

## Comprehensive Community Infrastructure Key Metrics Dashboard

Please refer to the CCI Grant Guidelines for instructions on completing this form.

Applicant Profile	
Applicant Name	Zayo Bandwidth, LLC
Title	Connect Anoka County Community Broadband Network
Easygrants ID	6417
Headquarters	<b>901 Front Street, Suite 200, Louisville, CO 80027</b>

Technology Type	<b>Fiber</b>
Key Partners	<b>Anoka County</b>

Project Economics	
<b>Budget Information</b>	
Project Budget	<b>19,117,990</b>
Federal Contribution (%)	<b>70%</b>
Cash Match Amount (%)	<b>30%</b>
In Kind Match Amount (%)	<b>0%</b>
<b>Middle Mile/Last Mile Budget Allocation</b>	
Middle Mile Percentage (%)	100%
Last Mile Percentage (%)	0%
Rural Last Mile Percentage	0%

Market Territory	
Geographic Area(s)	<b>Anoka County MN including parts of Isanti and Ramsey Counties</b>
<b>Middle Mile Network Composition</b>	
Total Proposed Network Miles (MM only)	<ul style="list-style-type: none"> <li>Total Miles: 286</li> <li>Backbone Miles: 190</li> <li>Lateral Miles: 96</li> </ul>
New Construction Network Miles (MM only)	<ul style="list-style-type: none"> <li>Total Miles: 286</li> <li>Backbone Miles: 190</li> <li>Lateral Miles: 96</li> </ul>
Existing Applicant Network Miles Utilized (MM only)	<ul style="list-style-type: none"> <li>Total Miles: 0</li> <li>Backbone Miles: 0</li> <li>Lateral Miles: 0</li> </ul>
Leased Network Miles Utilized (MM only)	<ul style="list-style-type: none"> <li>Total Miles: 0</li> <li>Backbone Miles: 0</li> <li>Lateral Miles: 0</li> </ul>
Underserved/Unserved	<ul style="list-style-type: none"> <li>Percentage of Backbone Miles in Underserved/Unserved Areas: 68%</li> <li>Percentage of Lateral Miles in Underserved/Unserved Areas: 47%</li> </ul>
<b>Existing Customer Base</b>	

## Comprehensive Community Infrastructure Key Metrics Dashboard

Existing Residential/Individual Customers within PFSA	<b>0</b>
Existing Business Customers within PFSA	<b>0 (66 through resell of T1 by Zayo Enterprise Networks)</b>
Existing Community Anchor Institution Customers within PFSA	<ul style="list-style-type: none"> <li>• Total CAI's: 0</li> <li>• Community Colleges:0</li> <li>• Public Safety Entities:0</li> </ul>
Existing Third Party Service Provider Customers within PFSA	<b>0</b>
<b>Potential Customer Base</b>	
Market Potential Households (within PFSA)	<ul style="list-style-type: none"> <li>• Total HH's: 141,252</li> <li>• Located in Underserved/Unserved Areas: 70,324</li> </ul>
Market Potential Businesses (within PFSA)	<ul style="list-style-type: none"> <li>• Total Businesses: 11,558</li> <li>• Located in Underserved/Unserved Areas: 6356</li> </ul>
Market Potential Community Anchor Institutions (within PFSA)	<ul style="list-style-type: none"> <li>• Total CAI's: 682</li> <li>• Located in Underserved/Unserved Areas: 399</li> <li>• Community Colleges:3</li> <li>• Public Safety Entities: 56</li> </ul>
Market Potential Third Party Service Providers (within PFSA)	<ul style="list-style-type: none"> <li>• Total Third Party Service Providers in PFSA: 5</li> <li>• Expressing Commitment or Letter of Interest: 1</li> </ul>
<b>Funded Network Coverage</b>	
Households Connected to Network (via BTOP Funds by end of Year 3)	<ul style="list-style-type: none"> <li>• Total Households Connected: <b>0</b></li> <li>• Located in Underserved/Unserved Areas: 0</li> </ul>
Businesses Connected to Network (via BTOP Funds by end of Year 3)	<ul style="list-style-type: none"> <li>• Total Businesses Connected: 28</li> <li>• Located in Underserved/Unserved Areas: <b>15</b></li> </ul>
Community Anchor Institutions Directly Connected (via BTOP Funds by end of Year 3)	<ul style="list-style-type: none"> <li>• Total Directly Connected CAI's: 151</li> <li>• Located in Underserved/Unserved Areas: <b>83</b></li> <li>• Community Colleges:3</li> <li>• Public Safety Entities: 56</li> </ul>
Projected Subscribers by Year Five	<p><b><u>Directly Served by Applicant</u></b></p> <ul style="list-style-type: none"> <li>• Community Anchor Institutions: 155</li> <li>• Households: 0</li> <li>• Businesses: 28</li> <li>• Third Party Service Providers: <b>2</b></li> </ul> <p><b><u>Served by Proposed Network Via Third Party Service Provider</u></b></p> <ul style="list-style-type: none"> <li>• Community Anchor Institutions: 189</li> <li>• Households: 12,713</li> <li>• Businesses: 119</li> </ul>

## Comprehensive Community Infrastructure Key Metrics Dashboard

Other	
Proposed MM Network Capacity	<ul style="list-style-type: none"> <li>• Backbone: 10Gbs</li> <li>• Laterals: 10Gbs</li> </ul>
Proposed LM Network Speed	<ul style="list-style-type: none"> <li>• Highest offered speed tier:</li> <li>• Estimated Average speed for highest speed tier:</li> </ul>
Total Points of Interconnection	<ul style="list-style-type: none"> <li>• Total Pol's: 145</li> <li>• Pol's in Underserved/Unserved Areas: 88</li> <li>• Environmentally-controlled, non-passive Pols: 145</li> </ul>
Jobs Created	<ul style="list-style-type: none"> <li>• <b>Direct Job-years: 105</b></li> <li>• <b>Indirect Job-years: 27</b></li> <li>• <b>Induced Job-years: 75</b></li> </ul>
Required Time for Project Completion (Number of Required Quarters to Fully Build-out and Test Network and Make Ready for Commercial Service)	<p><b>8 Quarters</b></p>



---

# Network Map

---

Please address questions to :

Chris Morley

Zayo Bandwidth, LLC

Tel: 508 922 1323

Email: [cmorley@zayo.com](mailto:cmorley@zayo.com)



## Table of Contents

1	Network Map .....	3
---	-------------------	---



## 1 Network Map

Figure 1 below shows a Google earth output of the fiber architecture, including directly connected anchor institutions and points of interconnect.

