13Q4_Supplemental Answers_Minnesota

Connected Nation, Inc.
Grant Number 27-50-M09043
Reporting Period End Date 12-31-13

14 a_Project Attachment_Data Collection

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

Updates to the following maps occurred, based on the new State Broadband Initiative (SBI) datasets from the October 1, 2013 semi-annual data submission to the National Telecommunications and Information Administration (NTIA):
   a)   Broadband Availability Maps
   b)   Unserved Density Maps
   c)   Broadband Availability at 3M/768K Maps
   d)   Maximum Advertised Download Speed Maps
   e)   Underserved Area Maps
   f)   Multi-Single Platform Maps
   g)   Provider Density Maps
   h)   My ConnectView Interactive Map
   i)   Broadband Growth Maps
   j)   Congressional District Maps

The program 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 website www.connectmn.org. There were a total of 1,028 visits to the interactive map between October 1, 2013 and December 31, 2013.

During this quarter, the project received a total of 10 broadband inquiries. Additional information received through e-mail from consumers that was also used for verification purposes totaled three for this quarter. Users can also request non-confidential mapping data produced for the SBI grant program. Seven such requests were received between October 1, 2013 and December 31, 2013.

For this reporting period, 522 field verification tests were conducted. From program initiation through this reporting period, field validation testing has been completed against 121 companies (out of 126 viable providers) totaling 96.03 percent within the state of Minnesota.

Program staff began outreach to the provider community regarding the April 2014 semi-annual data submission, both soliciting the data from providers for the upcoming submission, as well as outlining pertinent dates.

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.

In October, program staff reviewed provider challenges to the price-cap carrier filings to provide confirmation of the provider service area offering 3 megabytes per second (Mbps) download/768 kilobytes per second (Kbps) upload broadband within the challenged census blocks, or indicated the alternate situation as necessary. A copy of the filing can be found at the following link: http://www.connectednation.org/sites/default/files/connected_nations_reply_comments_caf_phase_1 _challenge_process.pdf. For convenience, the filing has been included in the "13Q4_Project Attachment_Question 5_Minnesota" document.

In December, program staff created a statewide map of Connect America Fund authorization areas at the census block level; this was based on a Federal Communications Commission (FCC) dataset released on December 5, 2013, on the total number of locations authorized for funding and the total funding authorized based on location type. This map can be found at the following link: http://www.connectednation.org/fcc-maps. For convenience, the map has been included in the "13Q4_Project Attachment_Question 5_Minnesota" document.

Outreach to agencies across the state continues in an effort to solicit Community Anchor Institution (CAI) support, data, and participation in the program. Program staff conducted an Economic Development campaign during November and December that included a call to action for CAI data to support the Minnesota SBI project. The results of this campaign will be compiled in Q1 2014. The program has been in receipt of K-12 data sets from the Minnesota TIES (Technology and Information Education Services), the premier cooperative of educational leaders, in support of identifying potential contacts for CAI data collection outreach. As information is received from completed online surveys it will be reviewed and tallied to be incorporated into the April 2014 semi-annual data submission.

14 b_Project Attachment_Capacity Building

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 4 per approved Project Plan:

Year 4, Quarter 4 Milestone: 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. 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.

Additional support provided by program staff this quarter included scheduling, planning (preparing invitations, creating agendas, and sending meeting information), and facilitating Task Force meetings at various locations throughout the state. Other activities included creation of project status reports delivered to the Minnesota Department of Commerce (MDC) and other stakeholders. Results of research and analyses continued to be shared with stakeholders through the release of detailed broadband adoption data as well as the planned distribution of a white paper on mobile Internet usage in the Minnesota business community. Program staff continued to provide administrative oversight to

milestones included within the project plan by managing workflow and timeline demands to ensure the highest quality of service is provided to the state of Minnesota.

Program representatives maintain attendance at various stakeholder events and continue to document meetings with key stakeholders influencing increasing levels of broadband adoption, access, and use throughout the state. Lastly, the program continues to serve as an invaluable resource to the state on issues related to broadband access, adoption, and use.

