not be accepted.**
Vernon Communications Cooperative 103 N. Main St. P.O. Box 20 Westby, WI 54667	Contact for further information: PSCStatebroadbandoffice@wisconsin.gov
	Date: December 1, 2021

The Public Service Commission of Wisconsin is seeking applications for Broadband Expansion Grants. The Commission may award one or more grants during Fiscal Year 2022 to public and private entities that meet the eligibility requirements set forth in Wis. Stat. § 196.504. This grant round will be funded with bond proceeds authorized by the Wisconsin Building Commission pursuant to Wis. Stat. § 13.48(30). As such, successful applicants are subject to the requirements of Wis. Stat. § 13.48(30). Successful applicants will demonstrate a clear and achievable plan to improve broadband communications services in one or more underserved areas in the State.

Applicant Certification: In signing this application, the undersigned verifies under penalty of perjury that the Applicant and its employees and agents have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition with respect to this application; that no attempt has been made to induce any other person or firm to submit or not to submit an application; that this application has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this application has not been knowingly disclosed prior to the opening of applications to any other applicant or competitor; that all of the responses and representations of Applicant in this application are true and correct to the best of the undersigned's knowledge, information, and belief; and that Applicant agrees to, accepts, and will comply with all of the terms and conditions respecting this application and any award of a broadband expansion grant as may be established in a grant award Agreement.

Name of Authorized Representative (Type or Print)	Title	Phone ( )
Rodney D. Olson	CEO & General Manager	(608) 634-7421
Signature of Authorized Representative	Date 3/11/2022	

SUMMARY OF GRANT APPLICATION

Primary Applicant Name Vernon Communications Cooperative	Amount of Broadband Grant Request (round to nearest dollar) $3,233,141.00
Federal Employer Identification No. 39-0838123	Amount of Matching Funds Pledged (round to nearest dollar) $2,754,159.00
Contact Name and Title Rodney D. Olson, CEO & General Manager	Total Cost of Proposed Project (round to nearest dollar) $5,987,300.00
Telephone Number (608) 634-7421	Project Name Rural Monroe County Broadband (Phase 1)
E-mail Address(es) rolson@vernoncom.coop	Type of Proposed Broadband Service (FTTH, Cable, DSL, etc.) FTTH
Grant Manager, if different than Primary Applicant	Type of Proposed Project (Last-mile, Middle-Mile, backbone, other) Last Mile
Grant Manager Contact Name	Grant Manager Email Address and Telephone Number

If the application proposes a public-private partnership, list the names, addresses, and FEINs of the partner companies or organizations

Monroe County	Township of Leon	Township of Portland	Township of Sparta
124 N. Court St.	8108 Jackrabbit Ave	5590 State HWY 33	724 Hamlet Ave
Sparta, WI 54656	Sparta, WI 54656	Cashton, WI 54619	Sparta, WI 54656
EIN 39-6005721	EIN 39-1053805	EIN 39-6006063	EIN 39-6026534

Brief Project Description (2 sentences)

Build FTTH to 714 last-mile locations in Rural Monroe County, Wisconsin. Services provided will be Gigabit Internet, voice and television service over a broadband access platform.

Maximum Proposed Download Transmission Speed 1 Gbps and faster with equipment upgrades over time	Maximum Proposed Upload Transmission Speed 1 Gbps and faster with equipment upgrades over time
Minimum Proposed Download Speed to Customer Location 100 Mbps	Minimum Proposed Upload Transmission Speed to Customer Location 100 Mbps

County or Counties served by this project	Community or Communities served by this project
Monroe County, Wisconsin	Township of Leon, Township of Portland, Township of Sparta
List of the broadband service providers, if any, currently serving the area the applicant proposes to serve Century Link	
Does proposed project serve an ***unserved*** area of the State, as defined in Section 1.4 of the application instruction? (yes/no) Yes	Is the Applicant certified as a Broadband Forward! Community or Telecommuter Forward! Community, or does the grant project propose to serve a Broadband Forward! Community or Telecommuter Forward! Community? (yes/no) Yes
For last mile projects or component, the expected number of Business Locations that will have access to the improved broadband service (i.e., total business locations passed or with new service access). 102	For last mile projects or components, the expected number of Residential Locations that will have access to the improved broadband service (i.e., total residential locations passed or with new service access). 612
Of the improved business locations, how many locations are *unserved*? 5	Of the improved residential locations, how many are *unserved*? 43
For providers that are eligible telecommunications carriers will the proposed broadband service be available to Lifeline customers? (yes/no) Yes	Are there any programs available for low-income households to access low-cost service or discounts? (yes/no) Yes
Is the internet service provider currently participating in the Emergency Broadband Benefit Program? (yes/no) Yes Now called the Affordable Connectivity Program	Is the internet service provider currently participating in the Department of Public Instruction and CESA purchasing's Digital Learning Bridge? (yes/no) No
Did the internet service provider participate in the Public Service Commission's voluntary Broadband Coverage Data Collection in 2021? (yes/no) Yes	

FY22 Broadband Expansion Grant Application
Budget & Income Summary

Please complete this form using Microsoft Excel. A PDF copy must be attached to your application as page four. In addition, this form must also be uploaded to ERF in Excel format.

Grant Summary

Grant Applicant:	Project:
Vernon Communications Cooperative	Rural Monroe County Broadband (Phase 1)

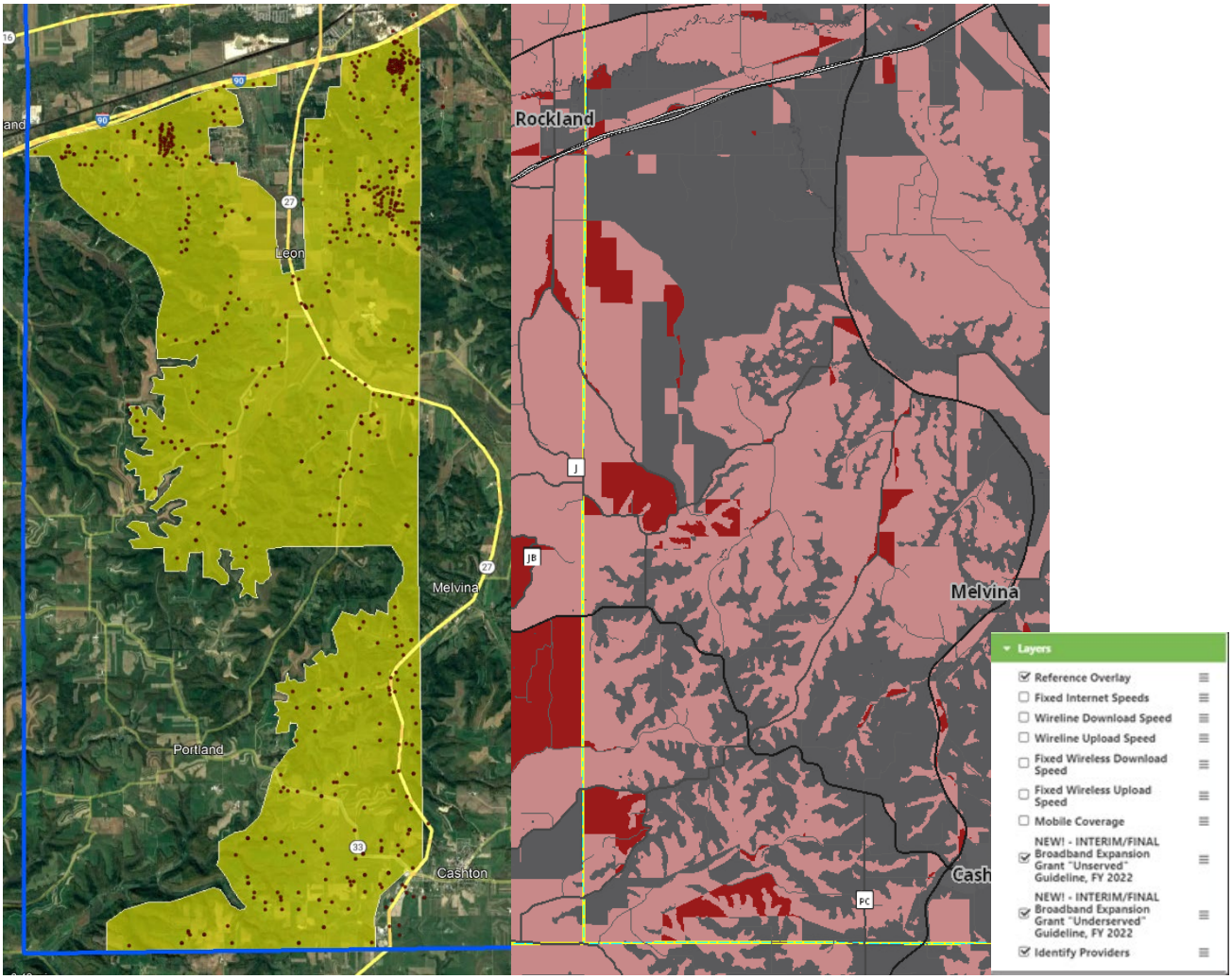
Budget

Line:	Description / Category:	Grant Funds:	Match:	Total:
1	Contractual, Consultant Fees	$ 2,904,336.00	$ 2,474,065.00	$ 5,378,401.00
2	Equipment	$ 155,466.00	$ 132,435.00	$ 287,901.00
3	Supplies	$ 4,252.00	$ 3,622.00	$ 7,874.00
4	Labor (Salary, Fringe)	$ 155,614.00	$ 132,560.00	$ 288,174.00
5	Permitting, Licensing Fees	$ 13,473.00	$ 11,477.00	$ 24,950.00
6	Travel		.	$ -
7	Other			$ -
	Total:	$ 3,233,141.00	$ 2,754,159.00	$ 5,987,300.00
		46.0% match requested		