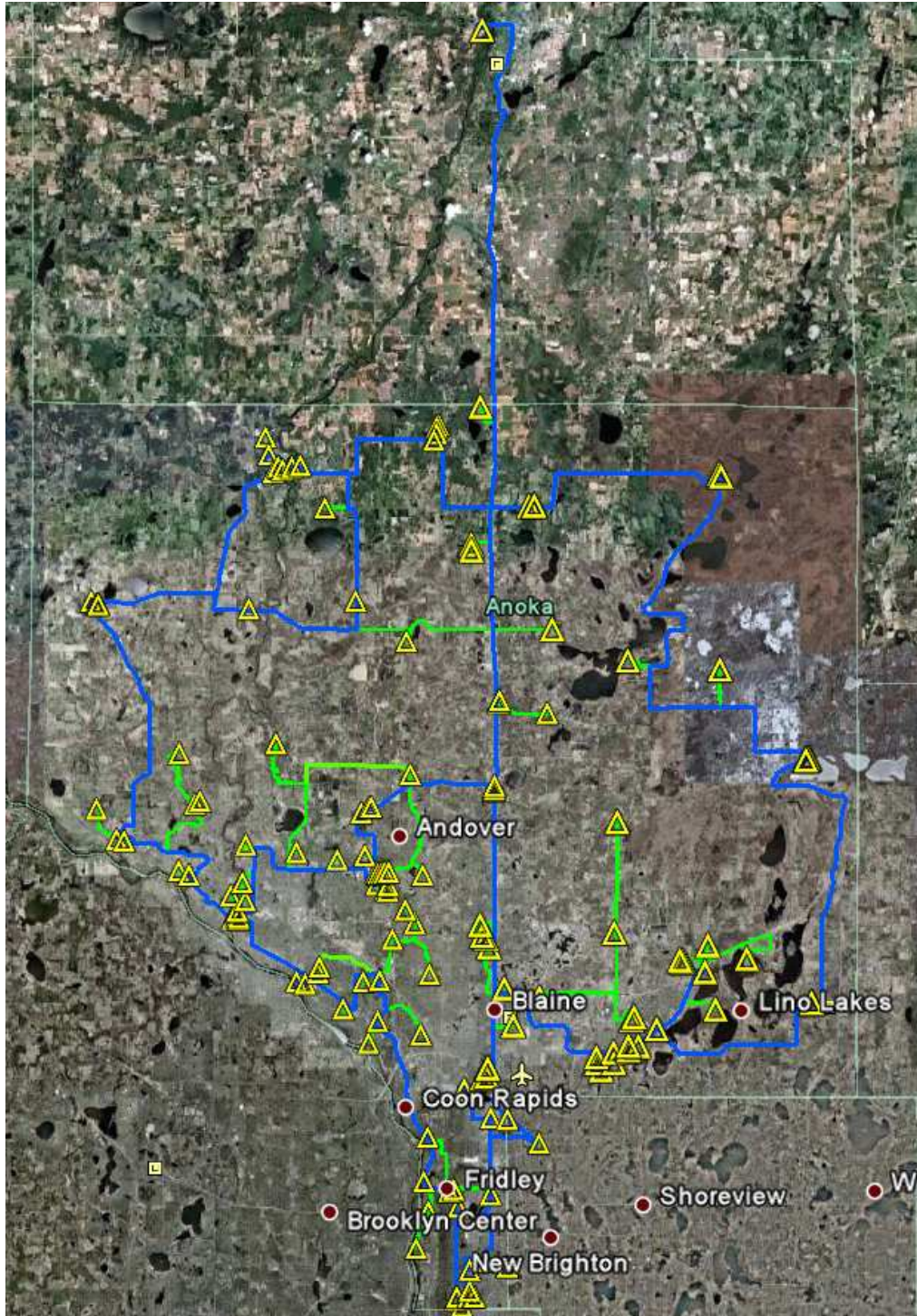
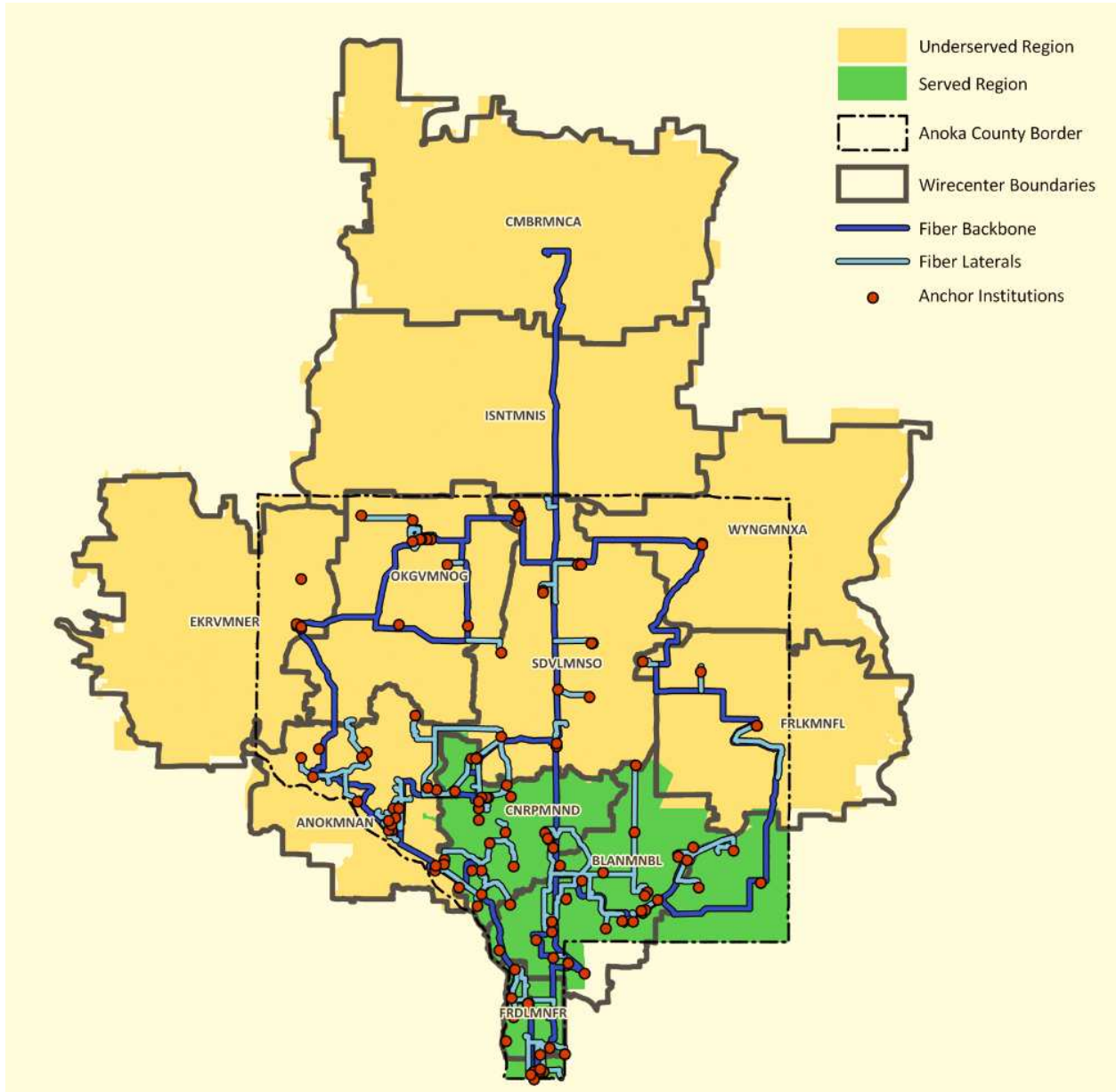


