


# BROADBAND EXPANSION GRANT APPLICATION

## For Fiscal Year 2022

Primary Applicant (Name and Address):  Frontier North Inc. 2378 Wilshire Boulevard Mound, MN 55364	Applications MUST be UPLOADED to ERF via the Commission's website, <a href="http://psc.wi.gov/apps35/ERF_upload/content/mymenu.aspx">http://psc.wi.gov/apps35/ERF_upload/content/mymenu.aspx</a> . Refer to section 2.3 for detailed instructions.  Applications are due and MUST be uploaded to ERF no later than: <b>March 17, 2022</b> at 4:00pm (16:00) Central Time. <b>Late applications will not be accepted.</b>
	Contact for further information: <a href="mailto:PSCStatebroadbandoffice@wisconsin.gov">PSCStatebroadbandoffice@wisconsin.gov</a>
	Date: March 17, 2022
<p>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.</p>	
<p><b>Applicant Certification:</b> 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.</p>	
Name of Authorized Representative (Type or Print)  Scott Bohler	Title  Manager, Government and External Affairs
	Phone  (952) 491-5534
Signature of Authorized Representative  	Date  March 17, 2022

## SUMMARY OF GRANT APPLICATION

Primary Applicant Name Frontier North Inc.	Amount of Broadband Grant Request (round to nearest dollar) \$471,413
Federal Employer Identification No. 35-1869961	Amount of Matching Funds Pledged (round to nearest dollar) \$2,671,341
Contact Name and Title Scott Bohler Manager, Government and External Affairs	Total Cost of Proposed Project (round to nearest dollar) \$3,142,754
Telephone Number (952) 491-5534	Project Name Portage Project
E-mail Address(es) Scott.bohler@ftr.com	Type of Proposed Broadband Service (FTTH, Cable, DSL, etc.) FTTH
Grant Manager, if different than Primary Applicant Same as Primary Applicant	Type of Proposed Project (Last-mile, Middle-Mile, backbone, other) Last mile
Grant Manager Contact Name Same as Primary Applicant	Grant Manager Email Address and Telephone Number Same as Primary Applicant
If the application proposes a public-private partnership, list the names, addresses, and FEINs of the partner companies or organizations	
Brief Project Description (2 sentences) The proposed project will deploy fiber to the home network to 160 locations in Portage County. The new facilities will allow Frontier to offer broadband service at speeds up to 2Gig, symmetrical.	
Maximum Proposed Download Transmission Speed Up to 2 Gig	Maximum Proposed Upload Transmission Speed Up to 2 Gig
Minimum Proposed Download Speed to Customer Location	Minimum Proposed Upload Transmission Speed to Customer Location
County or Counties served by this project Columbia County	Community or Communities served by this project Towns of Lewiston, Fort Winnebago, Caledonia, and Pacific.

<p>List of the broadband service providers, if any, currently serving the area the applicant proposes to serve</p> <p>All of the locations are categorized as “unserved” or “underserved” by the PSC.</p>	
<p>Does proposed project serve an <u>unserved</u> area of the State, as defined in <a href="#">Section 1.4</a> of the application instruction? (yes/no)</p> <p>Yes.</p>	<p>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)</p> <p>No.</p>
<p>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).</p> <p>32</p>	<p>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).</p> <p>128</p>
<p>Of the improved business locations, how many locations are <i>unserved</i>?</p> <p>28</p>	<p>Of the improved residential locations, how many are <i>unserved</i>?</p> <p>128</p>
<p>For providers that are eligible telecommunications carriers will the proposed broadband service be available to Lifeline customers? (yes/no)</p> <p>Yes.</p>	<p>Are there any programs available for low-income households to access low-cost service or discounts? (yes/no)</p> <p>Yes</p>
<p>Is the internet service provider currently participating in the Emergency Broadband Benefit Program? (yes/no)</p> <p>Frontier participates in the EBB successor program, the Affordable Connectivity Program.</p>	<p>Is the internet service provider currently participating in the Department of Public Instruction and CESA purchasing’s Digital Learning Bridge? (yes/no)</p> <p>No</p>
<p>Did the internet service provider participate in the Public Service Commission’s voluntary Broadband Coverage Data Collection in 2012? (yes/no)</p> <p>Yes.</p>	