Pledged Contributions

#:	Entity:	Entity Type:	Pledge Type:	Pledge:
1	Vernon Communications Cooperative	Applicant	Cash	$ 1,749,493.00
2	Vernon Communications Cooperative	Applicant	Salary	$ 132,560.00
3	Monroe County Government	Partner	Cash	$ 872,106.00
4				
5				
6				
7				
8				
9				
10				
			Total:	$ 2,754,159.00

Proposed Grant Area PSC Broadband Map



Rural Monroe County Broadband Phase 1 – Yellow Highlighted Area
42 Square Miles 714 Proposed Locations – Red

Note:

Upon a review of the project area on the Public Service Commission's Broadband Map, a great deal of the area is identified as served. All of it by CenturyLink. These areas should be considered either unserved or underserved by definition of the US. Department of Commerce. Some of the area has Bug Tussel Wireless identified as the second provider. The terrain of this rural area is very hilly and has many deep valleys. This prevents ubiquitous line of sight coverage for this area and is required for fixed wireless service. It should also be mentioned that the technology used by CenturyLink is stated as ADSL, ADSL2+ and VDSL. These technologies use the incumbent's older copper telephone lines. This technology is distance sensitive and does not deliver consistent bandwidth throughout the identified areas. Letters from businesses and residents, see page 17, have stated they receive poor or inconsistent service. A small area also identifies CenturyLink as offering Optical Carrier / Fiber to the End User. While this service may technically be available, we have not found any areas where CenturyLink has overlayed any housing development with that service. Many areas show that one side of the road is served, and the other side is underserved. VC Co-op will build to all locations and all locations will have consistent FTTH broadband bandwidth.

A portion the northern part of this area is served by Charter Communications. VC Co-op will be running some mainline cable through parts of this area to reach other areas. There is no plan to duplicate Charter Communications services or to serve those customers using grant funds. These locations are not included, in this grant application.

3.1 Executive Summary

Vernon Communications Cooperative (VC Co-op) submits this grant application in the amount of $3,233,141.00 which is 54% of the project's $5,987,300.00 cost. VC Co-op will contribute $1,882,053.00 to the project. Monroe County will contribute $872,106.00. Collectively these equal 46% of the project. This project initially will benefit 42 square miles and 714 locations in rural Monroe County. This area is rural with difficult terrain. CenturyLink has not built broadband beyond very small higher, density pockets in this area. VC Co-op will build fiber to all locations in this grant area. VC Co-op also participates in state and federal programs for qualifying low income households. Because supply chain issues have made materials acquisition difficult and expensive, VC Co-op has partnered with White Construction Co. to secure materials and labor for this project. See Supplemental Materials Page 2.

VC Co-op considers this as Phase 1 of 7 phases to complete Fiber-to-the-Home (FTTH) service to 58% of rural Monroe County. VC Co-op has worked closely with Monroe County on this comprehensive plan.

Monroe County has been neglected by CenturyLink in the rural areas it serves. The area included in this grant application is considered unserved and underserved by definition of this broadband grant. This has caused slow economic development and hardships for people who work and study from home. Fiber-to-the Home (FTTH) Broadband service will be available from VC Co-op as fiber-optic cable is installed to all 714 locations. This FTTH project makes service packages available to customers of up to 1 Gigabit symmetrical. This will be an extension of the VC Co-op existing network. Simple equipment changeouts will enable faster services in coming years and allow for all customer growth along these fiber routes. **It is anticipated that subscription rates will equal those from past Broadband Grant areas where subscription rates of over 60% have been obtained in the first 24 months and grow to 75-80% in the first 36 months.**

This project is very important to the proposed serving areas as well as the local governments in which they reside. Monroe County and the Towns of Portland, Leon and Sparta have executed Public Private Partnership agreements with VC Co-op to help move this project forward. Monroe County has also pledged $872,106.00 in cash to the project. Monroe County, Towns of Portland and Leon have applied for Telecommuter Forward! Community certification. Monroe County has also applied for Broadband Forward! Community certification with the Wisconsin Public Service Commission. VC Co-op believes that broadband certifications are of value to municipalities. See Exhibit A.

Due to the high cost of reentering handholes and fiber-optic splice cases each time a request for service is requested, VC Co-op proposes to install, splice and certify service drops at the same time the mainline cable is laid. This minimizes long term costs and avoids potential damage to main line fiber. This also ensures the fastest connection for residents and businesses to broadband.

There is a significant economic development aspect to this project. There are several large employers in and around Monroe County. The application area is located between La Crosse, Sparta and Tomah in Wisconsin. Residents and businesses of Monroe County have been at a disadvantage to other areas during the recent COVID-19 pandemic with regards to options for work-from-home and schooling.

VC Co-op has always led the way in broadband deployment in Southwest Wisconsin. VC Co-op serves over 8,500 active cooperative members located within 610 square miles in Vernon, Richland, Monroe, and Crawford counties in western Wisconsin with fiber-to-the-home services. An additional 75 square miles in Crawford County will be built in 2022-2023. VC Co-op's borders the grant area in this application. In contrast, rural Monroe County inhabitants beyond the cooperative's areas, living outside the city limits of Sparta have been left without adequate broadband and with very little chance to get it in

the near future. Despite advertised speeds at or above the state's currently defined 25/3 Mbps, local subscribers report CenturyLink is unable to offer consistent speeds at 25/3 Mbps that CenturyLink's identifies on their website. This is in sharp contrast to the overstated advertised speeds submitted by CenturyLink and detailed on the Wisconsin Broadband Map where in many locations' available speeds at 40 Mbps down and 3 Mbps up are claimed.

3.2 Mandatory application requirements

3.2.1 Applicant identification and contact information

a. The name and address of the entity applying for the grant, and the mailing address, telephone number and e-mail address of one or more contact persons representing the applicant.

Name of Entity: Vernon Communications Cooperative
Mailing Address: P.O. Box 20, 103 N. Main Street, Westby, WI 54667
Telephone Number: 608-634-3136
Contact: Rodney D. Olson, CEO and General Manager rolson@vernoncom.coop

b. If the application proposes a public-private partnership, the identity and contact information for all application partners.

Recognizing local and countywide benefits of this application, Monroe County and the townships below have established Public-Private Partnerships to speed deployment and bolster economic development in the proposed project area, with significant spillover impacts in adjacent areas of Monroe County. We encountered an amazing level of interest in these areas, from both the residents and their elected officials. So much so that the county and townships included in the build sought to work closely with VC Co-op for this grant application, to see the work completed now, and not a generation in the future:

Township of Portland
5590 State HWY 33, Cashton, WI 54619
608-487-7675
Gary Flock, Township of Portland Chair

Township of Leon
8108 Jackrabbit Ave, Sparta, WI 54656
608-269-5873
Gregory Selbrede, Township of Leon Chair

Township of Sparta
724 Hamlet Ave, Sparta, WI 54656
608-269-4830
Kevin Raymer, Township of Leon Chair

Monroe County
124 N. Court St., Sparta, WI 54656
608-269-8006
Cedric Schnitzler, County Board Chairman

These agreements have been completed prior to this application. These agreements are included as Exhibit A in this application.

c. The application must show that the applicant is an organization, a telecommunications utility, or a city, village, town, or county that has established a legal partnership or joint venture arrangement with an otherwise qualified organization or telecommunications utility, and as such meets the eligibility requirements set forth in Wis. Stat. § 196.504(1).

Vernon Communications Cooperative (VC Co-op) (PSCW Utility #6090 and #6079) is designated an Alternate Exchange Carrier by the Commission. VC Co-op has an active Interconnection Agreements that were approved by the PSCW with CenturyLink – Docket 5-TI-2358, Mediacom – Docket 5-TI-2885 and Charter Communications – Docket Number pending Charter Communications filing this agreement.

VC Co-op's ILEC serving area borders Monroe County and a portion of the area included in this application. Century Link serves the Townships of Portland, Leon and Sparta. In 2008, VC Co-op began its broadband expansion outside it's ILEC serving area in Frontier Communications of Viroqua's serving area in the City of Viroqua with one of Wisconsin's first fiber-to-the-home (FTTH) network. It will complete the overbuild of Frontier's entire Viroqua serving area, city and rural in the spring of 2022. It did the same in CenturyLink's Village of Cashton, in Monroe County, in 2014. VC Co-op plans to continue this Monroe County expansion as it did in the Frontier area. VC Co-op provides FTTH services to more than 2,600 voice, IP television (IPTV) and Internet subscribers in its CLEC area with broadband speeds up to 1 Gigabit symmetric service over this fiber optic platform.

This will be Phase 1 of several coordinated Fiber-to-the-Home phases to cover a large portion of Monroe County. VC Co-op has also installed Metro-Ethernet services to several large business customers in its CLEC areas and will do the same in this project. VC Co-op also provides service to several public-school districts and its four private school systems. Additional information on VC Co-op's project management experience appears in section 3.2.5 of this application.

VC Co-op is a Wisconsin cooperative, owned by its members. Each new customer that purchases service from VC Co-op becomes a member of the cooperative and is entitled to voting privileges and any other member benefit that the cooperative offers.

Incumbent Local Exchange Carrier VC Co-op is certified to provide telecommunications service in the State of Wisconsin pursuant to Section 196.50(2)(b) of the Wisconsin State Statute. VC Co-op currently serves the eight ILEC exchanges (NECA Study Area 330966) and three CLEC communities (NECA Study Area 339027) in Vernon, Crawford, Richland, and Monroe counties as well as their surrounding rural territories.

