

Hamilton Long Distance Company

Nebraska Universal Service Fund

Broadband Program

Grant Application

Hordville, Nebraska

REDACTED PUBLIC COPY

Submitted to Nebraska Public Service Commission

November 26, 2014

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #1:

“A listing of all companies associated with the proposed broadband project that will Provide the broadband or voice component of the service to consumers, including a main Point of contact for all companies. (This requirement does not refer to vendors such as construction companies or equipment providers.)”

Narrative:

Hamilton Long Distance Company (“HLD”) is an interexchange carrier that will be responsible for managing the implementation of the project submitted through this application and will be providing the facilities for the proposed broadband project. [REDACTED]

Hamilton.net is the internet service provider (“ISP”) that will be providing the broadband services over the Hamilton Long Distance Company’s facilities. Certain services or portions of the facilities may be acquired from an affiliated company, Hamilton Telephone Company and the parent company Nedelco, Inc.

The mailing addresses for these companies are:

Hamilton Long Distance Company
1001 12th Street
Aurora, NE. 68818

Hamilton.net
1001 12th Street
Aurora, NE. 68818

Nedelco, Inc. d/b/a Hamilton Telecommunications
1001 12th Street
Aurora, NE. 68818

Hamilton Telephone Company
1001 12th Street
Aurora, NE. 68818

The point of contact for this project is:

Pat Shaw
General Manager – Hamilton Telecommunications
Office Telephone Number: 402-694-5101
Email: pat.shaw@hamiltontel.com

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item # 2

“A description of the proposed broadband project plan for which Nebraska Universal Service Fund Broadband Program funding is being requested including download and upload speed capabilities which can be provided using the proposed infrastructure. Minimum speed standards should be 4 mbps download and 1 mbps upload.”

Narrative:

In this application, Hamilton Long Distance Company (“HLD”) proposes to [REDACTED] [REDACTED] in the rural, underserved and unserved area near Hordville, Nebraska in Hamilton County. The area that would be served would be the Willow Bend Subdivision and Turtle Beach Subdivision. These two areas are shown as underserved or unserved on the Nebraska Public Service Commission’s Broadband Map. These areas are considered underserved and unserved because they lack access to broadband service at the 4 Mbps download and 1 Mbps upload speed capabilities that the Nebraska Public Service Commission has set as the speed threshold definition of broadband service. The targeted support for the broadband capital improvement projects provided by the Nebraska Public Service Fund will assist HLD in bringing broadband service at the 4/1 Mbps speed capability and faster to both of these subdivisions.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item # 4:

“A list in Excel Format of all the census blocks where broadband facilities would be deployed for the proposed project which will include 2010 Census Block identification numbers of the service area, by project. The list of census blocks must be identified on a per project basis and must be contained in one spreadsheet. Carriers should not break apart the listings of census blocks in separate workbook tabs.”

Narrative:

Hamilton Long Distance Company has provided the census block list in an electronic, Excel Format and has also included a print out of the census block list in this application.

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Hamilton Long Distance Project Census Blocks

310819691002100
310819691002074
310819691002075
310819691002067
310819691002382
310819691002381
310819691002380
310819691002064
310819691002087
310819691002072
310819691002078
310819691002066
310819691002077
310819691002073
310819691002088
310819691002076
310819691002089
310819691002068
310819691002079
310819691002083

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item # 5:

“An estimate of the number of potential new broadband subscribers.”

Narrative:

In order to determine an estimate of the number of potential new broadband subscribers, Hamilton Long Distance utilized the Plat maps provided by Hamilton County for the proposed project area to determine how many households in the proposed project area would gain access to increased speed capabilities and broadband availability.

An estimate number of households which will have access to broadband service at the 4/1 Mbps speed level or higher in the project service area are included.

	Hordville Project
Underserved or unserved	
Total	

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item # 6:

“A schedule for broadband deployment with commitment to complete the build-out within 24 months of approval of the application. The schedule should describe milestones in project completion increments of 25 percent, and the estimated date by which the milestones will be completed.”

Narrative:

Hamilton Long Distance Company has estimated the major milestones and completion dates for the Willow Bend and Turtle Beach subdivisions near the Hordville, Nebraska project. The actual construction schedule is contingent upon the application approval process and timeline, HLD submits that the estimated completion dates are fluid, and while HLD intends to have the Hordville project completed in late 2015, construction on the project could flow into 2016. In developing the project milestones schedule, HLD has presumed that the approval notifications would be made in early 2015.

PROJECT MILESTONES SCHEDULE

Milestone	Estimated Completion Date
Hardware Selection/ Ordering	May 2015
Outside Plant Construction/ Equipment Configuration & Installation	August 2015
System Turn-up / Testing	September 2015
Service Implementation	October 2015

Hamilton Long Distance Company
 Nebraska Universal Service Fund Broadband Program
 Hordville, Nebraska Application

Application Checklist Item # 7:

“A proposed budget, showing total project costs, in electronic format, with a detailed breakdown of the cost elements and a depreciation schedule showing life of the investment.”

Narrative:

Hamilton Long Distance has included a proposed budget, showing total project costs, including a detailed breakdown of the cost elements and depreciation schedule showing the life of the investment. HLD has provided the budget and depreciation schedule in an electronic, Excel Spreadsheet format and has included a print out of the budget and depreciation schedule in this application.

Summary totals from the proposed project, along with a summary of the depreciation schedule, are provided below:

Description	Gross Investment	Depreciable Life	Depreciation Per Year
Electronics			
Plant			
Total Capital Budget			
HLD Matching Amount (25%)			

Hamilton Long Distance Company commits to using the NUSF Broadband Program support only for the purposes intended and which have been approved by the Nebraska Public Service Commission through the application process.

