

13Q1_Supplemental Answers_Minnesota

Connected Nation, Inc

Grant Number 27-50-M09043

Reporting Period End Date 03-31-2013

14a_Data Collection_Attachment

2. Describe any additional project milestones that have been accomplished over this reporting period (ex: Updates to state broadband maps and websites, map outreach activities).

Connect Minnesota continues to maintain the interactive mapping web application, called My ConnectView. The application is housed in a highly available, monitored, and managed environment. My ConnectView is publicly available on the program website (<http://www.connectmn.org/interactive-map>). There were a total of 1,014 visits to the interactive map between January 1, 2013, and March 31, 2013.

During this quarter, My ConnectView underwent an upgrade to the server software and the application programming interface (API), as well as additional enhancements to improve the user experience. The server was upgraded to ArcGIS for Server 10.1 and the ArcGIS API for Flex was upgraded to version 3.0. A new button to create permanent links allows users to develop a customized display of My ConnectView with various data layers turned on with a specific zoom level and then send the permanent link to another user, who will then get the same display in the interactive map setting. A date display was also added to the legend to inform the user of the current nature of the broadband data. Lastly, the pop-up window style was enhanced to allow users to scroll through multiple record selections, as well as view a better display of the record's information.

During this quarter, the project received a total of 4 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 4 for this quarter.

For this reporting period, 1,617 field verification tests were conducted. During this quarter Engineering and Technical Services (ETS) staff began using device embedded software for collecting data on mobile networks. These speed and platform tests are in addition to the program's standard field verification and validation test and enabled significantly more verification tests than in previous quarters. From program initiation through this reporting period, in-the-field validation testing has been completed against 104 companies (out of a universe of 126 viable providers) totaling 82.54 percent within the state of Minnesota.

During this quarter, broadband growth maps were developed and made public on the program website. The analysis behind these maps shows where broadband coverage has changed in

comparison to the October 2010 datasets: where coverage 1) has been added where it already existed in October 2010, 2) has been removed, and 3) has been added in previously unserved areas.

4. Provide any other information or statistics that you think would be useful to NTIA as it assesses your broadband data collection, validation, and publication activities.

Connect Minnesota provided the Minnesota Department of Public Safety (MDPS) with additional broadband availability analyses based on the October 2012 State Broadband Initiative (SBI) data collection and maps in support of the state's FirstNet grant application. Program staff assisted MDPS with analysis on wireless availability across the state; including an examination on availability at different speeds and where service was and was not available. This breakdown of geographic area and household broadband availability by speed tier was completed to assist in understanding where the gaps exist in mobile broadband service and fixed broadband service to citizens in rural areas. MDPS included the Connect Minnesota maps as part of their final grant application, and staff will work to support the efforts of FirstNet in Minnesota as requested by the state going forward.

During this quarter, maps and tables were completed, and made public online at <http://www.connectednation.org/fcc-maps>, displaying the analysis of census blocks eligible for Phase I of the Connect America Fund broadband subsidy program in comparison with the most recent October 2012 SBI broadband data collection. The maps and analysis published reflect the Federal Communications Commissions (FCC) data release of eligible census blocks on January 4, 2013.

The program received an invitation from the Leech Lake Band of Ojibwe (LLBO) Tribal Nation to engage in a field verification and validation exercise to determine the accuracy of the broadband coverage areas on the LLBO reservation as reported by those providers participating in the Connect Minnesota SBI program. A kick-off meeting was held on February 4, 2013, to discuss the objectives of the field work. During the subsequent four days, four members of the ETS team joined the program manager and representatives from LLBO to conduct testing through February 8, 2013. During the field testing period, 1,103 mobile broadband speed tests were completed supplemented by wireline and spectrum analysis testing at 150 points, many times logging 3-5 tests per point. The team traveled across the reservation to conduct the testing and identify broadband infrastructure; often on foot through Minnesota's February snow cover. In addition, the team had the opportunity to identify and test numerous Community Anchor Institutions on the Reservation that had not yet been identified or surveyed. The great news from the field testing was that ETS staff did not discover information that contradicted the accuracy of the current Connect Minnesota broadband map. After the visit was concluded, the team produced a detailed Field Validation Report for LLBO. Conversations with the Tribe continue, to ensure that broadband availability data is accurate on Tribal Lands.

In Q1 2013, program staff participated in a public safety campaign to generate excitement and learning about the role of broadband in the public safety sector. With the support of the

Minnesota Department of Public Safety, the program received more than 150 survey responses regarding Community Anchor Institution (CAI) data during February. Staffs continue to build on relationships with statewide organizations, like the Minnesota Department of Public Safety, in an effort to reach many CAIs within each sector.