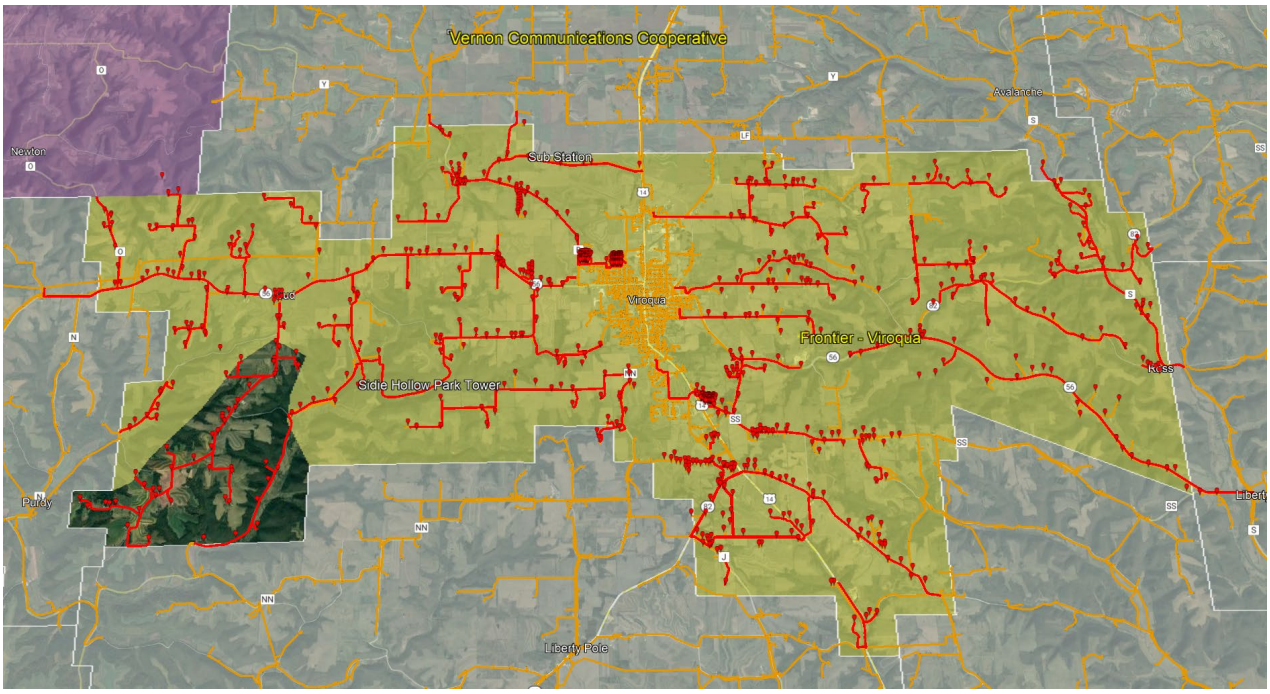
3.2.2 Description of the project

The entire scope of the application covers portions of three (3) rural townships in Monroe County. Each of these areas constitutes VC Co-op's 1st Phase of expanding broadband service to rural Monroe County and are extensions of VC Co-op existing fiber optic facilities, which have been installed with VC Co-op funds, and include facilities to enable future phases throughout the county.

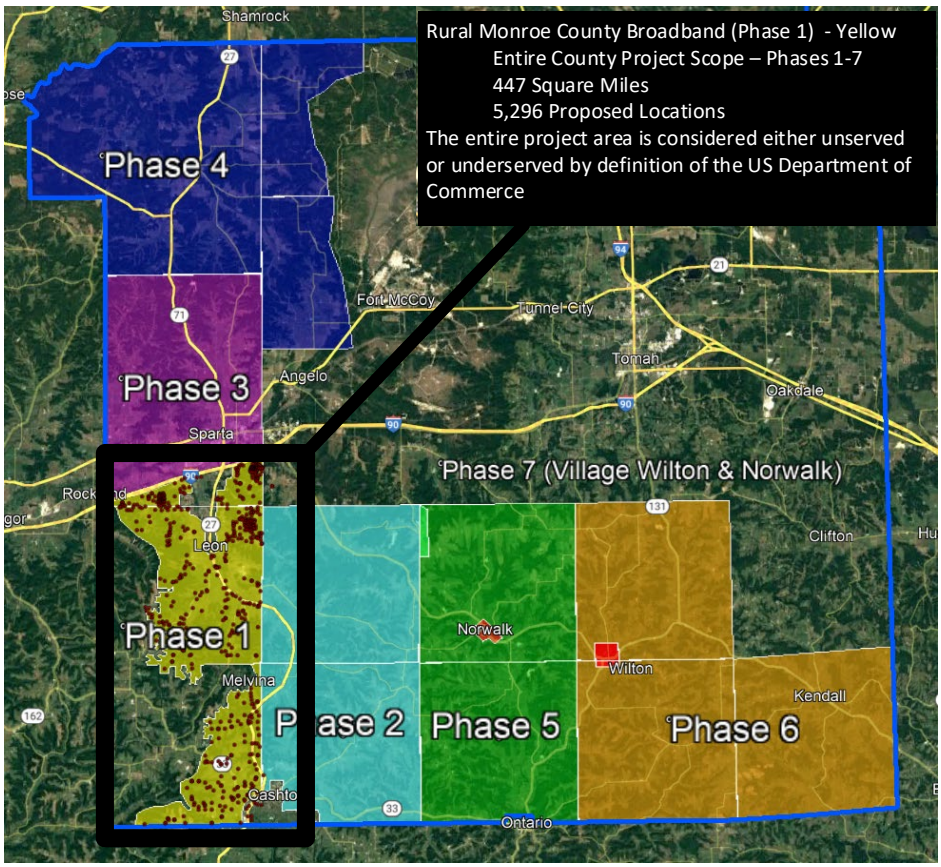
Monroe County and Townships of Portland, Leon and Sparta have executed Public Private Partnership Agreements reflecting ongoing unmet needs for FTTH broadband services.

This Project includes areas that are rural and have low subscriber densities that consist of mostly family farms and rural homes. Wireless or cellular service is not consistent throughout the area. All the areas will see substantial growth in new homes, home-based businesses as family farms are selling partials of land for additional income.

The following map shows the progress that VC Co-op has made in providing FTTH service to underserved rural customers outside its ILEC serving area. The red lines show construction facilitated by previous Broadband Expansion Grants in Vernon County. The unshaded area will be completed in 2022. VC Co-op will be very aggressive, as we have been in the past, with construction if this project is awarded. This will give VC Co-op the ability to provision diverse routes and survivability for both customers and other business communication circuits. This area includes several farms, work-from-home and home-based businesses. There are several new building sites that may be developed if broadband service is available.



a. A static map and description of the area of the State that will be affected by the proposed project.



- The geospatial file of the proposed project must be emailed to pscbroadbanddata@wisconsin.gov by the application deadline.

A geospatial file for this Phase 1 project has been emailed to the Wisconsin PSC.

b. If the project area lies within a census block designated as served on the PSC Broadband Map, provide additional documentation to demonstrate the actual broadband service that is available in the proposed project area:

c. An explanation of how the proposed project will increase broadband access. Include information about the:

- Potential and expected number of households served, including number of unserved and underserved locations.

The areas included on this Phase 1 grant request will provide fiber-to-the-home service to all 714 verified residential and business locations. All locations are rural locations with many of them being family farm businesses. Several are work from home residences. This has increase with the COVID-19 pandemic. It is not known how many are work from home locations are businesses or employees. All locations are unserved or underserved with actual broadband speeds of less than the advertised speed of download 6 Mbps and upload of 1 Mbps.

- Potential and expected number of businesses served, including number of unserved and underserved locations.

All locations are residential or small family farms. It is undetermined how many locations are used for home businesses or work from home employees. The COVID-19 pandemic has increased the amount of people working from home on a full or part time basis.

- Expected number of seasonal residents and tourists served.

All locations are considered year around residences.

- Estimated download and upload speed of the broadband service packages available for purchase.

VC Co-op's broadband service offering has symmetrical upload and download speeds. This service will be offered at 100 Mbps upload and 100 Mbps download. The price for this package will be $49.95 per month. A 1 Gbps symmetrical package is also available and will be priced on a contract basis.

The areas included in this application are eligible for FY2022 State Broadband Expansion Grant Program applications, according to the PSCW's Broadband Map, and is highly unlikely to see 25/3 Mbps buildout in the next five years according to the Cooperative's interpretation of FCC requirements. The broadband speeds available upon completion of this project will make broadband service with speeds up to 1 Gbps symmetrical available to all locations.

This proposed project increases broadband access as follows:

1. Provides fiber-to-the-home (FTTH) high speed broadband and Internet access to areas where no fiber-based broadband is available or planned to reach end user customers. FTTH connections offer faster, more reliable access to higher speeds that are not limited by the cumulative decay of aging existing copper facilities.

2. Provides reliable broadband services at and above the state's 25/3 Mbps minimum with the ability to deliver practically unlimited (for example, 1 Gbps symmetric and faster) broadband speeds using deployed fiber and electronics in every home, business and public location to be served. The incumbent provider does not face any requirement to provide

facilities necessary to reach these speeds under the FCC's CAF Order, and therefore, is highly unlikely to do so, as the obligations under those FCC Orders end next year.

3. Because geography works against wireless Internet as an option for these areas, an immediate fiber build creates the fastest access to high-speed broadband access.

4. Work-at-Home opportunities not previously possible, become viable. This will provide options to existing and future homeowners that will raise household incomes, and the local tax base.