In Q4 2013, the Minnesota SBI program officially made the transition from the Department of Commerce (MDC) to the Department of Employment and Economic Development (DEED). As noted in the Q3 2013 PPR, a new Office of Broadband Development (OBD) was established by the state of Minnesota during the 2013 Legislative Session. The OBD was created to be located within DEED necessitating a change in Connect Minnesota's primary relationship within the state from the MDC to DEED. All changes to existing MOUs were completed as was a physical move from MDC to DEED. The primary point of contact for the Minnesota SBI program remains despite the transition, in addition, the new Director of the ODB will provide further oversight of the program beginning in Q1 2014.

Milestone: Year 4, Quarter 4 Task Force Meetings

This milestone was met. The program serves a variety of roles in supporting the activities of the Task Force. In conjunction with our state partner staff of the Minnesota Department of Commerce, the program manager participates in the monthly Task Force meetings and frequent member conference calls. As noted above, the state created the new Office of Broadband Development within the Department of Employment and Economic Development in 2013. As a result, the primary responsibility for the Task Force has moved from MDC to the OBD. All the same, the program office's role in supporting and staffing the Task Force will continue as it has since the Task Force's inception. In addition, the program provides data, mapping, and research that assist the Task Force with their work.

In Q4 2013, three meetings of the Governor's Task Force on Broadband were held. Task Force meetings were held in the Twin Cities at Minneapolis and St. Paul locations. The majority of Task Force activity in Q4 was focused on producing their Annual Report. The program manager worked with state partner staff to draft and edit the report, currently planned for submission to the Governor and state of Minnesota in Q1 2014. Minnesota's SBI program data, mapping, and research will be included in the report and will inform the Task Force as they decide on specific policy recommendations that might be included in the report. A Task Force specific section is maintained on the program website, available to the public, that includes materials from all Task Force meetings, including presentations.

Annual Capacity Building Outcomes per Approved Project Plan:

Year 4 Annual Milestone: The program coordinator will continue to support the Minnesota Broadband Task Force by scheduling, planning, and facilitating Task Force meetings at the TIES facility in St. Paul or via webinar. Activities include preparing meeting invitations, creating agendas, sending information packets for Task Force members, compiling meeting notes, and documenting Task Force recommendations and action items for the program and other broadband initiatives in Minnesota. The coordinator will also create an annual report and document program success from previous year. The coordinator will also create agendas, schedule meetings, attend other stakeholder events, and document stakeholder interactions.

This milestone was met. The program manager continued to support the Minnesota Broadband Task Force by scheduling, planning, and facilitating Task Force meetings. Activities included preparing meeting invitations, creating agendas, sending information packets for Task Force members, compiling meeting notes, and documenting Task Force recommendations and action items for the program and other broadband initiatives in Minnesota. The program manager also worked with partner staff to create an annual report and document program success from the previous year. Agendas were created, meetings scheduled, program representatives attended other stakeholder events, and stakeholder interactions were documented.

Year 4 Annual Milestone: Connect Minnesota will continue to work in tandem with the Minnesota Department of Commerce and the Minnesota Broadband Advisory Task Force. It is projected that the Task Force will meet monthly to review program progress and offer recommendations for the program and other related programs. Task Force recommendations will be communicated with stakeholders via stakeholders meetings, Connect Minnesota website updates, blogs, press releases, reports or as required by Task Force.

This milestone was met. The Minnesota SBI program provided detailed broadband availability and mapping data to the client and stakeholders throughout the year, including at legislative hearings and as invited presenters at stakeholder events. In addition, customized maps and data analyses were provided to the partner and stakeholders as requested during 2013 in support of Task Force and/or state needs. Examples include the preparation of unique mapping tools and datasets for inclusion in the Task Force's 2013 Annual Report, data analysis in support of state agency needs related to the state of broadband in Minnesota, and reporting on the progress toward Minnesota's statutory speed goals for ubiquitous broadband service.

Capacity Building Planned Major Activities Next Quarter (Q1 2014):
Connect Minnesota Office Administration and Task Force support
Quarter 1 Task Force Meetings

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

It is anticipated there will be three meetings of the Governor's Task Force on Broadband in Q1 2014. In addition, the Task Force will finalize its 2013 Annual Report in January and submit the document to the Governor. The program manager will support the meetings of the Task Force and will work with partner staff to finalize the report for Task Force approval.