# 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:
Frontier North Inc.	Portage

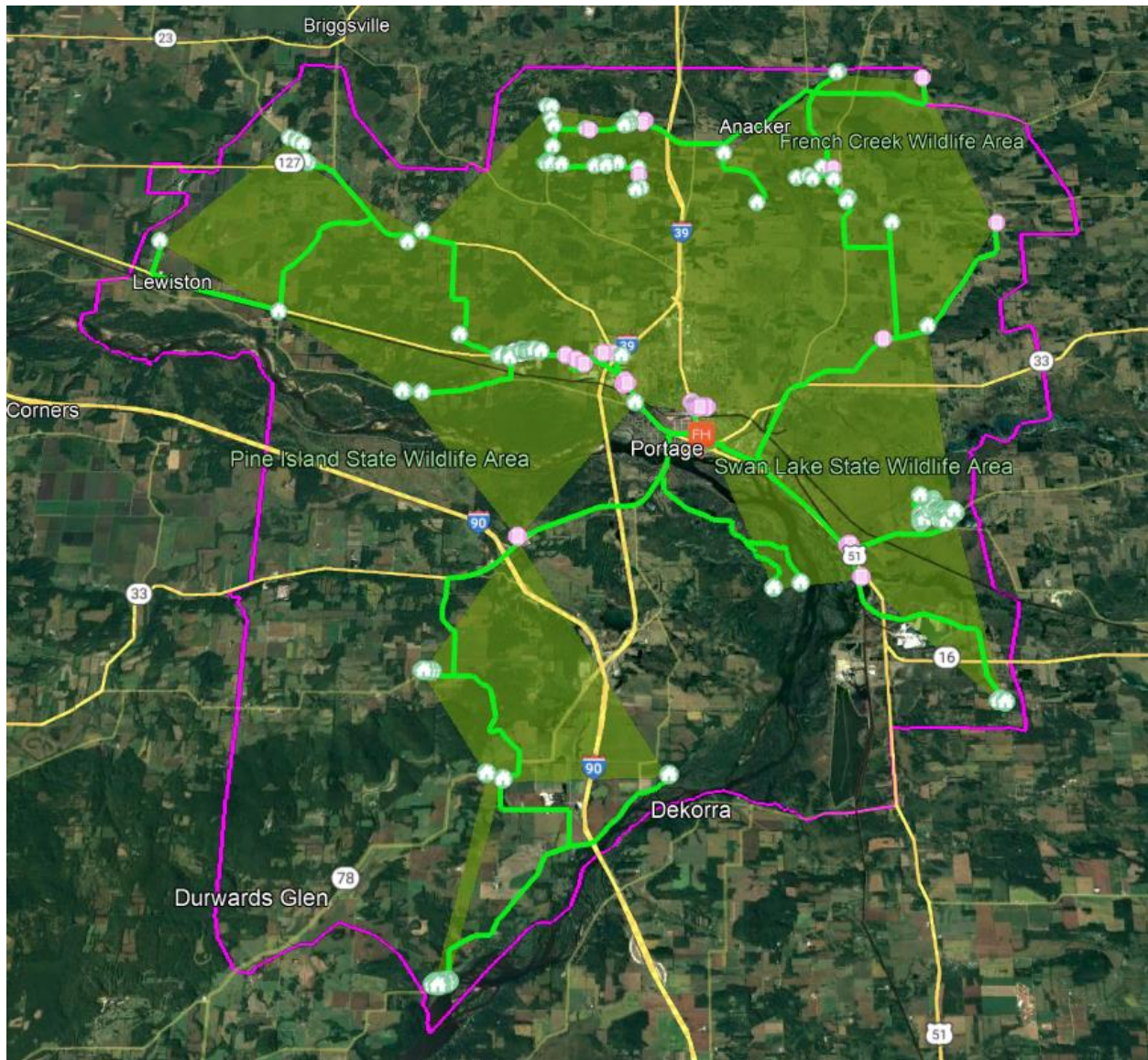
### Budget

Line:	Description / Category:	Grant Funds:	Match:	Total:
1	Contractual, Consultant Fees	\$ 447,045.23	\$ 2,533,256.33	\$ 2,980,301.56
2	Equipment	\$ 14,022.00	\$ 79,458.00	\$ 93,480.00
3	Supplies	\$ -	\$ -	\$ -
4	Labor (Salary, Fringe)	\$ 2,845.92	\$ 16,126.88	\$ 18,972.80
5	Permitting, Licensing Fees	\$ 7,500.00	\$ 42,500.00	\$ 50,000.00
6	Travel	\$ -	\$ -	\$ -
7	Other	\$ -	\$ -	\$ -
Total:		\$ 471,413.15	\$ 2,671,341.21	\$ 3,142,754.36
85.0% match requested				