5. Symmetric broadband at Gig speeds essentially future-proofs deployments for residential and business needs in the coming decades. VC Co-op's ability to easily achieve further speed increase is part of this benefit.

6. Strong home-based Wi-Fi networks based on fiber connections remedy poor CMRS cellular coverage in the area. This will benefit cellular subscribers who do not have landline telephone service with VC Co-op and allow ubiquitous and uninterrupted cellular coverage while in and around the home. Similarly, this will have a positive impact on home businesses that rely on cellular phones. The use of cellular handsets is enhanced by the implementation of in-home Wi-Fi equipment that requires broadband service. In addition to cellular handset mobility in the home, VC Co-op also provides security and smart home monitoring services. These include fire, carbon monoxide and radon detection sensors, security, camera, aging at home and smart home equipment. All these services are not available without broadband service.

7. Providing access to online healthcare and telehealth applications for diagnostics, health maintenance and other video or imaging-based applications enabling diagnosis at the time symptoms occur for sick kids, avoiding travel at inconvenient or dangerous times.

8. Providing access to both real-time and time-shifted access to regular and vocational education opportunities. New access can allow students to do their homework "at home", participate in interactive video classes, enable home schooling, allow parents to obtain vocational or college level training when home schedules permit and without travel at inconvenient times.

9. With the current worldwide COVID-19 pandemic that is changing how our communities as well as our society is moving to a distributed work and school environment. Fast broadband service will be necessary for the future safety of our citizens and prepare our serving area for fast migration to this type of changes for future events that require social distancing.

d. A Statement whether the proposed project is targeting the "last mile," "middle mile," or backbone portion of the broadband infrastructure.

The proposed project includes last mile fiber facilities. The project is an extension of VC Co-op's existing fiber network, with distribution, feeder and drop fiber to premises in the service area.

No middle mile infrastructure, or costs, are included in this grant application. VC Co-op maintains sufficient middle mile and backhaul facilities, and capacity, on its existing backbone ring network to deliver high-speed broadband services to all proposed and future last mile subscribers in the area.

e. A description of the broadband service to be provided, including estimated download and upload speeds, whether the speed is based on dedicated or shared bandwidth, and the technology that will be used. This description may be illustrated by a map or schematic diagram, as appropriate.

In this Application, VC Co-op will provide high speed wireline broadband service using an active optical FTTH network design in which each customer will be served by its own fiber optic strand from the premise to the serving central office. This will be an extension of the fiber network currently in place and used in VC Co-op's ILEC and CLEC service areas. The same technology will be used to provide the longest-lived service infrastructure to new customers in this application.

This fiber network will be connected to the existing fiber network and broadband electronics used to provide broadband services in the VC Co-op's CLEC service territory. The service provided is robust and reliable. VC Co-op is ready for mandated FCC broadband performance speed and latency testing, thus providing additional guarantees to new subscribers that their service performs at or in excess to their subscription level.

Pricing in the proposed service area for both residential and businesses will be the same as cooperative members see in all existing VC Co-op-served communities:

FTTH Service:	
100 Mbps Downward / 100 Mbps Upward	$49.95 per month
1 Gbps Downward / 1Gbps Upward	ICB

Full-featured voice and video services will be available at subscribers' request. Broadband subscribers will not be required to take voice or video services in the proposed service area, although they will always be available. Bundled pricing options are also available.

f. For middle mile projects:

Not Applicable. This is a last mile FTTH project. No Middle Mile facilities are included in this project.

g. A schedule by which the applicant intends to complete the components of the proposed project. The project period is up to 24 months.

If the grant application for the project is approved by July of 2022, VC Co-op will use the following aggressive deployment schedule, based on similar projects it has completed:

July of 2022	Order and stage equipment
April of 2023-June of 2024	FTTH Construction Beginning June of 2023

Install service at subscriber locations as construction is completed.

Splicing will follow directly behind the construction equipment to enable customers to facilitate service connected as soon as possible. To accommodate anticipated material supply chain shortages, VC Co-op has partnered with White Construction Co.to secure labor and materials for this and other grant application projects.

3.2.3 Itemized Budget (all amounts should be rounded to the nearest dollar)

Rural Monroe County Broadband (Phase 1)

Labor:	Unit Cost	Total Project Qty	Total Project Total
4 Fiber (Cable) Install Labor	1.44	39,023	56,135
4 Fiber (Drop) Install Labor	1.70	465,200	791,305
12 Fiber Cable Install Labor	1.44	8,280	11,911
24 Fiber Cable Install Labor	1.44	39,295	56,526
36 Fiber Cable Install Labor	1.44	-	-
48 Fiber Cable Install Labor	1.44	125,742	180,880
96 Fiber Cable Install Labor	1.44	103,220	148,482
144 Fiber Cable Install Labor	1.44	57,072	82,098
192 Fiber Cable Install Labor	1.44	11,502	16,546
288 Fiber Cable Install Labor	1.44	74,069	106,548
UHE - Handhole Entry	105.00	15	1,575
Rock Trenching	13.48	3,000	40,403
IDB 1.25" Directional Rock Bore	51.39	3,000	154,161
IDB 1.25" Directional Bore	12.43	39,600	492,307
HH Installation Labor (Concrete)	817.95	192	157,046
HH Installation Labor (Carson)	504.00	192	96,768
Pulling Fiber (Duct)	0.95	42,600	40,257
HBFO 8" Labor	131.25	192	25,200
WHBFO 10" Splice Case	131.25	192	25,200
HO-1 Fiber Splice/Burn	42.00	6,278	263,676
Fiber NID Installation	78.75	714	56,228
Fiber Distribution Hut Installation	8,400.00	2	16,800
Electronics Installation	131.25	357	46,856
Total Labor			2,866,908
Engineering, ROW, Mapping (Contract)			748,418
Electronics & Engineering (Vernon Staff)			249,473

Materials:	Unit Cost	Total Project Qty	Total Project Total
4 Fiber (Cable)	0.56	39,023	21,716
4 Fiber (Drop)	0.56	465,200	258,884
12 Fiber Cable	0.56	8,280	4,608
24 Fiber Cable	0.68	39,295	26,819
36 Fiber Cable	-	-	-
48 Fiber Cable	0.90	125,742	113,545
96 Fiber Cable	1.53	103,220	158,236
144 Fiber Cable	2.14	57,072	122,248
192 Fiber Cable	3.71	11,502	42,632
288 Fiber Cable	3.71	74,069	274,537
Handhole Concrete	1,575.00	192	302,400
Handhole Carson	787.50	192	151,200
Handhole Sign	63.00	384	24,192
1.25" Duct	1.05	41,600	43,680
Handhole 4X4 Posts	31.50	768	24,192
HBFO 8" Case	472.50	192	90,720
HBFO 10" Case	577.50	192	110,880
Fiber NID	78.75	714	56,228
Fiber Distribution Hut	31,500.00	2	63,000
Electronics	630.00	357	224,910
Miscllaneous Materials	525.00	15	7,875
Total Materials			2,122,502
Total Project			5,987,300

a. In addition to the Summary of Project Budget that is included as page 3, applicants should include a price list or quote for any equipment the applicant intends to purchase, including capital expenditures. The application should also indicate whether any facilities involved would be owned, rented, or leased.

Itemized pricing is included in the above budget. All items will be purchased. No items will be rented or leased.

b. The application must show that the grant, if awarded, will not subsidize the expenses of a telecommunications provider or the monthly bills of telecommunications customers. For purposes of this grant program, subsidize means a contribution to the operating costs, including profit, of the telecommunications provider.

The grant funds requested in this Application will only be used for authorized purposes. The applicant will not subsidize its ongoing expenses or the monthly bills of telecommunications customers. It is understood that for purposes of this grant program, subsidy means a contribution to the recurring service charges, operating costs, including profit, of the telecommunications provider.

c. The application must show that the grant funds requested will be used for the sole purpose of constructing broadband infrastructure in the underserved areas covered by the application. Construction of broadband infrastructure may include any of the following:

- Project planning that takes place during the performance period.

VC Co-op will use its own in-house staff along with assistance from an engineering firm for project planning. These tasks are not outside the cooperative's capabilities. VC Co-op has always used its in-house staff for these tasks in both its ILEC and CLEC serving areas. Due to the size of this project, outside engineering assistance will be needed.

- Obtaining construction permits.

VC Co-op will use its own in-house staff for obtaining construction permits. These tasks are not outside the cooperative's capabilities. VC Co-op has always used its in-house staff for these tasks in both its ILEC and CLEC serving areas.

- Construction of facilities, including construction of both "middle mile" and "last mile" infrastructure.

This project consists solely of last mile infrastructure. No middle mile construction nor expenses are included in this application.

- Installation and testing of the broadband service.

VC Co-op will use its own in-house staff as well along with assistance of an installation contractor for the installation and testing of broadband services. VC Co-op has always used its in-house staff for installation of broadband services in both its ILEC and CLEC serving areas. Due to the size of this project, outside installation assistance will be needed.

VC Co-op will demonstrate that all grant funds requested in this Application have been used for the sole purpose of constructing broadband infrastructure in the underserved areas covered by this Application. The Partners' self-funded contributions to this project's costs is at least 46% of construction costs.

All subsequent costs, in excess of the grant award, for construction including project planning, permits, site inspection, and incremental fiber drops will be funded by VC Co-op.