Created during the 2013 legislative session, the Office of Broadband Development (housed in the Department of Employment and Economic Development) hired an Executive Director in Q4 and the Minnesota SBI project was moved from the Department of Commerce to the new office. All documents related to the project that needed to be altered to reflect the change were secured and changes were completed in Q4. Program staff, data, research, and mapping will provide the new Executive Director and other leadership in the Department of Employment and Economic Development with a foundation upon which they can begin to frame their work in the months ahead. Also, in Q4, the latest data on broadband access and availability was released – including where the state currently stands in progress toward reaching the MN statutory broadband speed goal of minimum 10 Mbps download by minimum 5 Mbps upload.

In partnership with the Minnesota Department of Commerce, program staff continued to respond to broadband inquiries from citizens statewide. State staff and other assets, including program mapping and engineering teams, assist in responding to these inquiries by providing to inquirers details about what broadband is available to them and how to contact providers. In addition, the team will work with providers as needed to discover additional information that would be beneficial in responding to inquiries. Often, a citizen will mention they visited the Minnesota SBI program website and broadband maps in advance of making an inquiry.

Program staff continues to keep stakeholders abreast of its efforts to increase broadband access, adoption, and use through blog posts, press releases, and e-newsletters. Copies of such outreach conducted this quarter are enclosed by way of the "13Q4_Project Attachment_Question 5_Minnesota" document.

14 b_Project Attachment_Technical Assistance

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 4 per approved Project Plan:

Milestone: Analyze 2013 residential survey research results

This milestone was not met. Survey data collection was delayed due to a minor shift in scheduling. As a result, survey data was not available in time for the analysis to take place. The data collection process is now complete, and the results are being prepared for delivery to be weighted and presented to the peer reviewer. The data analysis, peer review, and presentation of the initial results to state stakeholders and NTIA are anticipated to occur in Q1 2014.

Milestone: Commence development of the 2014 business survey script

This milestone was met. In Q4 2013, Program representatives discussed the 2014 business survey script with the Minnesota Department of Commerce. The program team conducted meetings with state stakeholders to discuss this survey and after collecting feedback the research staff will incorporate them into the survey script and address issues among businesses statewide as identified by state stakeholders. Finalization of the survey script and creation of survey instruments will be finished in Q1 2014.

Milestone: Peer review of the 2013 survey research completed

This milestone was not met. Data collection for the 2013 residential survey was completed late in Q4 2013, so analysis of the survey data has not yet been completed. Data analysis is a pre-requisite for the peer review process, so the peer review was not initiated. Peer review of the 2013 residential survey will be moved to Q1 2014.

Milestone: Execution of 2013 Connect Minnesota Annual Broadband Summit

This milestone was met. A "Broadband Summit" was convened on December 4, 2013 in Roseville, Minnesota. The event brought together stakeholders and, through a series of panel discussions and presenters, provided attendees with an overview of the state of broadband in Minnesota. Despite facing the first snowstorm of the winter, over 100 people participated either by attending in person or watching via live webcast. A list of summit attendees was captured along with summit notes, ideas, and program recommendations from summit attendees and speakers. This information along with other feedback from both stakeholders and program staff was discussed during the summit lessons learned meeting and documented to be included in project archives.

Panels convened during the event included: "Where We Are, Where We Are Going," a discussion on providers and technology; "The Impact on Minnesota's Broadband Landscape," a review of state and federal broadband policy; "Governor's Task Force on Broadband," an update on Task Force activities and the Task Force's 2013 report to the Governor; "Blandin Foundation Panel," reviewing community-led approaches to increasing broadband adoption.

The Summit keynote address was given by a member of Kelley, Drye & Warren, LLP who also serves as Legal Counsel to the "Fiber to the Home Council Americas."

In addition, the program manager presented the first "Connect Minnesota Broadband Hero Award" to a Minnesota stakeholder who currently works with U-reka Broadband and has had a long career in telecommunications, broadband, and economic development, including professional experience with a state congressman's office and with Frontier Communications.

Outstanding Technical Assistance Milestones (not met or partially met) from previous quarters:

Year 4, Quarter 3 Milestone: Finalize and distribute 2013 statewide business survey research results

This milestone was met. A press release was issued in Q4 2013 to publicly announce the release of the 2013 business survey results available on the program's website. A finding from the survey shows that broadband is a vital economic engine for the state, allowing businesses, industry sectors, and communities to thrive, grow, and prosper. Based on these data, the program estimates that nearly 35,000 Minnesota businesses - 24% of all Minnesota businesses - still do not utilize broadband technology.

