

**BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Nebraska ) Application No. NUSF-92  
Public Service Commission, on its ) PROGRESSION ORDER NO. 2  
Own Motion, to Administer the )  
Nebraska Universal Service Fund ) ORDER  
Broadband Program. )  
) Entered: September 3, 2014



**JOINT REQUEST FOR FUNDING**

Pursuant to an Order dated September 3, 2014, the Nebraska Public Service Commission (“Commission”) has designated that \$500,000 be made available under the Nebraska Universal Service Fund Broadband Program (“NEBP”) for a pilot broadband adoption program (“Pilot Program”) aimed in part at providing greater broadband access to low-income consumers. In order to pursue the opportunity of reaching more Nebraska citizens with broadband service and the potential economic benefits it may provide, Windstream Nebraska, Inc. d/b/a Windstream Communication (“Windstream”) and the Center for People in Need (“CPIN”) hereby jointly apply for funding from the NEBP for the proposal which is more fully described below.

**THE APPLICANTS**

**Windstream**

Windstream is an incumbent local exchange carrier and is designated as an eligible telecommunications carrier (“ETC”) by the Commission. As an ETC, Windstream is eligible to receive support under the Nebraska Universal Service Fund. Windstream provides both voice and broadband services throughout its designated service area including within the city of Lincoln, Nebraska.

**CPIN**

CPIN is a 501(c)(3) organization and provides comprehensive services and opportunities to support low-income, high needs families and individuals as they strive to lift themselves out of

poverty and achieve economic self-sufficiency. CPIN's Mission is to: (1) assist other human service agencies that are providing for the social and economic needs of low-income, high needs families and individuals, (2) provide for the emergency, basic needs of families through delivery of direct services, (3) actively advocate for systemic changes through federal, state and local policy makers, and (4) develop and support educational programs, increase job training, and improve computer skills for low-income workers. The Executive Director of CPIN is Beatty Brasch (bbrasch@centerforpeopleinneed.org) and the Director of Operations is Deb Daily (ddaily@centerforpeopleinneed.org). CPIN is located at 3901 North 27<sup>th</sup> Street, Unit 1, Lincoln, NE 68521. Phone: 402-476-4357, Fax: 402-476-4358.

## **THE PILOT PROPOSAL**

### **Introduction**

Windstream and CPIN jointly desire to help assist CPIN's clients in their efforts to improve their computers skills by having affordable access to broadband services. Providing access will further allow CPIN's clients to increase their educational and employment opportunities. Windstream and CPIN are pleased to submit a proposal under the Pilot Program (the "Pilot Proposal") under which CPIN will be the conduit and source for establishing the financial eligibility for individuals to receive broadband service from Windstream.

The Pilot Proposal is designed to initially target children currently attending Lincoln Public Schools ("LPS") whose family income qualifies them for the Federal Free Lunch Program and who will soon be receiving digital hardware (tablets or similar digital devices) from LPS as part of LPS's current comprehensive initiative to provide digital technology to all children attending LPS in the coming years. LPS has advised CPIN and Windstream of its desire to find effective ways to assure that all children receiving digital hardware from LPS can

effectively utilize these devices at home through access to affordable broadband services (see **Exhibit A**). Research and surveys conducted by CPIN of its low-income population over the past two years indicate that most respondents believe the limit of affordability for broadband service is approximately \$10.00 per month. The Pilot Proposal merges the interests, investments and initiatives of the Commission, CPIN, LPS and Windstream in enhancing access to affordable broadband service to low-income consumers, including their children and families.

#### **Discounted Broadband Service Provided by Windstream**

After establishing eligibility, CPIN will provide to Windstream the appropriate lists of pre-qualified individuals who desire to secure broadband service at their residence. Windstream will develop and put in place the appropriate ordering processes in order to provision the broadband service. Based on the list provided by CPIN, Windstream will provision broadband services entitled “Greenstreak” to the designated locations, where service is available, with a speed of up to 6/1 Mbps. For purposes of receiving reimbursement from the NEBP, Windstream will provide the Greenstreak broadband service, normally sold at a monthly rate of \$39.99 plus surcharges and taxes, at a monthly discounted rate of \$9.99. In addition to the \$9.99 monthly discounted rate, CPIN clients who apply for Greenstreak under the Pilot Program will be responsible for all applicable surcharges, taxes and modem costs (cost of modem may be paid by CPIN’s Community Funding Partners). The discounted rate will be offered to only those qualified individuals established by CPIN, and the duration of the discount will be limited to the one-year trial period of the Pilot Program unless extended by the Commission and agreed to by both Windstream and CPIN. Implementation of the Windstream/CPIN Pilot Proposal shall occur no later than July 1, 2015.