3.2.4 Priority factors supporting the application

a. **Matching funds**. A description of the matching funds the applicant will invest in the proposed project, if any. For each element, indicate the type of match (cash, salary expense, or in-kind contribution). If the application is submitted by a partnership, identify the partner responsible for providing each element of the proposed matching funds. *Note: The requirement for this information is satisfied via inclusion of the completed Funding Statement as page 4 of the application.*

The list of Matching Funds contributors is:

Entity	Cash	Labor	Total
VC Co-op	$1,749,493	$132,560	$1,882,053
Monroe County	$ 872,106		$ 872,106
Total Matching Funds	$2,621,599	$132,560	$2,754,169

If the project requires additional resources, VC Co-op will contribute additional cash and Salaried Expense W-2 Employees to complete the project.

- If available, provide documentation to support an offer of matching funds (minutes of a town board meeting, a letter from a prospective customer or local government official, etc.).

Monroe County will provide Matching Funds. They are included in the executed Public Private Partnership Agreements for each entity and are included in Exhibit A.

- Matching funds contributions must be a firm commitment of funding to the project. Contributions that vary based on the amount of actual sales, customer contributions, or other criteria will not be given weight.

VC Co-op's board of directors supports this project and by board resolution authorized the investment of cash and employee labor resources in the amount of $1,882,053.00 to be invested in the grant project. Any project costs in excess of $5,987,300.00 are also authorized to be paid by the cooperative. See Supplemental Materials Page 3.

b. **Public-private partnerships.** If the public-private partnership is memorialized in a joint venture agreement or other writing, provide a copy of that agreement. If the partnership has not been reduced to a written agreement, provide a short description of the management role, financial commitment, or other contribution to the project for each participating partner.

Public-Private Partnership Agreements (PPP) have been executed with Monroe County and the Towns of Portland, Leon, and Sparta. These agreements are included in Exhibit A of this application.

- In scoring this element, information regarding active engagement of diverse communities in the planning, permitting, or marketing of the project will be given weight as well.

The agreements are provided in full, in Exhibit A, and reflect extraordinary local support for this application. The county and all three Towns will provide planning and administrative assistance during the construction portion of this project, and toward future fiber-based broadband deployments in the County. VC Co-op will report back to the Town Supervisors at regular intervals on this project, and to jointly recommend future expansions of fiber-based broadband.

Through its agreement, Monroe County and the Towns of Portland, Leon, and Sparta look to this and future broadband expansion with VC Co-op, and specifically will:

- Provide assistance within their power to allow rapid construction of fiber facilities;
- Provide in-kind assistance to the Project in the form of waived fees and expenses for obtaining permits or permission required from the Town government;
- Grant permission on and across Town property, to engage in activities to construct the Project in compliance with all existing rules and regulations;
- Provide community education and outreach regarding the expansion of broadband access to residences and businesses within the scope of the Project; and recognizing that the broadband expansion project is a priority and is consistent with any internal planning documents adopted by Monroe County government.
- Contribute cash toward costs of the project.
- In addition to the contribution of cash towards the project, Monroe County will provide access to cash to in the form of a line of credit to help cashflow the construction phase of the project.

c. **Existing broadband service**. A list of the broadband service providers, if any, currently serving the area the applicant proposes to serve. In scoring this element, the following factors will be taken into account:

- The degree to which the proposed project avoids duplicating existing broadband infrastructure.

By letters of support from residents living in the grant area covered by this grant application confirm the area is either unserved or underserved as defined by the Public Service Commission of Wisconsin (PSCW). CenturyLink is the only wireline provider currently

available in the rural areas. CenturyLink does not adequately offer broadband service throughout the area meeting the PSCW's current 25/3 Mbps definition. There is no current requirement that the incumbent wireline provider construct facilities that could deliver this service within the next five years.

These are rural areas unlikely to attract either incumbent or external entry.

- The application of a wireless broadband service provider proposing significant overlap with existing broadband service in addition to service to an unserved area will not be given priority consideration.

Not Applicable

- Provide a list of all landline broadband service providers (DSL, cable or fiber to the home) and fixed wireless broadband service providers that overlap the footprint of the proposed broadband project.

CenturyLink – DSL.

- If known, provide an estimate of the customers within the proposed footprint that are served by competing landline and fixed wireless broadband service providers, and the download/upload speeds offered by those competing service providers.

CenturyLink overlays the entire footprint of this grant proposal including 714 of the 714 locations. Through its research in advance of this application, it is important to state VC Co-op was unable to identify any rural areas where all customers could purchase service at speeds of 25 Mbps down and 3 Mbps up. Consistent coverage is not available throughout this grant area. As stated in multiple letters from potential subscribers within the proposed project area, speeds of even 15 Mbps are unattainable. This is the primary reason for this application.

Charter Communications does provide cable service to a small portion of area contiguous to this of the project area. This area is not included in this grant application.

- Provide a list of mobile wireless broadband service providers that overlap the footprint of the proposed project.

The Wisconsin Broadband Map shows that two cellular wireless providers currently serve the area. These providers are T-Mobile and US Cellular.

- If known, provide an estimate of the customers within the proposed footprint that are served by competing mobile wireless broadband service providers, and the download/upload speeds offered by those competing service providers. (The presence of existing mobile wireless providers does not contribute to or affect the evaluation of existing broadband service in the project area for purposes of priority consideration but provides a more complete picture of the broadband options available to residents.)

It is unknown how many wireless subscribers are in the proposed footprint of this project.

- For middle mile projects, describe the unserved and underserved areas that the middle mile route will transit. In scoring this element, the following factors will be taken into account:

Not Applicable. No middle mile facilities are included in this grant application.

d. **Project impact**. A description of the geographic area and the population, both in terms of absolute numbers and likely users, which will be served by the proposed project. Indicate the number of anticipated residential and business customers in the project area, if known. Explain the speed and quality of internet service that will be available. Include information about the range of packages available for purchase. Provide details on any low-

income access programs and steps the project will take to support adoption.

The geographic area served by the project is portions of the Townships of Portland, Leon and Sparta in CenturyLink's serving area. All areas are in Monroe County, Wisconsin.

Project impact is expected to include fiber-based broadband connections to 714 residences and businesses, whose locations will be initially passed, plus growth in the coming years. It is anticipated that subscription rates will equal those from past Broadband Grant areas where subscription rates of 42% have been obtained in the first 12 months. Several areas are just being opened for subscription and demand is high.

It is anticipated that 428 (60%) subscriber locations will subscribe to the FTTH service in the first 24 months. A 60% subscription rate has been achieved for past grant locations equipped within the past 24 months.

Led by VC Co-op's fiber to the home (FTTH) deployment, the area will benefit through:

- Initial Broadband speeds up to 1 Gbps symmetrical to all current and future residences and businesses to receive voice services, data connectivity and video entertainment.
- Fiber to multiple home-based businesses and family farms and various individuals that work from home.
- Fiber to the rural customers will enable work from home positions to be filled by surrounding business located in large cities such as La Crosse, Sparta and Tomah. This will promote economic development throughout the county.
- Fiber will make the development of new homes more desirable and increase the value of the current homes and businesses.
- High speed Internet services in the rural areas is a bonus first step toward bring broadband to the farming community that is now limited to less than 1 Mbps or dial-up services today.
- Rural residents with students will benefit from being able to complete homework assignments and study from home. A distinct advantage that students with home broadband have.

Primary benefits of this project include:

1. The primary benefactors of this project are the customers who have been severely impacted by poor broadband service. Residents and businesses have written several letters that are included in Exhibit B. Many states that a lack of service is not merely an inconvenience but is affecting their lives and livelihood. Some examples included in the attached letters are:

   - A senior functional leader for Organic Valley, the largest employer and an economic driver in Vernon County, is unable to hold video calls or communicate staff that he supervises due to inadequate bandwidth.
   - The Portland Township clerk cannot work from home and her children cannot do not have internet service to perform their virtual and online classwork.
   - Cell tower signals do not reach into a valley home and would love to have telehealth video with care providers.
   - A work from home resident states "I can only get DSL with a very limited speed from our provider." They cannot watch Netflix or Amazon Prime video due to poor connection.

- A large dairy has issues with slow internet speeds that are used for uploading herd records to the cloud provider. Frequent outages cause difficulty by consultants accessing and working on their computer system.
- Many residents have school age children varying in ages from kindergarten to college age. The students have homework assignments that require research, video conferencing, and interaction online.
- The Monroe County Board sees the benefits to the county and supports the project with generously contributing funds for the project.

These are a few examples of poor and unreliable service from CenturyLink. These examples are in areas that both CenturyLink and Bug Tussel Wireless reports having as high as 60 Mbps X 5 Mbps service available on the PSC Broadband Map. Several other letters of support have been included from State of Wisconsin legislators and associations, medical clinics that support VC Co-op and expansion of consistent, reliable and affordable broadband services. See Exhibit B.

For the reasons listed above, the entire area included in this grant are considered underserved and unserved under the Interim Rule, 31 C.F.R. § 35.6, 86 Fed. Reg. 26786, 26823.

A summary of all Letters of Support can be found in Exhibit B and all letters are included in Supplemental Materials portion of this application.

2. **Delivering the area's only fiber-to-the-home (FTTH),** schools and business high speed broadband service. The applicant's gigabit and faster connectivity will allow students of Monroe County's public and private schools to have world class educational access at their homes. Businesses and farmers will be on an equal footing with their urban counterparts, attracting capital and workers not now in the area. It is expected that new housing and jobs will be stimulated by the existing of fiber-based broadband services.

3. Access to both real-time and time-shifted access to **regular and vocational education opportunities**. Newly available access will allow students to do their homework "at home," to participate in interactive video classes, enable parents to provide adequate home schooling materials, allow parents to schedule and successfully obtain vocational or college level training when home schedules permit and without travel at inconvenient times.