### Pledged Contributions

#:	Entity:	Entity Type:	Pledge Type:	Pledge:
1	Frontier North Inc.	Applicant	Cash	\$ 2,671,341.21
2				
3				
4				
5				
6				
7				
8				
9				
10				
Total:				\$ 2,671,341.21

Frontier North is applying for a Wisconsin (WI) Broadband Expansion Grant to deploy last mile fiber-to-the-home (“FTTH”) facilities enabling provisioning of XGS-PON, 2 Gbps upload/2 Gbps download broadband service to 156 unserved customer locations and 4 underserved customer locations in Frontier’s Portage exchange. There are 32 businesses and 128 residential customer locations in that group. The map below illustrates coverage from the Portage Central Office. See attached spatial KML file displaying the proposed service area.



The broadband service provided will be Fiber Optic to the home (FTTH) and will transport broadband traffic from the subscriber and will interconnect to the Portage central office. The bandwidth terminating at each project location will be dedicated to all the subscribers within the serving area of the project site.

### 3.2 Mandatory application requirements

#### 3.2.1 Applicant identification and contact information

- a. Applicant is Frontier North Inc. Contact person is:

Scott Bohler

2378 Wilshire Boulevard, Mound, MN 55364

(612) 562-7183

scott.bohler@ftr.com

- b. N/A.

- c. Frontier North Inc is a telecommunications utility. It has been designated as an Eligible Telecommunications Carrier by the Public Service Commission for calendar year 2022.

#### 3.2.2 Description of the project

- a. Please see pages 5 and following of this application for maps of the project area. The project will cover a portion of the Towns of Lewiston, Fort Winnebago, Caledonia, and Pacific in Frontier's Portage exchange.

A KML mapping file is being emailed in connection with this application.

- b. N/A.

- c. The project will serve 128 residential locations and 32 business locations. Service at speeds up to 2Gig symmetrical will be available over these new facilities.

- d. The project will be targeting the "last mile" portion of the broadband infrastructure.

- e. The project will deploy a fiber to the home network to the area. The project will provide broadband service at speeds up to 2Gig, symmetrical. The project will deploy individual fiber facilities to each customer seeking broadband service. Middle mile transport facilities will be designed and constructed to serve all the customers in the area while maintaining a high level of bandwidth speeds consistent with the service levels to which customers subscribe.

- f. N/A

- g. The project is planned to be completed within 24 months of the award of the grant funding.

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

- a. All facilities involved in the project will be owned by Frontier.

Cost Detail - PORTAGE - PRTGWIXA FTTH	Qty	Price
CO Power	1	\$22,800.00
Nokia 7360 FX-8 XGS-PON OLT	1	\$68,400.00
Fiber Distribution Panel (FDP)	1	\$2,280.00
144 Fiber Cable	41,538	\$34,061.00
288 Fiber Cable	0	\$0.00
FDH	1	\$3,500.00
FTTH Terminal	111	\$12,210.00
Sub-Structure/Pull Boxes	1	\$1,916.00
Site Prep New	1	\$19,000.00
<b>TOTAL</b>		<b>\$ 164,167.00</b>

- b. Payments made by the State for this grant will be under a reimbursement process. Frontier will provide documentation that the costs being reimbursed are only for construction of new facilities, and not for any on-going operating costs.
- c. Payments made by the State for this grant will be under a reimbursement process. Frontier will provide documentation that the costs being reimbursed are only for construction of new facilities connected with the project.

3.2.4 Priority factors supporting the application

- a. **Matching funds.** Frontier North will fund 85% of the total project cost of \$3,142,754.
- b. **Public-private partnerships.** N/A.
- c. **Existing broadband service.** The project only includes locations deemed “unserved” or “underserved” by the PSC. Approximately 98% of the locations impacted by the project are “unserved”.
- d. **Project impact.** The project will deploy fiber to the home facilities in portions of Frontier’s Portage exchange. A total of 160 locations will be

covered; 156 in unserved areas and 4 in underserved areas. The project will provide broadband service at speeds up to 2Gig, symmetrical. Frontier participates in the Lifeline and Affordable Connectivity Program programs, offering credits for qualifying customers.