14b_Capacity Building_ Attachment

2. Describe your progress meeting each major activity/milestone approved in the Project Plan for this project; any challenges or obstacles encountered and mitigation strategies you have employed; planned major activities for the next quarter; and any additional project milestones or information.

Capacity Building Milestones Year 4, Quarter 1 per approved Project Plan:

Milestone: Year 4, Quarter 1 Connect Minnesota Office Administration and Task Force support

This milestone was met. The program office in St. Paul is fully staffed and interacting with stakeholders, broadband providers, and other representatives in the state of Minnesota. Program staff continues to support the Minnesota Governor's Task Force on Broadband by serving as a reference point for all mapping and research related data and other reference material. Results of research and analyses continued to be shared with stakeholders through the release of detailed broadband adoption data, as well as the distribution of a white paper on mobile broadband use in Minnesota.

Milestone: Conduct Year 4, Quarter 1 Task Force Meetings

This milestone was met. In Q1 2013, two meetings of the Governor's Task Force on Broadband were held. A third meeting was scheduled but was cancelled due to inclement weather. The meetings focused on establishing a work plan for 2013 and reviewing the recommendations of the Task Force in light of legislation introduced in the Minnesota Legislature in 2013. The Task Force's 2013 work plan will continue to focus on researching broadband issues related to access, adoption, and use in Minnesota and highlighting examples of how broadband is impacting Minnesota government, communities, and business. In addition, the Task Force will continue to meet monthly and more frequently in self-selected subgroups that will focus on specific areas of broadband. These subgroups include: Wireless/Mobile, Coordination Across Government, Meeting Locations, Best Practices and Incentives, and Broadband Adoption.

The Task Force also reviewed broadband legislation introduced during the 2013 Minnesota Legislative Session that built on Task Force recommendations presented in the December 2012 Task Force Report. A State Representative and a State Senator attended the January Task Force meeting and presented their thoughts on legislation that they would subsequently introduce and take testimony on from Task Force members and program staff. Specifically, legislation was introduced that would fund an enhanced Office of Broadband Development. This office, building on the existing efforts of the Minnesota Department of Commerce, would coordinate

activities related to a 'dig once' policy in Minnesota and would continue to support the Governor's Task Force on Broadband as well as assist with coordination of an annual report to the legislature on the state of broadband. At the conclusion of Q1 2013, the legislation remains a topic of discussion in both the Minnesota House and state Senate. In addition, the Task Force heard from staff from the Minnesota Management and Budget regarding an overview of the Governor's budget proposals – unrelated to any broadband issues, but designed to inform the Task Force of what the general budgetary landscape would be in 2013-2015 and how that may impact the likelihood of enacting any spending legislation that was recommended by the Task Force in their December 2012 report.

The program office in St. Paul serves a variety of roles in supporting the activities of the Task Force. Together with Ms. Diane Wells, of the Minnesota Department of Commerce, Connect Minnesota's State Program Manager staffs the monthly Task Force meetings and frequent conference calls. In addition, the program provides data, mapping, and research that assists the Task Force with their work.

Capacity Building Major Activities for Next Quarter:

Year 4, Quarter 2 Connect Minnesota Office Administration and Task Force support
Conduct Year 4, Quarter 2 Task Force Meetings

4. Provide any other information that you think would be useful to NTIA as it assesses this project's progress.

In Q1 2013, the state program manager testified before the Minnesota House and Minnesota Senate Committees to provide an overview of the Connect Minnesota program and present data from the 2012 Residential Survey on Adoption. This testimony was included as a part of a panel that included the Governor's Task Force on Broadband Chair. Both the House and Senate Committee hearings were designed to provide a deeper understanding to legislators as they consider how to move forward with any broadband specific legislation. Subsequent to both hearings, legislation creating an enhanced Office of Broadband Development was introduced in both bodies. Program staff has provided additional details on broadband availability and adoption to the legislature and the Minnesota Department of Commerce as the legislation makes its way through the legislative process.

14b_Technical Assistance_Attachment

2. Describe your progress meeting each major activity/milestone approved in the Project Plan for this project; any challenges or obstacles encountered and mitigation strategies you have employed; planned major activities for the next quarter; and any additional project milestones or information.