4. High speed broadband service will allow many residents to **work at home** as employers allow. This broadband project will provide the facility-based infrastructure to expand to new housing developments.

5. **Tourism**. The project area is a large tourism destination drawing people from all over the Midwest. Tourism includes shopping and dining along the many small rural communities as well as the county parks and lakes rural shops and stores, casual restaurants, and gas stations. There are many places for fishing, hiking, and site seeing. Increased tourism helps economic development in the area by increased job opportunities and sales of products and services for the local business community.

6. **Access to emergency services**. High-speed fiber-based broadband services enable rural practitioners in the Tomah Health, Gundersen and Mayo systems to transmit medical imagery and data to clinics and healthcare providers in larger population centers from their home offices. Along with access to broadband, this is cited as an important concern of visitors and seasonal residents apart from the value it confers to permanent residents and small businesses in the area.

7. **Provide Wi-Fi calling** capability for cellular voice customers in this difficult terrain for cellular, as well as improved E911 for personal and public safety benefits. The availability of fiber-optics for wireless backhaul will also benefit the deployment of the nationwide FirstNET emergency network as 911 service moves to NG911, contacting emergency service will be available through additional means such as email, texting, Wi-Fi and SIP voice lines that will give location as well as a communication medium.

8. Residents are striving to stay at home longer into their **retirement** years. New products and services aimed at keeping people safe and living at home are increasingly becoming available. Also, access to medical monitoring of health conditions is also on the rise. Home monitoring and security systems are becoming necessary for many households. Most of these services require adequate broadband service.

9. The use of cellular handsets is enhanced by the implementation of in-home Wi-Fi equipment that requires broadband service. In addition to cellular handset mobility in the home, VC Co-op also provides **security and smart home monitoring services**. These include fire, CO2, security, camera, aging at home and smart home equipment.

e. **Scalability**. A description of how the proposed project could expand or improve the broadband service it delivers, while maintaining the quality of its broadband service. This description should include specific projected increases in the following parameters that are known at the time of the application:

- The number of users.

In addition to the planned 714 locations in this phase area, this project is intended to accommodate the growth in areas that are outside and contiguous to the FTTH grant areas. There is sufficient capacity in the proposed fiber-optic cables to accommodate growth more than 100% beyond the planned 714 locations. VC Co-op will continue to use an active optical network instead of a passive optical network in these growth areas without the need for shared bandwidth.

- The number of network nodes.

Electronics to serve the grant areas, as well as any growth outside the grant areas, will be placed in strategically located FTTH distribution cabinets. This cabinet, along with existing cabinets and cabinets from other Monroe County broadband phases, will have enough space for additional electronics if needed or for future phases in Monroe County. Being part of a comprehensive multiphase countywide project, sharing of electronics between phases is planned. Two sites are planned for this phase.

- The number of services provided.

This project initially deploys ultrafast broadband services over fiber facilities suitable for broadband at practically unlimited speeds, well in excess of the states and the FCC's forward-looking, but only current, definition of broadband services as 25/3 Mbps. Any expansion areas outside the grant areas would get high-speed Broadband, IPTV & Streaming television, and all voice service features currently available to the applicant's existing subscribers. Expansion and improvement include these aspects:

- Initial installation includes battery backup power when voice services are requested. VC Co-op will abide by all federal and Wisconsin guidelines for battery replacement and back-up in coming years.

- VC Co-op will abide with future mandated increases in the speed of, and latency requirements of, broadband services.
- Subscribers will be eligible for any extension of federal Lifeline benefits to broadband service, and all qualifying services.
- The value of combined broadband and voice telephone services. It is important to note that VC Co-op will not require that these broadband subscribers take voice or video products to receive broadband Internet services.

- The geographic area served by the project.

This project includes areas that are rural and have low subscriber densities that consist of mostly family farms and rural homes. Wireless or cellular service is not consistent throughout the area. All the areas will see substantial growth in new homes, home-based businesses as family farms are selling partials of land for additional income. This area encompasses approximately 45 square miles and proposes to enable service to 714 FTTH locations and have capacity for foreseeable future expansion.

- The number of aggregation points in middle mile project.
  This description may also include a discussion of possible growth potential that is outside the commitment the applicant is making as part of its application.

Not Applicable. No middle mile facilities are included in this grant application.

f. **Economic development**. A description of how the proposed project will promote job growth or retention, expand the property tax base or improve the overall economic vitality of the municipality or region. This description may be supplemented with a letter from one or more persons discussing the potential economic impact the project could have for that individual or business. In scoring this element, the following factors will be taken into account:

- A discussion of potential economic impact the project could have for an individual business located in the project area.

There is a significant economic development aspect to this project. There are several very large employers along with Fort McCoy Army base and Tomah Health, with their affiliations with Gunderson, the Mayo Clinic, and Organic Valley. All provide Work at Home options, which will benefit and promote residential growth in the project areas. These positions require robust broadband service that is not available to the residents in the area included in this application. In the case of healthcare, very high upload speeds are needed by providers who rely on imaging that can be completed at home outside of normal clinic hours of service.

- An explanation of how an improved download and upload transmission speed could better support a specific business in the project area.

See bullet point above.

- An explanation of the likely impact improved broadband service could have on residential property values, supported by local sales data if available.

Residential home values have seen a 3-5% increase after the addition of fiber-delivered service, and residents tell us they have begun to seek out their next home based on access of reliable broadband. An increase in property values, will not only benefit the homeowner, but the Towns and County as well. Neighboring Vernon County has seen excellent growth that is due to ubiquitous FTTH broadband deployment from its ILEC providers. VC Co-op has been contacted several times about providing service in this county. Monroe County will see

poor growth in population and school districts in the future as the requirement for broadband increases. Families will move outside the county to locate their children where broadband is available.

- A demonstration of how improved broadband service to a residential portion of the project could benefit a telecommuting population.

The Monroe County Board seeks to expand broadband available beyond its urban areas to keep and grow jobs. Several Board members specifically reference businesses that might locate in rural parts of the county such as the outskirts of Sparta and Tomah, if only high-speed broadband were available.

The Board's letter of support and contribution of cash towards the project is evidence of their resolve to do so. See Exhibit B

This region's geography tends to be hazardous in the winter making commuting difficult for residents, especially those with disabilities. Working from home is the next trend for business to save brick and mortar costs for office facilities. People want to live where they can work. If they can work from home, they will live and be part of our rural communities. It is our hope that more business will employ more people in the surrounding area for these very attractive and flexible job opportunities.

VC Co-op has a long history of obtaining various broadband certifications and designations for the communities it serves. The same will be done in future areas as well. The National Telecommunications Cooperative Association – The Rural Broadband Association, (NTCA) has designated VC Co-op as a Gig-Capable Provider and the City of Viroqua, served by VC Co-op, has been designated as a Smart Rural Community. The Wisconsin State Telecommunications Association (WSTA) also designated the City of Viroqua a Gig Community. VC Co-op has also qualified all industrial parks they serve as Gig Certified Industrial Parks. Several WPSC Telecommuter Forward Certified and Broadband Forward Ordinances have been obtained with VC Co-op's help. Monroe County has passed Broadband Forward Community Ordinances and has applied for PSC Certification along with Telecommuter Forward Certification. People living outside the city see the services that their city neighbors have access to and cannot figure out why living just outside the city they have virtually nothing from their current ILEC provider, CenturyLink

- A demonstration of how the speeds and service being offered by the project fits with current and future economic needs of the community and local businesses.

VC Co-op and Monroe County believe that the provision of home broadband services will enable employees and students in those locations to do perform their jobs and do their homework at home, instead of traveling to an office or having to remain at their school or library for that purpose. This becomes even more important with the current worldwide COVID-19 pandemic that is changing how our communities as well as our society is moving to a distributed work and school environment. This will be necessary for the future safety of our citizens and prepare our serving area for fast migration to this type of changes for future events that require social distancing.

g. **Effect upon broadband service to adjacent areas**. A description of whether the proposed project will or will not impair the ability of a broadband service provider or competing broadband service provider to extend broadband service to areas adjacent to the proposed project area.

If granted, this application is not likely to negatively impact broadband services availability in the proposed areas, or in adjacent areas. Quite to the contrary, the availability of FTTH broadband access in the proposed project areas will served as a catalyst for demand in other rural portions of Monroe County, where the incumbent and VC Co-op may build to offer these services, along with wireless Internet providers and Cellular Internet providers.

3.2.5 Other information supporting the application

a. A description of applicant's history or experience constructing broadband communications facilities in the State and elsewhere.

- If applicable, an applicant must comment upon the status of all prior broadband expansion grant projects, including the type of broadband technology used, the facility route actually built or installed, the number of residential and business customers actually connected, and other relevant details of the prior project(s).

VC Co-op has received eight previous Broadband Expansion Grants. VC Co-op has completed 100% of the deliverables outlined in the first five awarded grants and 90% of the sixth grant with completion in early spring 2022. Construction on grants seven and eight, which were only awarded in 2021, will begin in the spring of 2022 with completion early in 2023.