Year 4, Quarter 3 Milestone: Initiate 2013 residential survey peer review

This milestone was not met. Data collection for the 2013 residential survey was completed late in Q4 2013, so analysis of the survey data has not yet been completed. Data analysis is a pre-requisite for the peer review process, so the peer review was not initiated. At this time, the survey data is being prepared for its initial analysis using a rim weighting process. The initial results are expected to be provided to the peer reviewer in Q1 2014.

Annual Technical Assistance Outcomes per Approved Project Plan:

Year 4 Annual Milestone: Finalize and distribute 2012 business survey research results. Incorporate stakeholder recommendations and create final report detailing results of 2012 business survey. Deliver in-person presentation of research results to the Task Force, Minnesota Department of

Commerce, and other stakeholders. Announce the release of data via press release, website update and meetings with stakeholders.

This milestone was met. Upon receipt of NTIA approval of an amended project plan, program research staff completed data collection of the 2012 business survey in Q2 2013, and subsequently analyzed and peer reviewed the data in Q3 2013. Public announcement of the survey findings were released via press release and website updates in Q4 2013. Program staff presented the results to NTIA and state stakeholders via meetings, conference presentations, and white paper release in Q4 2013. More information about the survey results is available on the program website.

Year 4 Annual Milestone: Upon approval from Minnesota stakeholders and NTIA, initiate the 2013 residential survey research and the 2013 business surveys by creating spreadsheets with census-defined quotas and weights for 2013 and collect respondent data.

This milestone was met. Upon approval, program staff initiated the 2013 residential survey research and the 2013 business surveys from stakeholders and NTIA.   Spreadsheets were created with census-defined quotas and weights and respondent data was collected.

The 2013 Minnesota residential survey established sample quotas of the state's population by age, gender, and urban/rural classification of the respondent's county of residence. Rim weighting was applied to ensure that the sample matched the U.S. Census American Community Survey's 5-year estimate for 2007-2011, which was the most recent data available at the time of the survey.

The 2013 business survey established sample quotas by company size (5 brackets) and industry sector (8 sectors). Within these 40 cells, a randomly drawn sample of businesses listed with Dun & Bradstreet was contacted for the survey. In addition to the size and sector quotas, the data was subsequently weighted using a rim weighting process to ensure that the sample was representative of all employer business establishments statewide, with targets determined according to the 2011 U.S. Census Bureau's County Business Pattern report, the most recent data that was available at the time the survey was conducted.

Ultimately, the 2013 residential survey was initiated in Q4 while data collection for the 2013 business survey concluded in Q2.

Year 4 Annual Milestone: After analysis and the review process that includes collaborating with the Minnesota Department of Commerce, the 2013 residential survey will be delivered in-person to the Task Force, Minnesota Department of Commerce, and other stakeholders. Also survey results will be announced via press release, website update, and meetings with stakeholders.

This milestone was not met as the data collection for the 2013 residential survey did not conclude until late Q4. At this time, the data collection is now complete, and the results are being prepared for delivery to be weighted and presented to the peer reviewer. The data analysis, peer review, and presentation of the initial results to state stakeholders and NTIA are anticipated to begin in Q1 2014.

Year 4 Annual Milestone: Facilitate Year 4 peer review of survey results and resulting analysis for peer review. Review peer recommendation and update program as required.

This milestone was partially met. Dr. Jack Geller, University of Minnesota, Crookston, provided peer review of the Minnesota business survey conducted in 2013. Dr. Geller reviewed and agreed with the

survey methodology, script, and initial results of the 2013 business survey. The 2013 residential survey was not peer reviewed during Year 4 as data collection of the information concluded late in Q4 2013. Data analysis and the subsequent peer review will be completed in early Year 5.

Year 4 Annual Milestone: Connect Minnesota, the Minnesota Advisory Broadband Task Force, Minnesota Department of Commerce and other local stakeholders will host a broadband summit. Activities included in the planning and execution of the summit include documenting broadband accomplishments, best practices and areas of need to highlight in summit, determining agenda, list of potential attendees and speakers and sending invitations.   Activities also include executing summit production according to summit itinerary and maintaining checkpoints to ensure all aspects of summit are going as planned, performing outreach and capturing summit highlights and successes for release to the public via press releases, blogs, website updates or as required by stakeholders, and capturing notes, ideas, and recommendations from summit attendees to include in report to the Task Force and MDC.