Figure 1.

Figure 2 below, shows the Anoka North service area and Anoka South service area. Anoka North is underserved and Anoka South is served.



--- End of Document ---

## Broadband Subscriber Estimates

Name of Service Offering	Customer Type	Year 0	Cumulative/ Net Add	Year 1				Year 2				Year 3				Year 4		
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3
Wholesale Transport	Indirect - Res./Ind.	0	Cumulative	-	-	795	1,589	2,384	3,178	3,973	4,767	5,562	6,356	7,151	7,945	8,740	9,535	10,329
			Net Add	-	-	795	795	795	795	795	795	795	795	795	795	795	795	795
Wholesale Transport	Indirect - Com. Anchor Inst.	0	Cumulative	-	-	2	4	6	9	11	13	15	17	19	21	23	26	28
			Net Add	-	-	2	2	2	2	2	2	2	2	2	2	2	2	2
Wholesale Transport	Indirect - Business	0	Cumulative	-	-	6	11	17	23	28	34	40	46	51	57	63	68	74
			Net Add	-	-	6	6	6	6	6	6	6	6	6	6	6	6	6
Fiber to the Tower	Business	0	Cumulative	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			Net Add	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Last Mile Enterprise	Business	0	Cumulative	-	-	4	8	12	16	20	24	28	28	28	28	28	28	28
			Net Add	-	-	4	4	4	4	4	4	3	-	-	-	-	-	-
Partner Revenue - Last Mile Community Anchor	Community Anchor Inst.	0	Cumulative	-	-	145	145	145	145	145	145	145	145	145	145	145	145	145
			Net Add	-	-	145	-	-	-	-	-	-	-	-	-	-	-	-
Community Anchor Last Mile	Community Anchor Inst.	0	Cumulative	-	-	1	1	2	2	3	4	5	5	6	7	7	8	8
			Net Add	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1
Cumulative Totals (excluding Indirect)	Residential/Individual	Total																
	Business	Total	-	-	4	8	12	16	20	24	28	28	28	28	28	28	28	28
Cumulative Totals (including Indirect)	Community Anchor Inst.	Total	-	-	146	146	147	147	148	149	149	150	150	151	152	152	153	
	Third Party Service Provider	Total																
Cumulative Totals (including Indirect)	Residential/Individual	Total	-	-	795	1,589	2,384	3,178	3,973	4,767	5,562	6,356	7,151	7,945	8,740	9,535	10,329	
	Business	Total	-	-	10	20	29	39	49	59	68	73	79	85	90	96	102	
	Community Anchor Inst.	Total	-	-	148	150	153	156	159	161	164	167	170	172	175	178	181	

### Table of Customer Types

Residential/Individual
Business
Community Anchor Inst.
Third Party Service Provider
Indirect - Res./Ind.
Indirect - Business
Indirect - Com. Anchor Inst.

### Explanation of Methodology:

Zayo forecasts that its presence will increase broadband penetration over organic growth levels. We developed a status quo forecast based on market-specific historical growth rates, 2) current penetration levels, 3) growth trajectories, and 4) remaining opportunity for continued penetration increases.

For indirect revenues, Zayo will offer middle mile service in this market at discount of 25-50% from current middle mile price levels. This will enable substantially less expensive and faster last mile consumer internet service. Based on the likely impact on last mile pricing and the price elasticity of demand for last mile broadband, we developed a forecast for incremental acceleration of household and anchor institution penetration. These increases in penetration were applied to the number of households and anchor institutions in Zayo's service area to determine the estimated net adds in the forecast period. By the end of the five year forecast period, we estimate residential broadband penetration will have increased to 90%. For market share, Zayo is taking a very conservative approach and assumes 5% market share for Households, and 20% market share for strategic institutions. The figures shown are based on these market shares.

For direct revenues, we conservatively estimated a modest increase of 25 lit buildings obtained over the forecast period. Zayo's primary focus is on middle mile transport, however through our subsidiary, Zayo Enterprise Networks, we believe the addition of 25 lit buildings could be obtained benchmarked against performance in other parts of the state.