All projects have been completed and progress is well ahead of the required timeframe. These areas are on track to reach 60+% take rates we expect within 24 months of accepting new sign-ups. We continue to be very pleased with our expansion into these areas. We anticipate a high subscription percentage in all grant areas. A breakdown of the prior grants follows:

Grant Cycle	Grant #	Project	Mailnline Miles	Service Locations	Subsriber To Date	
FY18-1	1	Vernon County Phase 1 Completed November 2017	9.66	104	90	87%
FY18-2	2	Vernon County Phase 2 Completed October 2019	24.9	158	112	71%
FY19	3	Vernon County Phase 3 Completed December 2019	20.77	128	91	71%
FY20	4	Vernon County Phase 4 Completed November 2020	42.3	252	117	46%
FY20	5	Village of De Soto Completed August 2020	5.05	170	99	58%
FY21	6	Vernon County Phase 5 Completion Spring 2022	15	58	38	66%
FY21	7	Crawford County Phase 1 Construction Start Spring 2022				
ARPA FY22	8	Crawford County Phase 2 Construction Start Spring 2022				

- An applicant may also comment on broadband construction projects undertaken in prior years that were not funded in part by the Broadband Expansion Grant program.

Successful growth of VC Co-op, apart from its well managed broadband grant history, has fueled its growth in and outside of its traditional ILEC service area. VC Co-op has previously

constructed service to several areas where Frontier and CenturyLink are the ILEC. This is in both rural areas surrounding and including the entire City of Viroqua, over 2,000 locations and a cost of over $6,000,000.00 and the entire Village of Cashton, over 400 locations at a cost of over $1,000,000.00. These areas were built using VC Cop-op's general funds or RUS loan funds. No grants were used for these projects. VC Co-op has also extended the scope of most grant areas to accommodate over 65 additional locations. VC Co-op is committed to provide service where it is financially capable. VC Co-op has also finished construction of FTTH to all VC Co-op member in its 8 ILEC exchanges.

VC Co-op has distinguished itself in Vernon County as both an honorable provider, and as a dependable manager of fiber-based broadband networks. VC Co-op has always been considered a leader and key to business development in Vernon County and other areas it serves. VC Co-op is very active in the communities they serve by participating local events, supporting our schools, providing scholarships to area students, and donations of money and in-kind contributions to local civic groups. Its owners are its members, spread throughout three counties. Vernon Communications Cooperative is the primary provider of high-speed internet, digital IP television, telephone, security and automation, and professional managed IT solutions in and around Vernon County, Wisconsin.

In recognition of the fiber-optic construction and ability to deliver gigabit broadband, the NTCA-The Rural Broadband Association, certified VC Co-op as a Gig-Capable Provider.

b. A description of how the proposed project will or will not duplicate existing broadband infrastructure.

VC Co-op does not duplicate any likely expansion of CenturyLink's infrastructure in the proposed project area. According to residents' reports to VC Co-op, existing copper plant does not appear to provide speeds at or above the 25/3 Mbps "unserved" level. Residents report no contact with CenturyLink that suggests movement toward the State's 25/3 Mbps broadband definition, or likelihood to achieve it in coming years.

We know and we are told it is common knowledge in the community that the incumbent has made no FTTH inroads into rural Monroe County in at least the last 13 years. This application is a commitment to complete the FTTH deployment during 2022-2024.

c. A description of an applicant's financial ability to undertake the proposed broadband construction project. This may include information such as the number of years the company has been in operation, documentation of successful completion of similar infrastructure projects, evidence that sufficient funds are available to cover project expenditure and match, customer turn-over rates, and credit rating.

These sections explain the success of VC Co-op regarding fiber-optic broadband expansion. This project is large but by VC Co-op's experience it is not out of the normal project size from its annual ILEC FTTH projects. With revenues of nearly $20 million and access to cash to handle this project, VC Co-op's Board of Directors has approved this project if awarded and has included this project in the next future capital budgets.

VC Co-op's PSC Annual Questionnaires that outline the cooperative's financial condition are on file with the PSC. VC Co-op is in a strong financial condition as it has been for at least the last 60 years.

d. For middle mile projects, state the terms under which the applicant will make its middle mile fiber resource available to last mile providers. Without disclosing project-specific or customer-specific negotiated rates for service or access, state whether access to the middle mile fiber resource will be offered to last mile providers at a rate that

is reasonable and common to the industry. Describe any restrictions or limits that may limit the availability or interconnection with the middle mile route.

Not Applicable. No middle mile facilities are included in this grant application.

e. For middle mile routes, state the amount of fiber capacity, by number of fiber strands in a cable, that the applicant has been reserved for public use. Describe any commitment or tentative discussion indicating the local government or State agency that might use those fiber strands, and for what purpose. Describe any restrictions or limits that may limit the public use (e.g., a possible use conflicts with an existing program covering the same subject matter).

Not Applicable. No middle mile facilities are included in this grant application.

f. A description of how the proposed project will affect the ability of individuals to access health care service from home, including any impact upon the costs of those services.

- Specific information from a hospital or clinic in the project area that currently uses or intends to use home-based telemedicine equipment to enhance access health care service would best illustrate this point.

VC Co-op's introduction of fiber infrastructure will enable fast and reliable broadband access to healthcare services and providers for the first time. Remote diagnostic medicine and health maintenance services, from pediatric to geriatric purposes, will be possible with simple laptop cameras and attached monitoring devices that are becoming commonly available. The time and costs to reach healthcare practitioners will no longer be a limiting factor for those in need of care.

Medical specialist throughout the United States relies on remote examinations through telemedicine and remote diagnostic equipment. As both medical providers and patients warm up to the use of telemedicine, the demand for broadband services will increase. VC Co-op's medical insurance carrier subscribes to a service called "Teladoc." This service can utilize video conferencing between a medical provider and the patient from the patient's home for diagnosing an increasing number of symptoms. This not only saves a patient time by not having to visit a clinic or hospital but, it also saves the patient money as the examinations are a fraction of the cost of a clinic or hospital visit. The cost for remote diagnosis is sub $100 where the cost of office visits can be several hundred dollars. The cost savings from one visit alone could be substantial for the patient.

Even cellular 911 service will function dependably from the home as FTTH broadband allows reliable Wi-Fi services to modern cell phones. As 911 service moves to NG911, contacting emergency service will be available through additional means such as email, texting, Wi-Fi, and SIP voice lines that will give location as well as a communication medium.

g. A description of how the proposed project will affect the ability of students to access educational opportunities from home.

- Specific information on the likely number of students that will benefit from improved access to educational opportunities from home would be useful.

High speed broadband access for the purposes of research and completing homework at home become possibilities if this application is accepted. As schools depend more on interactive distance learning and Internet access in real-time, the availability of high-speed broadband to students and those seeking vocational training will now be unencumbered by connection speed. Students that live in underserved areas need to spend more time at school or in public libraries to work online. This causes parents to accommodate extended schedules and, in many cases, adds several trips to and from home to transport students who may have been able to work from

home. With the current COVID-19 pandemic forcing schools to conduct classes virtually, many of these activities can only be performed from home and are not available to student without broadband access.

The areas included in this grant application is entirely made up of residential, family farm or home-based businesses. It is not known how many students reside in this grant area, but it is logical that no locations should be considered anything other than inhabited by family units.

- Specific information regarding educational programs that are currently available for students in the project area would be useful.

The Driftless Area has several private and alternative educational opportunities for students. Students also have access to wide variety of Advance Placement (AP) classes from universities that allow students to accumulate college credits while in high school. Many of these are completed online. There is trend throughout area counties to utilize these schools and supplement them with online educational methods to educate their children. Although distance is not a barrier to online distance learning, having online schools originate in the local area leads to instilling the local culture into the educational experience. This is the culture that is bringing people to the area in the first place. This will make online education even more popular in the years to come.

State and Federal mandated COVID-19 pandemic procedures require remote learning for students. Broadband service is a necessity for students to participate in basic education.

h. A description of actions taken by a city, village, town, or county in support of the grant application that have not been discussed in the context of a public-private partnership above, including but not limited to:

- The contribution of funds, easements or permissions to use publicly-owned real estate, construction materials, or other items of value to the grant project.

Monroe County and the Towns of Portland, Leon and Sparta that are party to the Public Private Partnerships with VC Co-op offered in-kind contributions of planning, permitting and easement assistance and right-of-way help to facilitate speedy deployment and subscriber connections to the proposed fiber network. Monroe County has monetarily contributed $ 872,106.00 to the project as well. All cable will be placed in the public right-of-way.

- The contribution of in-kind assistance to the grant project in the form of waived fees and expenses for obtaining use permits and permissions.

Monroe County and the three Towns that are party to the Public Private Partnerships with VC Co-op have offered their support to simplify processes and fee negotiations toward completing these projects. As stated previously, all cables will be placed in the public right-of-way. This permission by the Towns saves thousands of dollars in VC Co-op labor for engineering, developing property easements and legal fees for obtaining easements from private parties. The cost for obtaining one easement can run more than $1,000 in labor for discussions with landowners, description research, easement drafting, signing, and filing fees. It is estimated that nearly 50% of all rural locations would require easements. The towns have supplied VC Co-op with the ability to save a large amount of cost and time to make these projects feasible.

- The contribution of other items of benefit to the grant project, such as public outreach and education, vehicles, water, etc.

Monroe County and the three Towns that are party to the Public Private Partnerships with VC

Co-op will be working together to reach all prospective subscribers in the proposed project areas with educational materials on options available, including the availability of Lifeline discounts to qualifying voice and Internet products.

- Certification as a Broadband Forward! Community or Telecommuter Forward! Community.

Monroe County has been designated as both a Telecommuter Forward and a Broadband Forward Community by the Wisconsin Public Service Commission. VC Co-op believes that broadband certifications are of value to municipalities.

i. Letters and messages in support of the application submitted by prospective customers, local government officials, and other interested persons.

See Exhibit B and Supplemental Materials.

j. Any other equitable factor that the applicant desires to discuss, including one or more of the factors in Wis. Stat. § 196.03(6) that the applicant believes its project would advance. In discussing this element, the following information may be useful:

- Technical support and training materials that the applicant intends to provide.