**Digital Training and Equipment Through Community Funding Partners** CPIN has long devoted significant programming efforts to digital training for its low-income population and for several years has been seeking ways for its low-income population to access affordable broadband services in their homes. As part of its Pilot Proposal, CPIN is seeking funding from community-based funders to leverage funding from the Pilot Program to include equipment, computers and digital training programs and staff, targeted to low-income families, including those with one or more children qualifying for the Free Lunch Program through LPS who receive computer equipment from LPS for use in LPS's curriculum.

CPIN has contacted and received letters of interest from the Lincoln Community Foundation, the Woods Charitable Fund and the Cooper Foundation (collectively, "Funding Partners") (see **Exhibits B, C and D**) to favorably consider funding requests from CPIN to support digital training, staff, and equipment and computers compatible with LPS technology standards for its low-income population and their families. Funding from the Funding Partners has been estimated as follows:

1. Five dollars (\$5.00) per month/year/Funding Partner for each qualified low-income child who receives a digital learning device (laptop, tablet or other device) ("Device") from LPS and whose family requests broadband service from Windstream for digital training and related staff; and/or
2. Cost of a modem for home installation per user-family to enable creation of residential wi-fi for access to broadband services at home (a one-time cost estimated at \$75.00 through Windstream)\*; and/or
3. Cost of Device (tablet, laptop) matching LPS's approved hardware for digital training at the CPIN Computer Laboratory (20 total) (estimated at \$550/device)

**Possible Funding Amount**

The overall funding requirements for our Funding Partners for the Pilot Program will be based largely on the number of qualified LPS student-families who desire to have broadband at home and the number of those students who receive Devices from LPS. Currently, LPS is conducting a pilot technology program with student Devices at Park Middle School, and plans to distribute more devices next school year as it rolls out its technology program to more schools. While the decision regarding which schools and grade levels may be selected next year for expansion of the LPS technology program has not yet been made, middle schools may be selected for numerous reasons. If that is the case, an example of costs for implementing CPIN’s Pilot Program could be extrapolated by using Park Middle School as an example (“Park Model”). Park has 474 students this school year who participate in the Free Lunch Program, representing 58.7% of the total school population. Based on the foregoing funding schedule and using “500” as the number of student-families requesting discounted broadband service, the total funding from the Commission and our Funding Partners looks like the following:

<b>COMMISSION FUNDING TO WINDSTREAM</b>	\$30.00 discount for broadband service/student/month x 12 months x 500 student-family customers	\$180,000
<b>TOTAL COMMISSION FUNDING</b>		<b>\$180,000</b>

<b>FUNDING PARTNER</b>	\$5.00 digital training contribution/student/month x 12 months x 500 customers	\$ 30,000
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<b>FUNDING PARTNER</b>	\$5.00 digital training contribution/student/month x 12 months x 500 customers	\$ 30,000
<b>FUNDING PARTNER</b>	\$75.00 Cost of Modem*/student-customer (Non-recurring) x 500 student-customers	\$ 37,500
<b>FUNDING PARTNER</b>	\$550/Device for Computer Lab (same as LPS Device) for Digital Training x 20 Devices	\$ 16,500
<b>TOTAL FUNDING PARTNERS</b>		<b>\$114,000</b>

The Funding Partners' funds would go to CPIN for operating and staffing the Digital Training Services (staff and equipment) for all low-income families, including those with children in LPS. As the Pilot Proposal is designed to coordinate with the LPS Technology roll-out plan, the number of schools to be eligible for broadband devices is not known at this time. However the Park Model can serve as an initial proxy for estimating the cost per school needed to provide affordable broadband services to low income families with children receiving Devices through LPS. Of course, the number of families who actually apply for discounted broadband service is simply an estimate.

**Community Funding Sustainability**

CFPIN's sustainability model is based on four key strategies: Adaptive Capacity; Leadership Capacity; Management Capacity; and Technical Capacity. These four key strategies assist CFPIN in perpetuating its ability to fulfill its mission. The ability to create internal and external changes, create vision, inspire our community, make decisions, implement innovative programs, and use resources effectively and efficiently, all add to the successes of CFPIN and its programs. Sustainability of this program will be developed through a long range financial "best

practice” plan of outreach to the community. CFPIN will partner with schools, corporations, non-profits and community leaders through fundraising campaigns and donation drives, while continuing to seek funds from federal, state, and community-based funders for the programs operational expenses. The Center will use direct mail correspondence to businesses, schools and civic organizations, press releases, radio program interviews, and our website and social media to extend requests for the program’s needs. Partnerships with local hardware and internet service providers could also provide a sustainable future for this program by providing students and families access to the affordable resources they need to succeed in our digital society. Development of a program to refurbish donated computers could be an addition to our Job Training Program. This would provide a double benefit by offering affordable options to our low-income clients and families, and provide training in computer repair and the opportunity to purchase hardware at affordable costs.