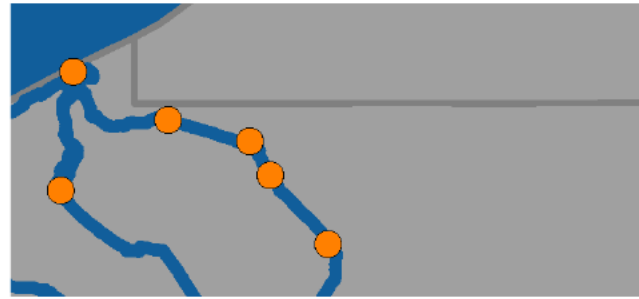
Name of Service Offering	Customer Type	Year 5				Year 6				Year 7				Year 8				
		Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Wholesale Transport	Indirect - Res./Ind.	11,124	11,918	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713
		795	795	795	795	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale Transport	Indirect - Com. Anchor Inst.	30	32	34	34	34	34	34	34	34	34	34	34	34	34	34	34	34
		2	2	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale Transport	Indirect - Business	80	85	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
		6	6	6	6	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiber to the Tower	Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Last Mile Enterprise	Business	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partner Revenue - Last Mile Community Anchor	Community Anchor Inst.	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community Anchor Last Mile	Community Anchor Inst.	8	9	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
		1	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cumulative Totals (excluding Indirect)</b>	Residential/Individual																	
	Business	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28	28
	Community Anchor Inst.	153	154	155	155	155	155	155	155	155	155	155	155	155	155	155	155	155
	Third Party Service Provider																	
<b>Cumulative Totals (including Indirect)</b>	Residential/Individual	11,124	11,918	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713	12,713
	Business	107	113	119	119	119	119	119	119	119	119	119	119	119	119	119	119	119
	Community Anchor Inst.	183	186	189	189	189	189	189	189	189	189	189	189	189	189	189	189	189

**Table of Customer Types**

Residential/Individual
Business
Community Anchor Inst.
Third Party Service Provider
Indirect - Res./Ind.
Indirect - Business
Indirect - Com. Anchor Inst.

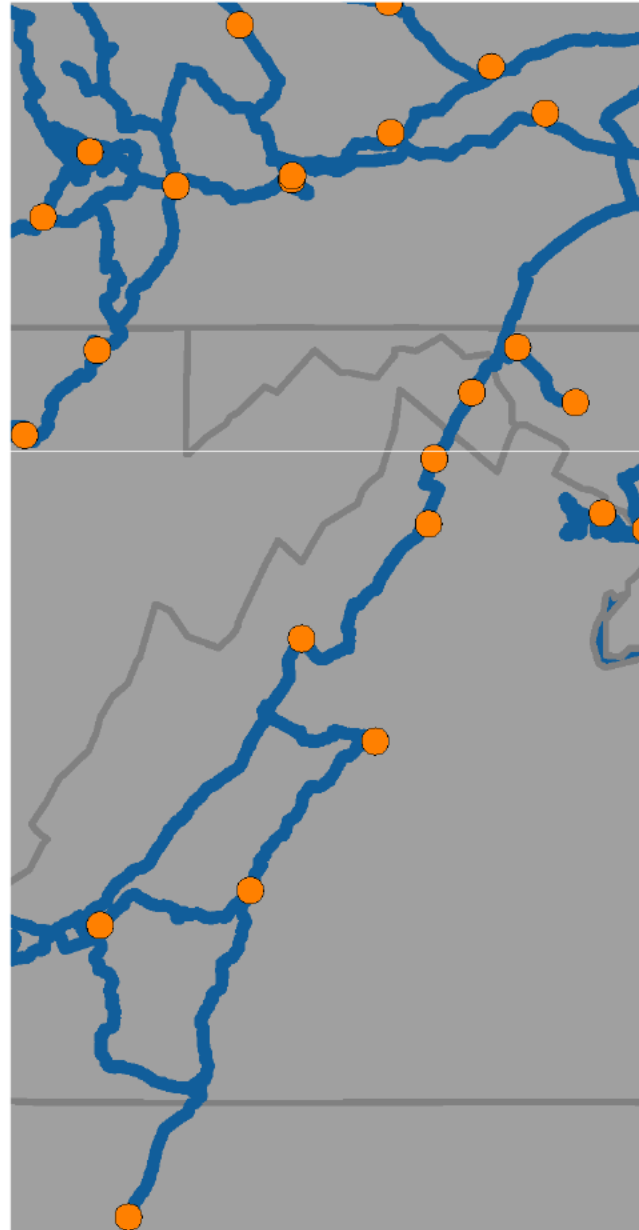
Name of Service Offering	Customer Type	Year 0	Cumulative/ Net Add	Year 1				Year 2				Year 3				Year 4		
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3

Name of Service Offering	Customer Type	Year 5					Year 6				Year 7				Year 8			
		Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4