VC Co-op's website contains a great deal of self-help and reference materials for the members to use. This includes videos as well as print materials. VC Co-op also offers 24/7/365 helpdesk service that is free to any subscriber of services. VC Co-op also has twelve community and school television channels on its IPTV television service. These networks often have tutorials that are broadcasted to television subscribers.

- Information that the applicant intends to use to promote better broadband adoption and use.

VC-Coop offers several methods to distribute marketing and educational materials to it members. VC Co-op has a very resourceful website, monthly newsletters, and twelve community and school television channels that are originated at VC Co-op for the dissemination of information to its members. Since members are owners of the cooperative, it is in the best interest of VC Co-op to keep all members informed and current on what is offered by their cooperative.

- A description of a program or outreach to provide assistance to individuals of low income.

VC Co-op's reputation is being entrepreneurial and forward thinking. As a member owned cooperative, keeping member services modern and economical is evaluated as intensely as profitability. Putting service ahead of profits has given VC Co-op the reputation it has. VC Co-op has always done what is right for their members and communities to make sure that VC Co-op is not the barrier to economic development or members' quality of life. All residents and businesses within the proposed project that subscribe to our services, will become members, with voting rights and a voice in ensuring that their broadband needs are met now and in the future. Any subscriber who receives service as a result of this grant and qualifies for low income programs for reduced service costs offered by the State of Wisconsin, Federal Government or local government will be honored by VC Co-op.

Exhibit A
Agreements

Public Private Partnerships:

02-22-02

Public Private Partnership Agreement

By and between the County of Monroe, Wisconsin and Vernon Communications Cooperative

WHEREAS, the County of Monroe, a political subdivision of the State of Wisconsin, seeks to help provide access to resources and the support structure necessary for economic development within its boundaries; and

WHEREAS, Vernon Communications Cooperative, a Wisconsin corporation ("Vernon"), proposes to expand broadband capability to reach the un-served or underserved residences and businesses in Monroe County where such service is currently unavailable or is prohibitively expensive; and

WHEREAS, it is currently expected that the proposed broadband expansion would be constructed in areas within Monroe County, Wisconsin and the enhanced broadband access and availability will be utilized to position Monroe County for desirable economic growth by addressing existing service disparities; and

WHEREAS, Vernon is applying for a Wisconsin Broadband Expansion Grant, through the Public Service Commission of Wisconsin, to expand access to broadband services in Monroe County, specifically the County's Rural Monroe County Project; and

Entire Public Private Partnership Agreement between Monroe County and Vernon Communications Cooperative can be found in Supplemental Materials Page 4.

APPLICATION PARTNERSHIP AGREEMENT **Page 1 of 2**

Public Private Partnership Agreement

By and between the Town of Portland and Vernon Communications Cooperative

THIS AGREEMENT (the "Agreement") is made this 17th day of February, 2022 by and among the Participating Parties (defined below) located in the State of Wisconsin (the "State") which, through their duly authorized representatives, have signed this Agreement.

WHEREAS, representatives of political subdivision of the Town of Portland, Monroe County, Wisconsin, seek to help provide access to resources and the support structure necessary for economic development within their respective municipal boundaries, and

WHEREAS, Vernon Communications Cooperative ("VCC"), a Wisconsin cooperative doing business in Monroe County, proposes to expand broadband capability to reach un-served or underserved residences and businesses in Monroe County where such service is currently unavailable or is prohibitively expensive; and

Entire Public Private Partnership Agreement between Town of Portland and Vernon Communications Cooperative can be found in Supplemental Materials Page 6.

Public Private Partnership Agreement

By and between the Town of Leon and Vernon Communications Cooperative

THIS AGREEMENT (the "Agreement") is made this 9th day of March, 2022 by and among the Participating Parties (defined below) located in the State of Wisconsin (the "State") which, through their duly authorized representatives, have signed this Agreement.

WHEREAS, representatives of political subdivision of the Town of Leon, Monroe County, Wisconsin, seek to help provide access to resources and the support structure necessary for economic development within their respective municipal boundaries; and

WHEREAS, Vernon Communications Cooperative ("VCC"), a Wisconsin cooperative doing business in Monroe County, proposes to expand broadband capability to reach un-served or underserved residences and businesses in Monroe County where such service is currently unavailable or is prohibitively expensive; and

Entire Public Private Partnership Agreement between Town of Leon and Vernon Communications Cooperative can be found in Supplemental Materials Page 8.

Public Private Partnership Agreement

By and between the Town of Sparta and Vernon Communications Cooperative

THIS AGREEMENT (the "Agreement") is made this 8th day of March 2022 by and among the Participating Parties (defined below) located in the State of Wisconsin (the "State") which, through their duly authorized representatives, have signed this Agreement.

WHEREAS, representatives of political subdivision of the Town of Sparta, Monroe County, Wisconsin, seek to help provide access to resources and the support structure necessary for economic development within their respective municipal boundaries; and

WHEREAS, Vernon Communications Cooperative ("VCC"), a Wisconsin cooperative doing business in Monroe County, proposes to expand broadband capability to reach un-served or underserved residences and businesses in Monroe County where such service is currently unavailable or is prohibitively expensive; and

Entire Public Private Partnership Agreement between Town of Sparta and Vernon Communications Cooperative can be found in Supplemental Materials Page 10.

Broadband Forward Ordinance:

RESOLUTION NO. 11-21-06

RESOLUTION ENACTING MONROE COUNTY BROADBAND NETWORK PROJECT ORDINANCE (BROADBAND FORWARD! COMMUNITY CERTIFICATION)

WHEREAS, with COVID-19, access to sufficient broadband in rural communities has become imperative for residents and businesses; and

WHEREAS, home-based businesses, teleworking, telemedicine, and virtual schooling increased throughout the area, it is vitally important to have increased broadband connectivity for the success of all residents; and

Monroe County Broadband Forward Ordinance can be found in Supplemental Materials Page 12.

Telecommuter Forward Certification:

RESOLUTION NO. 11-21-07

RESOLUTION IN SUPPORT OF TELECOMMUTING OPPORTUNITIES AND TELECOMMUTER FORWARD! COMMUNITY CERTIFICATION

WHEREAS, In accordance with state statute 196.5045, Monroe County wishes to apply to the Public Service Commissioner for certification as a Telecommuter Forward! Community; and

WHEREAS, Monroe County supports and commits to promoting the availability of telecommuting options; and

Monroe County Broadband Telecommuter Forward Certifications can be found in Supplemental Materials Page 15.

STATE OF WISCONSIN
Town of Portland
Monroe County

Resolution #2022-1

IN SUPPORT OF TELECOMMUTING OPPORTUNITIESAND TELECOMMUTER FORWARD CERTIFICATION

AT A MEETING OF THE TOWN OF PORTLAND HELD AT PORTLAND TOWN HALL, ON FEBRUARY 17, 2022 at 5:30 PM

WHEREAS, Town of Portland supports and commits to promote the availability of telecommuting options;

Town of Portland Telecommuter Forward Certifications can be found in Supplemental Materials Page 17.

Exhibit B
Letters of Support (Full Letters are in Supplemental Materials)

Letter from Town of Portland Town Clerk Joliene Lee

- Works from home as much as possible however her home is lacking internet service. Satellite internet was their only option and they cancelled it due to cost and data limitations.

Letter from Maria Lichter

- She lives in an area that has no broadband or cell phone service. They would love to have access to telehealth video with their care providers, family and friends particularly during these Covid times.

Letter from Jeanne M. Larson.

- Can only get DSL with very limited speed from our provider. She works remotely from home and have found there are times during the day when her connection is very limited.

Letter from Mlsna Dairy Supply

- Operates a large modern dairy and reliable internet connection is essential to the daily needs of MDS. Dairy herd records are backed up to the cloud and they struggle with slow upload speeds and frequent failures on the cloud backups.

Letter from Diane Erickson

- Family would benefit from the ability to have broadband for working from home, access to high school and college educational opportunities.

Norwalk-Ontario-Wilton School District

- Curriculum resources and student learning rely heavily on a strong broadband connection. Student in our local area have limited opportunities compared to other geographical areas that have strong broadband.

Sacred Heart Catholic School

- Thrilled when Vernon Communications expanded into the Village of Cashton. Many students live in underserved areas and need better broadband for schoolwork.

Cashton School District

- Vernon Communications has provided excellent service to rural areas in our school district and currently servs as our phone and internet provider.

Scenic Bluffs Community Health Centers

- Their telehealth services are intended to reach people wherever they live and work. They are challenged for so many in their areal have no source for high-speed internet.

Monroe County Board of Supervisors

- Are in full support of Monroe County and Vernon Communications application to receive funding through the broadband expansion grant and have pledged $872,901.00 to this project.

Wisconsin State Telecommunications Association Letter of Bill Esbeck

- Vernon has a strong track record of success building rural broadband expansion projects.

Wisconsin Senate, Letter of Sen. Brad Pfaff

- Has met with residents and community leaders across Vernon and Monroe Counties and the concern I head most is lack of high-speed broadband access.

Wisconsin Legislature, Letter of Rep. Loren Oldenburg

- Brings us equal access to technologies citizens need for the future.

Wisconsin Legislature, Letter of Rep. Tony Kurtz

- Monroe County is serious about investing in their communities and broadband.

Western Technical College

- They are simply limited in providing the full range of Western resources without a strong, reliable and speedy internet connection.

UW-Madison Division of Extension

- Identified education, virtual meetings for 4-H clubs, access to exercise/nutrition, and better communications in rural communities will ensure that support is available.

Mayo Clinic Health Systems

- There will be a gap in care for rural communities without sufficient access to broadband