Hamilton Long Distance Company
Footage

Willow Bend Subdivision

Turtle Beach Subdivision

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Total

[REDACTED]

Total

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CONFIDENTIAL

Hamilton Long Distance Company
Bury Costs

Willow Bend

[Redacted]	[Redacted]	Total
	Sub Total	[Redacted]

Turtle Beach

[Redacted]	[Redacted]	Total
	Sub Total	[Redacted]

Total Labor Costs [Redacted]

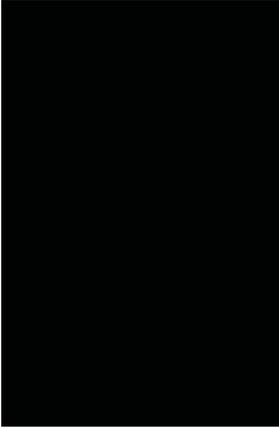
Total Materials Costs [Redacted]

Total Cost [Redacted]

Hamilton Long Distance Company
Cabinet Materials Budget

Willow Bend & Turtle Beach

Cabinet



Total

CONFIDENTIAL

Hamilton Long Distance Company
Depreciation Schedule

Description	Gross Investment	Depreciable Life	Depreciation Per Year
Electronics			
Plant			
Total Capital Budget			
HLD Matching Amount (25%)			

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #8:

“Proposed retail pricing, including both monthly recurring costs and nonrecurring costs for the new broadband service(s) to be offered. Proposed rate, either monthly recurring (MRC) or non-recurring (NRC), for broadband related customer premise equipment (CPE, e.g. modem). If none listed, please state that applicant will not be changing a rate to the end user for broadband CPE.”

Narrative:

Hamilton.net current broadband pricing is as follows.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #9:

“Retail rate(s) charged for basic voice service. If a subscriber line charge is assessed, the amount of the (SLC). If no SLC is assessed then a statement that no SLC is assessed.”

[REDACTED]

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #10:

“A description of the applicant’s commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years.”

Narrative:

HLD will provide broadband service to each household within the described service areas for a period of no less than five years, and would anticipate doing so for far beyond that timeframe. For the proposed project, HLD will provide service to each customer in the applicable census blocks as outlined in Checklist Item #4.

[REDACTED]

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #11:

“A description of the applicant’s commitment to provide broadband data to the Commission and its vendors for the duration of the State Broadband Data and Development (SBDD) program so that this broadband coverage area can be depicted on the Commission’s state broadband data inventory map and on the National Telecommunications and Information Administration’s (NTIA’s) national broadband map.”

Narrative:

Hamilton Long Distance Company will supply timely and highly accurate mapping data for both the SBDD and NTIA mapping activities. As a successful applicant to the NUSF Broadband Program, HLD will provide the Commission and its vendors all required broadband mapping data for these new service areas, so the benefits of these projects can be recognized and incorporated into broadband inventory maps at the Commission and NTIA.

CONFIDENTIAL

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #12:

“A description of the applicant’s financial qualifications, which may be filed on a confidential basis, to meet the commitments made in the application.”⁵”

Narrative:

Hamilton Long Distance’s affiliate company, Hamilton Telephone Company, files an Annual Report Form M which is on file with the Nebraska Public Service Commission and illustrates the company’s financial position.

5 For companies filing Annual Report Form M information, such information would be sufficient to meet this requirement.

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #13:

“If the applicant does not have a certificate of public convenience and necessity to provide telecommunications services in Nebraska, a demonstration of the applicant’s financial, technical, and managerial competence.”⁶”

Narrative:

[REDACTED]

Hamilton Long Distance is a certified interexchange carrier in the State of Nebraska.

⁶ A balance sheet and income statement can be submitted to demonstrate financial competency.

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #14:

“A description of the applicant’s financial match which will be used to meet the commitments made in the application. Applicant shall submit a proposed budget for the entire project cost.”⁷”

Narrative:

[REDACTED]

CONFIDENTIAL

⁷ Consistent with the Department’s recommendation, the applicants may provide invoices to the Commission based upon 25 percent milestones. Once those are reached, the Commission would reimburse 75 percent of the invoice cost and the grantee would be responsible for the remaining 25 percent.

Hamilton Long Distance Company
Nebraska Universal Service Fund Broadband Program
Hordville, Nebraska Application

Application Checklist Item #15:

“An affidavit from the Applicant attesting to the truth and accuracy of all information included in the application.”

Narrative:

An affidavit signed by Hamilton Long Distance’s Vice President is included in this application. A copy of this affidavit is also provided electronically.

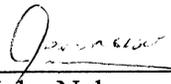
CONFIDENTIAL

November 26, 2014 and attest to the truth and accuracy to the best of my knowledge and belief of all of the information included in Hamilton Long Distance Company's application.

4. This completes my affidavit.

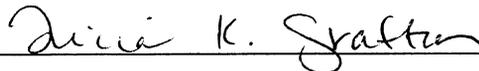
VERIFICATION

I, John Nelson, declare under penalty of perjury that the statements in this Affidavit are true and correct to the best of my knowledge and belief.



John Nelson
Vice President
Hamilton Long Distance Company

Subscribed and sworn to before me, this
25th day of November, 2014.



Tricia K. Grafton (Printed Name)

Notary Public, Hamilton County, Nebraska

Acting in the County of Hamilton

My Commission Expires: 9/5/2016