# Build Out Timeline

March 25th, 2010











ID	Task Name	Duration	Start	Finish	Predecessors	Mar 21, '10							
						W	T	F	S	S	M	T	
1	<b>Anoka County OSP/ethernet network</b>	<b>499 days</b>	<b>Thu 7/1/10</b>	<b>Tue 5/29/12</b>									
2	Internal Kick-off Meeting	1 day	Thu 7/1/10	Thu 7/1/10									
3	Customer Kick-off Meeting	1 day	Fri 7/2/10	Fri 7/2/10	2								
4	Environmental/Historical Preservation Assessments	90 days	Mon 7/5/10	Fri 11/5/10	3								
5	Revise Project plans per assessments	5 days	Mon 11/8/10	Fri 11/12/10	4								
6	Review revised project internally	3 days	Mon 11/15/10	Wed 11/17/10	5								
7	Review revised project with Anoka County	5 days	Thu 11/18/10	Wed 11/24/10	6								
8	Propose revisions to Environmental/Historical groups	1 day	Thu 11/25/10	Thu 11/25/10	7								
9	Finalize Environmental/Historical Evaluation of revisions	15 days	Fri 11/26/10	Thu 12/16/10	8								
10	<b>Engineering</b>	<b>144 days</b>	<b>Fri 11/26/10</b>	<b>Wed 6/15/11</b>									
11	Develop RFP for Engineering	3 days	Fri 11/26/10	Tue 11/30/10	8								
12	Engineering RFP Process	22 days	Wed 12/1/10	Thu 12/30/10	11								
13	Evaluate and Interview potential Engineering firms for project	15 days	Fri 12/31/10	Thu 1/20/11	12								
14	Award Engineering Firm Contract	1 day	Fri 1/21/11	Fri 1/21/11	13								
15	Route Engineering - Begin Staking/Permitting/Pole attachment duct searchp	65 days	Mon 1/24/11	Fri 4/22/11	14								
16	OSP Construction RFP Process	22 days	Mon 4/25/11	Tue 5/24/11	15								
17	Evaluate and Interview potential Construction Firms	15 days	Wed 5/25/11	Tue 6/14/11	16								
18	Award OSP Construction contracts	1 day	Wed 6/15/11	Wed 6/15/11	17								
19	<b>Core ring</b>	<b>341 days</b>	<b>Wed 12/1/10</b>	<b>Wed 3/21/12</b>									
20	Project Start	0 days	Wed 6/15/11	Wed 6/15/11	18								
21	Electronics	21 days	Thu 6/16/11	Thu 7/14/11	20								
22	Electronics Design/Capacity Review	5 days	Thu 6/16/11	Wed 6/22/11	20								
23	Electronics Procurement	45 days	Fri 7/15/11	Thu 9/15/11	21								
24	<b>OSP</b>	<b>238 days</b>	<b>Mon 4/25/11</b>	<b>Wed 3/21/12</b>									
25	Site Surveys	15 days	Thu 6/16/11	Wed 7/6/11	18								
26	Mobilization	15 days	Thu 6/16/11	Wed 7/6/11	18								
27	OSP Material Procurement	30 days	Mon 4/25/11	Fri 6/3/11	15								
28	OSP Make-ready	50 days	Thu 6/16/11	Wed 8/24/11	18								
29	OSP Construction	120 days	Thu 8/25/11	Wed 2/8/12	28								
30	OSP Splicing/OTDR & Power Meter Testing	30 days	Thu 2/9/12	Wed 3/21/12	29								
31	<b>ISP</b>	<b>191 days</b>	<b>Wed 12/1/10</b>	<b>Wed 8/24/11</b>									
32	ILEC Colo Applications (where applicable)	5 days	Mon 4/25/11	Fri 4/29/11	15								
33	Collo Development	80 days	Mon 5/2/11	Fri 8/19/11	32								
34	BAA Procurement (if required)	20 days	Thu 6/16/11	Wed 7/13/11	20								
35	ISP Survey	30 days	Thu 6/16/11	Wed 7/27/11	20								
36	ISP Material Procurement	20 days	Thu 7/28/11	Wed 8/24/11	35								
37	ISP Construction/Site Electronics Install	50 days	Wed 12/1/10	Tue 2/8/11									
38	Order/Install Cross-connects	30 days	Wed 2/9/11	Tue 3/22/11	37								










Project: Anoka County schedule Date: Wed 3/24/10	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



ID	Task Name	Duration	Start	Finish	Predecessors	Mar 21, '10							
						W	T	F	S	S	M	T	
39	<b>Service Delivery</b>	<b>39 days</b>	<b>Wed 2/9/11</b>	<b>Mon 4/4/11</b>									
40	CLR/DLR Design	30 days	Wed 2/9/11	Tue 3/22/11	37								
41	Test/Turn-up (Internal)	3 days	Wed 3/23/11	Fri 3/25/11	40								
42	Customer Testing	3 days	Mon 3/28/11	Wed 3/30/11	41								
43	Customer Acceptance	3 days	Thu 3/31/11	Mon 4/4/11	42								
44	<b>Distribution Rings</b>	<b>198 days</b>	<b>Mon 4/25/11</b>	<b>Wed 1/25/12</b>									
45	Project Start	0 days	Wed 6/15/11	Wed 6/15/11	18								
46	Electronics	50 days	Thu 6/16/11	Wed 8/24/11	45								
47	Electronics Design/Capacity Review	5 days	Thu 6/16/11	Wed 6/22/11	45								
48	Electronics Procurement	45 days	Thu 6/23/11	Wed 8/24/11	47								
49	<b>OSP</b>	<b>188 days</b>	<b>Mon 4/25/11</b>	<b>Wed 1/11/12</b>									
50	Site Surveys	30 days	Thu 6/16/11	Wed 7/27/11	18								
51	Mobilization	15 days	Thu 6/16/11	Wed 7/6/11	18								
52	OSP Material Procurement	20 days	Mon 4/25/11	Fri 5/20/11	15								
53	OSP Make-ready	50 days	Thu 6/16/11	Wed 8/24/11	18								
54	OSP Construction	70 days	Thu 8/25/11	Wed 11/30/11	53								
55	OSP Splicing/OTDR & Power Meter Testing	30 days	Thu 12/1/11	Wed 1/11/12	54								
56	<b>ISP</b>	<b>130 days</b>	<b>Thu 7/28/11</b>	<b>Wed 1/25/12</b>									
57	ILEC Colo Applications	5 days	Thu 7/28/11	Wed 8/3/11	50								
58	BAA Procurement (if required)	20 days	Thu 7/28/11	Wed 8/24/11	50								
59	ISP Survey	20 days	Thu 7/28/11	Wed 8/24/11	50								
60	ISP Material Procurement	20 days	Thu 8/25/11	Wed 9/21/11	59								
61	ISP Construction/Site Electronics Install	20 days	Thu 12/1/11	Wed 12/28/11									
62	Order/Install Cross-connects	20 days	Thu 12/29/11	Wed 1/25/12	61								
63	<b>Service Delivery</b>	<b>19 days</b>	<b>Thu 12/29/11</b>	<b>Tue 1/24/12</b>									
64	CLR/DLR Design	10 days	Thu 12/29/11	Wed 1/11/12	61								
65	Test/Turn-up (Internal)	3 days	Thu 1/12/12	Mon 1/16/12	64								
66	Customer Testing	3 days	Tue 1/17/12	Thu 1/19/12	65								
67	Customer Acceptance	3 days	Fri 1/20/12	Tue 1/24/12	66								
68	<b>Location interconnections</b>	<b>287 days</b>	<b>Mon 4/25/11</b>	<b>Tue 5/29/12</b>									
69	Project Start	0 days	Wed 7/27/11	Wed 7/27/11	50								
70	Electronics	50 days	Thu 7/28/11	Wed 10/5/11	69								
71	Electronics Design/Capacity Review	5 days	Thu 10/6/11	Wed 10/12/11	70								
72	Electronics Procurement	45 days	Thu 10/13/11	Wed 12/14/11	71								
73	<b>OSP</b>	<b>268 days</b>	<b>Mon 4/25/11</b>	<b>Wed 5/2/12</b>									
74	Site Surveys	5 days	Thu 6/16/11	Wed 6/22/11	18								
75	Mobilization	15 days	Thu 6/16/11	Wed 7/6/11	18								
76	OSP Material Procurement	20 days	Mon 4/25/11	Fri 5/20/11	15								