This milestone was met. The program hosted summit: "The State of Broadband" was held on December 4, 2013. Drawing over 100 attendees, the summit provided an overview of the state of broadband in Minnesota, highlighting the role of Connect Minnesota in the state. Highlights from the summit include panels featuring the Blandin Foundation and updates from the Governor's Taskforce on Broadband. The summit featured a partner with Kelley, Drye and Warren, LLP, who also serves as Legal Counsel to the "Fiber to the Home Council Americas" as the keynote speaker; and included video greetings from two Minnesota U.S. Senators.

Results from the summit were captured and documented highlighting event successes and released to the public via press releases, blogs, and website updates. Summit notes were also taken where ideas and recommendations from summit attendees were shared with the task force and other stakeholders.

Outstanding Technical Assistance Annual Milestones (not met or partially met) from previous year:

Year 3 Annual Milestone: Develop research plan for years 3 through 5 through collaboration with the Minnesota Advisory Broadband Task Force and the Minnesota Department of Commerce. Primary corresponding activities include developing research plan and seeking NTIA approval for Years 3 through 5.

This milestone was met. In collaboration with the Minnesota Advisory Broadband Task Force and the Minnesota Department of Commerce, program staff revised its research survey schedule to incorporate business surveys in Q1 2013 and Q1 2014, residential surveys to be conducted in Q3 2013 and Q3 2014, and a survey designed to over-sample non-adopters of home broadband service in Q2 2014. This revised timeline was approved by NTIA by way of an amended project plan.

Year 3 Annual Milestone: Upon approval from Minnesota stakeholders and NTIA, initiate the 2012 statewide residential survey research and the 2012 statewide business surveys.

This milestone was met. The 2012 statewide residential survey instrument was drafted, spreadsheets with census-defined quotas and weights for 2012 were created, respondent data was collected, and a data file with weighted results was created. The initial analysis of the survey results were completed and submitted for peer review in 2012. Upon approval, from Minnesota stakeholders and NTIA, the 2012 surveys were initiated and subsequently analyzed, peer reviewed, and publicly released.

Year 3 Annual Milestone: After analysis and the review process that includes collaborating with the Minnesota Department of Commerce, the 2012 residential survey will be delivered in-person to the Task Force, Minnesota Department of Commerce, and other stakeholders. Also survey results will be announced via press release, website update, and meetings with stakeholders.

This milestone was met. A press release was issued in Q1 2013 to announce that the 2012 residential survey results were publicly available on program's website. The survey found 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.

Year 3 Annual Milestone: Facilitate Year 3 peer review of survey results and resulting analysis. Review peer recommendation and update program as required.

This milestone was met. Dr. Jack Geller, University of Minnesota, Crookston, provided peer review of the survey methodology, script, and initial results of the 2011 business survey. Dr. Geller agreed with the survey methodology, script, and verified the initial results of the survey.

Dr. Mingjie Sun, Iowa State University, provided peer review of the survey methodology, script, and initial results of our 2011 residential and 2011 non-adopter surveys. Dr. Sun agreed with the survey methodologies, scripts, and verified the initial results of the two surveys.

Technical Assistance Major Activities for Next Quarter (Q1 2014):
Initiate 2014 business survey research
Initiate 2014 business survey peer review
Commence development of the 2014 non-adopter oversample survey
Finalize and distribute 2013 statewide residential survey research results
Initiate 2014 Quarter 1 Broadband Summit planning efforts

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

Program research staff published a white paper regarding the business use of wireless broadband based on the 2013 Business Survey.

In Q4 2013, Connect Minnesota released a report on technology adoption trends among businesses in the state. Highlights of the report include: Minnesota businesses that use broadband report they have used the service for an average of 9 years. Businesses in the Retail & Hospitality sector as well as the Professional & Financial Services sector had double-digit percentage point increases in the use of broadband service over the past two years. A majority of the increases in broadband use took place among businesses with fewer than 20 employees. Businesses that have operated for less than 25 years are more likely to adopt technology than businesses that have operated for 25 or more years.

For convenience, the published paper has been included in the "13Q4_Project Attachment_Question 5_Minnesota" document.