Windstream and CPIN are grateful for the opportunity to submit this Joint Request for Funding and appreciate the Commission’s consideration of their joint request.

Dated: November 26, 2014

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Respectfully submitted,

*Bill R. Garcia*

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Bill R. Garcia, Regional Vice President Government Affairs  
Windstream Communications

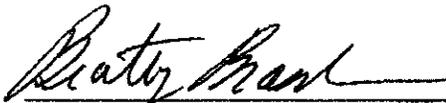
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Beatty Brasch, Executive Director  
Center for People in Need

Respectfully submitted,

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Bill R. Garcia, Regional Vice President Government Affairs  
Windstream Communications

A handwritten signature in cursive script, appearing to read "Beatty Brasch", written over a horizontal line.

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Beatty Brasch, Executive Director  
Center for People in Need

**EXHIBIT A**

November 26, 2014

## LETTER OF SUPPORT

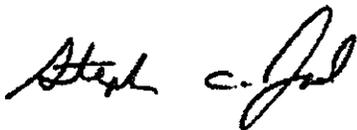
As superintendent of Lincoln Public Schools, I am pleased to offer this letter in support to Windstream Communication (Windstream) and the Center for People in Need (CPIN) for funding from the Nebraska Universal Service Fund Broadband Program for a pilot broadband adoption program. This program would offer broadband services to low-income, high needs families and students in Lincoln Public Schools.

As an educational organization serving vulnerable youth and families, it is our belief that funding from the Nebraska Universal Service Fund Broadband Program, in conjunction with Windstream and CPIN, will address a critical need in the Lincoln Public Schools and larger community. We are currently serving over 39,000 children and youth with 44 percent qualifying for our free/reduced lunch program. Children and youth are growing up in an increasingly complex society that presents challenges in the educational setting; the students who will be served by this grant often have additional difficulties to overcome in order to succeed. This funding would offer these students increased opportunity to continue their educational pursuits outside of the school walls and produce positive educational outcomes. This supports our goal of creating an environment where all youth not only advance through school, but thrive educationally and in life.

Lincoln Public Schools welcomes the opportunity to engage in this pilot broadband adoption program.

This letter is offered in support of the request for funding from the Nebraska Universal Service Fund Broadband Program. It is our belief that this project has the potential to become the model program used in communities throughout the nation.

Sincerely,



Stephen C. Joel, Ed.D.  
Superintendent

**EXHIBIT B**

LINCOLN COMMUNITY  
F O U N D A T I O N

215 Centennial Mall South  
Suite 100  
Lincoln, NE 68508

402.474.2345  
402.476.8532 FAX  
www.lcf.org

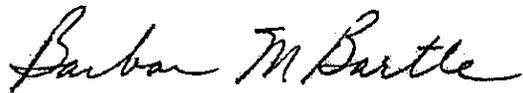
November 25, 2014

Nebraska Public Service Commission  
RE: NUSF 92 Pilot Program  
1200 N St Ste 300  
Lincoln, NE 68508

To whom it may concern:

I am writing this letter in support of the Center for People in Need grant application to fund affordable broadband services for children currently attending Lincoln Public Schools whose family income qualifies them for the Federal Free Lunch Program, and who will soon be receiving digital hardware from LPS. This grant proposal fits the criteria and mission of the Lincoln Community Foundation. Should this grant be approved, the Lincoln Community Foundation would consider future funding proposals of this nature.

Sincerely,



Barbara M. Bartle  
President, Lincoln Community Foundation

**EXHIBIT C**

**(Letter of Support from Woods Charitable Fund to be submitted at a later date)**

**EXHIBIT D**



870 Wells Fargo Center / 1248 O Street / Lincoln, NE 68508  
(402) 476-7571 / [www.cooperfoundation.org](http://www.cooperfoundation.org)

November 17, 2014

Beatty Brasch, Executive Director  
Center for People in Need  
3901 N. 27th St. # 1  
Lincoln, NE 68521

Dear Beatty:

Thank you, Deb Daily, and Loel Brooks for meeting with us to discuss a collaborative proposal to provide broadband access and relevant technology training for low-income consumers. We agree that this is an important need to be addressed, particularly for families with children who need access to this technology for schoolwork, both in and outside of the classroom.

This fits our focus on educational projects that help improve teaching and learning and we will accept an application for a grant to support this important effort. We look forward to hearing from you and learning more.

Sincerely,

A handwritten signature in black ink that reads 'Victoria'.

Victoria Kovar  
Senior Program Officer