Project: Anoka County schedule Date: Wed 3/24/10	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	

ID	Task Name	Duration	Start	Finish	Predecessors	Mar 21, '10						
						W	T	F	S	S	M	T
77	OSP Make-ready	50 days	Thu 6/16/11	Wed 8/24/11	18							
78	OSP Construction	150 days	Thu 8/25/11	Wed 3/21/12	77							
79	OSP Splicing/OTDR & Power Meter Testing	30 days	Thu 3/22/12	Wed 5/2/12	78							
80	<b>ISP</b>	<b>90 days</b>	<b>Thu 12/29/11</b>	<b>Wed 5/2/12</b>								
81	BAA Procurement (if required)	30 days	Thu 12/29/11	Wed 2/8/12	61							
82	ISP Survey	10 days	Thu 12/29/11	Wed 1/11/12	61							
83	ISP Material Procurement	20 days	Thu 2/9/12	Wed 3/7/12	81							
84	ISP Construction/Site Electronics Install	30 days	Thu 3/8/12	Wed 4/18/12	83							
85	Order/Install Cross-connects	10 days	Thu 4/19/12	Wed 5/2/12	84							
86	<b>Service Delivery</b>	<b>19 days</b>	<b>Thu 5/3/12</b>	<b>Tue 5/29/12</b>								
87	CLR/DLR Design	10 days	Thu 5/3/12	Wed 5/16/12	85							
88	Test/Turn-up (Internal)	3 days	Thu 5/17/12	Mon 5/21/12	87							
89	Customer Testing	3 days	Tue 5/22/12	Thu 5/24/12	88							
90	Customer Acceptance	3 days	Fri 5/25/12	Tue 5/29/12	89							

Project: Anoka County schedule Date: Wed 3/24/10	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	

**BUILD-OUT TIMELINE**

Complete the following schedule for *each* Last Mile or Middle Mile Service Area to note the degree of build-out, based on: a) infrastructure funds awarded; b) entities passed (households, businesses, and community anchor institutions.). In addition, please complete a schedule that aggregates the build-out timeline across all of the Proposed Funded Service Area.

Service Area	Anoka South												
	YEAR 0	YEAR 1				YEAR 2				YEAR 3			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds													
Infrastructure Funds Advanced (estimate)		\$172,062	\$430,155	\$1,290,464	\$3,441,238	\$5,592,012	\$7,742,786	\$8,172,941	\$8,603,095				
Percentage of Total Funds		2.00%	5.00%	15.00%	40.00%	65.00%	90.00%	95.00%	100.00%				
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses		0	0	0	2	4	8	10	13				
Percentage of Total Businesses		0%	0%	0%	15%	35%	60%	80%	100%				
Community Anchor Institutions		0	0	0	13	25	42	59	71				
Percentage of Total Institutions		0%	0%	0%	18%	36%	60%	85%	100%				

Service Area	Anoka North												
	YEAR 0	YEAR 1				YEAR 2				YEAR 3			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds													
Infrastructure Funds Advanced (estimate)	\$210,298	\$525,745	\$1,577,234	\$4,205,958	\$6,834,681	\$9,463,405	\$9,989,150	\$10,514,895					
Percentage of Total Funds	2.00%	5.00%	15.00%	40.00%	65.00%	90.00%	95.00%	100.00%					
Entities Passed & %													
Households													
Percentage of Total Households													
Businesses	0	0	0	2	5	9	12	15					
Percentage of Total Businesses	0%	0%	0%	15%	35%	60%	80%	100%					
Community Anchor Institutions	0	0	0	14	32	50	70	84					
Percentage of Total Institutions	0%	0%	0%	17%	37%	59%	82%	100%					

Service Area	Anoka North + Anoka South								
	YEAR 0	YEAR 1				YEAR 2			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
Infrastructure Funds									
Infrastructure Funds Advanced (estimate)		\$382,360	\$955,900	\$2,867,699	\$7,647,196	\$12,426,694	\$17,206,191	\$18,162,091	\$19,117,990
Percentage of Total Funds		2.00%	5.00%	15.00%	40.00%	65.00%	90.00%	95.00%	100.00%
Entities Passed & %									
Households									
Percentage of Total Households									
Businesses		0	0	0	4	10	17	22	28
Percentage of Total Businesses		0%	0%	0%	15%	35%	60%	80%	100%
Community Anchor Institutions		0	0	0	23	59	98	132	155
Percentage of Total Institutions		0%	0%	0%	15%	38%	63%	85%	100%



## **BTOP Comprehensive Community Infrastructure Pro Forma Financial Projections**

Please complete the Income Statement, Balance Sheet, Cash Flows, and NPV-IRR Table worksheets. Key assumptions used to formulate these financial projections should be listed in the Key Assumptions worksheet. Please note that these are **project-specific** projections, in contrast to the historical financial information which is provided at the organizational level.

**Please refer to the Comprehensive Community Infrastructure Grant Guidance for detailed instructions on the completing this attachment.**

Applicants are required to provide this attachment as an Excel file, and not to convert it to a PDF when submitting a copy of their application on an appropriate electronic medium, such as a DVD, CD-ROM, or flash drive. Applicants may make adjustments to the format of the templates as necessary to provide the most effective presentation of the data for their specific project, but should not remove major headings (*e.g.* Revenues and Expenses on the Income Statement) or provide less detailed information than would be required to complete the provided templates.