- e. **Scalability**. The project will provide broadband speeds up to 2Gig, symmetrical. Currently, that level of bandwidth and speed is unsurpassed as a general residential and small business offering. Construction of the project will put in place facilities that could be leveraged and expanded upon to deliver similar broadband service to adjoining areas and locations not included in this currently project.
- f. **Economic development**. The areas impacted by the projects are located relatively close to Madison. This project will provide a very high level of broadband service to the area which will have several benefits for economic development in the area. The new service will make work from home and tele-commuting much more practical for people working in connection with businesses and establishments in Madison. The high level of broadband service will be attractive to existing businesses that are relocating or expanding. All of these results will promote job growth or retention, expand the property tax base, and improve the overall economic vitality of the project area.
- g. **Effect upon broadband service to adjacent areas**. Construction of this project 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. In fact, construction of the project will position Frontier to consider expansion of the service into adjoining areas.

### 3.2.5 Other information supporting the application

- a. Frontier currently provides broadband service to about 92,000 customers in Wisconsin. Frontier and its affiliates have extensive organizational experience in successfully participating in federal and state funding initiatives in all 25 of the states they serve to expand and provide broadband service to unserved and underserved communities. For example, Frontier affiliates were recipients of federal funds under the Connect America Fund Phase II broadband grant program to deploy broadband service to over 706,000 rural locations throughout its footprint including over 77,000 locations in Wisconsin. More recently, Frontier affiliates participated in the FCC's Rural Development Opportunity Fund ("RDOF") reverse auction and were awarded funding (for areas other than the Project area) that will enable it to bring FTTP and gigabit broadband service to 127,000K high-cost locations across eight states.



b. Frontier affiliates have also successfully participated in numerous state grant programs, including programs in New York, Minnesota, and California. For example, the New York Broadband Project Office (BPO) awarded Frontier a total of \$46M in grant funding to bring broadband service to over 19,000K locations. Similarly, Frontier participated in the Border-to-Border grant programs in Minnesota, which awarded Frontier \$3.4M in grants to construct middle mile and last mile facilities in rural areas of the state and in California, where Frontier was awarded \$17M through the California Advanced Services Fund to bring broadband service, including for some FTTP projects, to nearly 9,000 rural locations. Frontier has several additional FTTP projects pending approval in California.

c. The proposed project will not duplicate existing broadband infrastructure which is offering broadband at the speeds that will be provided over the project's new facilities.

d. Frontier is well qualified financially to undertake the proposed broadband construction project. Frontier is a wholly owned subsidiary of Frontier Communications Parent Inc. ("Frontier Parent"), a corporation publicly traded on Nasdaq under the ticker symbol "FYBR." Frontier Parent, through its local operating entities, provides broadband service in 25 states and has over 85 years of experience providing communications services. Frontier Parent's latest annual 10-K and 10-Q quarterly reports to the SEC are available at: <https://investor.frontier.com/filings-and-financials/sec-filings/default.aspx> Frontier has approximately \$2.5B of liquidity to help fund its fiber build plans. Frontier is committed to disciplined balance sheet management with net leverage in the mid-threes. There are no debt maturities earlier than 2027.

e. Rural communities, like that of the Project area, generally have greater challenges in accessing health care due to distance, cost, lack of local health providers, and the absence of fully equipped medical facilities. The Project will open the door to greater access to connect with healthcare providers virtually through telehealth applications and services that typically require high capacity, symmetrical connections to function properly. The Project will provide the necessary level of connectivity for health care professionals to more quickly and easily share important information with patients and other providers. This will not only save healthcare costs but also support overall better healthcare within the Project Area.

In addition, improved broadband access will allow community members to adopt new and valuable digital telemedicine devices including those that enable remote patient monitoring by medical professionals; thereby allowing them to identify and respond to issues in a timelier manner. Many telehealth devices also include advanced functionality that enable patients to establish monitoring and alerts for out of town caretakers; providing additional peace of mind to families and loved ones. Such functionality is particularly important in the Project Area because it

contains no major medical facilities. Broadband access will enable local medical personnel, including doctors and dentists, to access the expertise of large medical facilities by utilizing online consultation of x-rays, test results, and other patient information over a secure network. In addition, rural health providers will be able to take advantage of electronic health record applications available in the cloud to reduce costs and maintain security. Thus, the Project can bring the latest medical technology to the Project Area.

f. The Project will make high-speed broadband available to a wider range of students, affording them more opportunities to participate in technology-based educational opportunities—both K-12 and higher education—through interactive classroom and distance learning experiences that rely on both fast upload and download speeds. It will also provide students access to a more diverse and comprehensive educational experience by opening a new world of virtual resources.