Technical Assistance Milestones Year 4, Quarter 1 per approved Project Plan:

Milestone: Initiate 2013 business survey research

This milestone was met. The 2013 business survey commenced this quarter. The survey is designed to assess technology adoption among businesses that are located in Minnesota. It is expected that this survey will be completed in the field and initial results will be provided to the state by the end of Q2 2013. The survey will be trended with the previous business survey from 2011 to measure the change in technology adoption and usage in businesses by size and sector.

Milestone: Finalize and distribute initial 2012 residential survey research results

This milestone was met. The 2012 residential survey results were released in Q1 2013. The survey showed that 78% of Minnesota adults subscribe to home broadband service, which means that 904,000 Minnesota adults still do not subscribe to broadband at home. Broadband adoption is lower than the state average among low-income households, rural residents, and residents age 65 or older. An interactive widget displaying results from the survey can be found online at <http://www.connectmn.org/survey-results/residential>.

Milestone: Initiate business survey peer review

This milestone was not met in Q1 2013 because the survey scripts are scheduled to be peer reviewed along with the initial results of the survey. This milestone is scheduled to be met in Q2 2013 when the initial survey results are available.

Milestone: Initiate 2013 Quarter 1 Minnesota Broadband Summit planning efforts

This milestone was met. This year the Blandin Foundation announced they would not conduct the annual Minnesota Broadband Summit traditionally held in the third quarter of each year. Therefore, Connect Minnesota has decided to use the designated funding for summit activity to conduct 2 – 3 regional meetings throughout the state. The expectation is that these regional meetings will allow for greater involvement from different sectors of the state to observe the opportunities with increased broadband adoption, access, and use. The Blandin Foundation has shown interest in being involved in the regional meetings. Initial plans are for the meetings to be held in the northern and southern parts of the state with a larger regional convening in the Minneapolis / St. Paul area. Further planning, to determine dates and locations, will take place in Q2 2013.

Outstanding Technical Assistance Milestones:

Year 3, Quarter 3 Milestone: Finalize and distribute statewide residential survey research results

This milestone was met. Connect Minnesota released new data showing that broadband adoption in Minnesota is increasing, with 78% of households now subscribing to broadband service, up from 72% in 2011. That represents 3.2 million adults statewide with broadband service at home. One of the biggest jumps was in mobile broadband usage, which increased by 12 percentage points. Among the key findings of the residential survey there were 369,000 Minnesotans who do not subscribe to home broadband service because they don't feel that broadband is relevant to them, or they don't believe they would benefit from having broadband at home. Rural computer owners are more likely to have said good-bye to their desktop computers – In Minnesota, 41% of rural computer owners have a laptop or tablet

compared to 31% in non-rural Minnesota. Another key finding of the residential survey was within the past year mobile internet usage has increased from 39% to 51% across the state. The freedom to access the Internet while away from home is the main reason why Minnesotans are subscribing to mobile broadband service on their cell phones. Only 1% of Minnesotans who do not subscribe to mobile broadband on their cell phones cite concerns about mobile data limitations (or “data caps”) as the main reason why they don’t subscribe; among Minnesotans who have mobile plans that include data caps, nearly 1 in 3 say they went over their cap in the previous 12 months (32%). The adoption statistics released show that more Minnesotans have access to and are adopting broadband. The ongoing efforts to increase broadband access, adoption, and use across the state will result in continued economic and social benefits. While the results show adoption is increasing, there are 904,000 adults who do not subscribe to the empowering technology of high-speed Internet. The 2012 Residential Technology Assessment was conducted in late 2012 and includes responses from 1,201 residents. Results from the survey were presented to the Minnesota Department of Commerce, the Task Force, the National Telecommunications and Information Administration (NTIA) and other stakeholders this quarter. In addition, a statewide press release was distributed and an interactive widget can be found on the program website.

Year 3, Quarter 3 Milestone: Upon approval from Minnesota stakeholders and NTIA, initiate 2012 statewide business survey research.

This milestone was met. In accordance with a revised research schedule, approved by NTIA via an amended Project Plan, Connect Minnesota finalized the script of the 2013 business survey and initiated the data collection in Q1 2013. The 2013 business survey will analyze technology adoption as well as economic impact of broadband among Minnesota businesses. The Minnesota Department of Commerce and other state stakeholder feedback were incorporated. The overall purpose of the survey is to identify the role of broadband in the expansion of business opportunities in the state of Minnesota and to determine barriers to adoption, access, and use in the business community.

Technical Assistance Major Activities for Next Quarter:

Analyze 2013 business survey research results
Facilitate 2013 Quarter 2 Minnesota Broadband Summit planning efforts
Peer review of 2013 business survey research completed
Commence development of the 2013 residential survey script