15 Pages

Withheld in their entirety  
pursuant to FOIA Exemption 4  
(5 U.S.C. § 552 (b)(4))



This upload contains :

- Response to Demonstration of Need question – includes the table.
- Letter of Support from Senator Al Franken
- Letter of Intent from Omnicity – wireless last mile provider
- Letter of Support from Minnesota Fiber Exchange
- Anoka County Business interview survey
- Comments from all Community Meetings
- Anoka County Resolution
- Letters of Support from Contractors
- Certificate of Authority from the Minnesota Public Utilities Commission

Please address questions to :

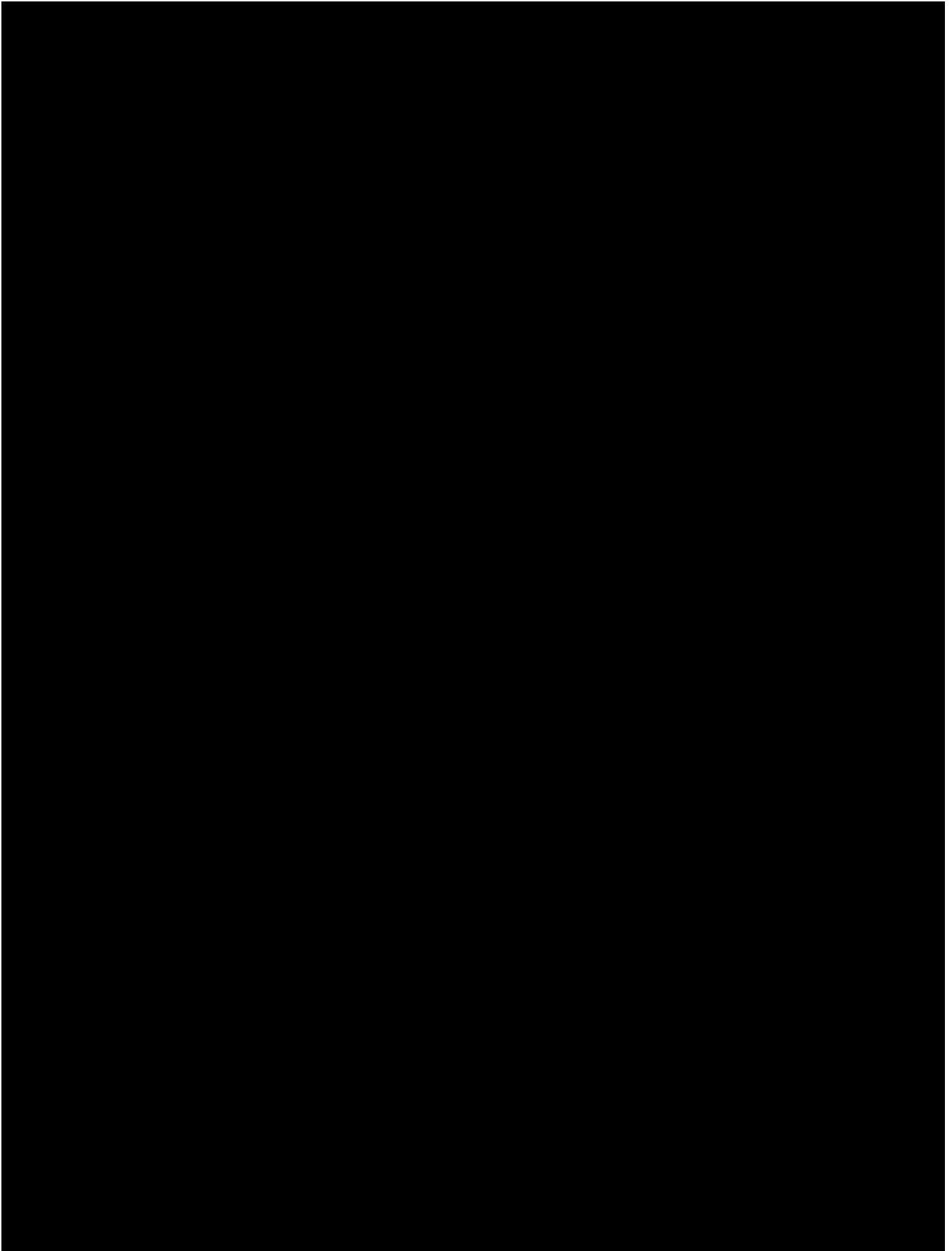
Chris Morley

Zayo Bandwidth, LLC

Tel: 508 922 1323

Email: [cmorley@zayo.com](mailto:cmorley@zayo.com)

**Response to Question - 14. Demonstration of Need:**







# United States Senate

WASHINGTON, DC 20510-2309

March 26, 2010

The Honorable Lawrence E Strickling  
Assistant Secretary  
National Telecommunications & Information Administration  
U.S. Department of Commerce  
1401 Constitution Ave, NW  
Washington, DC 20230

To Assistant Secretary Strickling:

This letter is to urge your strong consideration of the Broadband Technology Opportunities Program (BTOP) application submitted to the National Telecommunication and Information Administration by Anoka County and Zayo Bandwidth, LLC. This project would construct a middle-mile fiber network connecting over 130 facilities from approximately 30 different governmental anchor institutions.

In addition to providing improved broadband connectivity to Anoka County facilities and County municipal buildings, the proposed fiber would connect the two campuses of Anoka Ramsey Community College and provide needed redundancy for the area school district networks. Furthermore, the proposal would greatly enhance emergency response communications and capacity throughout Anoka County by delivering fiber connectivity to public safety radio towers and, in some cases, replacing dial-up connectivity with actual broadband access.

This proposal would strengthen the local economy, create jobs, and provide technological tools to help address the health care, education, economic development and governmental challenges faced by residents in rural America. For these reasons, I strongly encourage your careful consideration of the Anoka County proposal.

Sincerely,



Al Franken  
United States Senator



March 16, 2010

Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
Washington, D.C. 20230

This is to express support of Zayo Bandwidth, LLC's and Anoka County, Minnesota grant application for Broadband Stimulus funding as a middle mile provider. As a last mile internet service provider, we constantly seek new services that can be provided in a cost effective manner. Zayo's plan to build into unserved and underserved areas will allow us to purchase internet and transport services for our direct use and that of previously hard-to-reach hospitals, schools, public utilities, municipalities and enterprises. Residential customer will benefit from their plan to place multiple and easy to reach interconnection points at regular interval. This will allow us as a voice/video/data providers access to rural areas that were previously difficult to reach.

Feel free to contact me with any questions.

Regards,

A handwritten signature in dark ink that reads "David Weddell". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

David Weddell  
VP Business Development &  
Corporate Partnerships  
Omnicity, Inc.

[www.omnicitycorp.com](http://www.omnicitycorp.com)  
[www.omnicity.net](http://www.omnicity.net)  
OTCBB: OMCY

866 586 1518 Corporate Office  
765 499 7310 Cell

**Mission Statement:**

**Our vision is to be the first broadband service provider to expand its network across rural America.**





February 19, 2010

Broadband Technology Opportunities Program  
National Telecommunications and Information Administration (NTIA)  
U.S Department of Commerce  
1401 Constitution Avenue, NW  
Washington, DC 20230

Dear Administrator Strickling,

SUBJECT: Letter of Support for BTOP Grant Application Connect Anoka County Community Broadband Network #6417

Minnesota Fiber Exchange wishes to express its support for the Anoka County application to develop broadband middle-mile fiber network connecting key institutions and providing a platform for competitive private sector services. We understand Anoka County in partnership with Zayo will apply for a Broadband Technology Opportunities Program ARRA grant to help fund this project, and we support Anoka County and Zayo in this grant application.

Minnesota Fiber Exchange is currently engaged with Zayo to determine our requirements along the network and our interest in expanding our fiber-optic based services to Anoka County. We believe this network will allow service providers such as ourselves to bring new and innovative high-bandwidth services to the area and eliminate the current bottleneck of leasing incumbent assets to provide services.

We also anticipate the community fiber network will promote economic development in our area and allow companies such as ourselves the opportunity to lease dark fiber to reach local businesses and residences and also to provide such services as wireless backhaul..

Recognizing the long-term benefits for Anoka County and the opportunities for private carriers to utilize the network to reach the business and residential communities of the application area, Minnesota Fiber Exchange strongly encourages the NTIA to award grant funding to Anoka County for this very worthwhile project.

Sincerely,

A handwritten signature in black ink that reads "John Schultz".

John Schultz  
Minnesota Fiber Exchange



**Business Interviews / Surveys**  
**Completed by: CCG Consulting**  
**February 5, 2010**

As part of the broadband study underway, Anoka County took several approaches to see how businesses in the County would look at a broadband initiative. First, the County distributed business surveys to ask businesses a number of questions about broadband usage. These surveys were distributed to existing email lists of businesses as well as sent out through the Chamber of Commerce. Second, the County had Doug Dawson of CCG Consulting interview some of the larger businesses in the community. Finally, the County held several public meetings where they elicited feedback from residents and businesses.

In all cases the businesses that responded were volunteers and the results do not represent a random sample or statistically significant survey. Rather, the goal of this process was to find out several things: 1) did businesses in the County have broadband available to them today; 2) If so, were they getting the kind of broadband they need to operate their business; 3) We also asked if the businesses could afford the broadband they have today; and 4) we asked if businesses support the idea of a County-sponsored broadband network.

CCG Consulting talked to seven of the largest businesses in the County. There were some very similar characteristics of the seven large businesses we talked to:

- Every one of them say that they have tripled or quadrupled their use of data in the last two years, and they all said they see data needs growing fast into the foreseeable future.
- All of these large companies purchase large data pipes. Small businesses typically buy a T1 or a DSL connection. These large businesses either use numerous T1s or buy larger data products like a DS3.
- All of the companies said that they thought that the data products from the incumbent were overpriced, but they all also said that data was so important to their businesses that they paid whatever is necessary. All were interested in the ideas of faster speeds on a fiber network, but none of them were overly concerned with saving money – rather they just wanted data speeds and reliability they could count on.
- These businesses also had many similarities in the way they use data or want to use data:
  - A few of the businesses needed a dedicated data pipe in order to communicate with another branch of their business. The primary use of such a dedicated path is to allow the consolidation of data processing functions at one location and using data connections to pass data back and forth.
  - These companies would like to use bandwidth to use VoIP. In many cases they want to provide VoIP themselves. Generally today they report that they need to buy a separate and dedicated data circuit today just for VoIP and they would

prefer to share this on a larger data connection. They are all annoyed at the incumbent pricing system that makes them buy multiple small circuits rather than one large one.

- All of these companies want to save their data in remote off-site data storage facilities for disaster recovery and general redundancy.
- The larger companies all talked about needing the ability to train employees via video connections over the Internet. They say that off-site training has become too expensive and that training by the Internet or video conferencing allows training to be incorporated into the workday rather than removing an employee from productivity.
- Every company I talked to is interested in video conferencing to reduce travel expenses. Some of them have already created some conference rooms with video conferencing capabilities, but all said that they would put conferencing in most or all meeting rooms if they had enough bandwidth.
- Only one company has a fiber connection today and they paid a significant construction cost to get the fiber built. Most of the other businesses have asked about fiber and have been told that it is not available in their area. This same company has a second facility in the County that cannot get fiber, and the employees at that facility cannot take advantage of many of the corporate systems.

In summary, large businesses see data becoming more and more important to their businesses. They have all had an explosion in the amount of data generated to run their businesses. Every business said that the current data speeds available to them have caused constraints in the way they use data connections. They all would like much faster speeds. They all worry about the constraints imposed by the incumbent data products and are particularly worried about the restraints getting worse as their use of data keeps growing.

The County was able to get 50 responses to the business questionnaire. The companies who responded to the surveys are smaller than the companies that were interviewed. These companies generally use DSL or 1 T1 line to supply their data needs today.

All of the companies that completed the survey have a data connection today. However, during the public meetings and through a mapping effort the County found out that there are still some businesses in the County that have no access to broadband.

Most of the businesses that answered the survey use data in similar ways:

- Communicate with customers
- Communicate with vendors
- Email
- Many use VoIP (somebody like Vonage)
- Web research
- Sending and receiving data files
- On-line purchasing
- Data Back-up
- Accessing remote databases



There were some interesting responses and trends when looking across all of the questionnaires:

- One firm plans and creates events and sends out portfolios of ideas to customers. These files often exceed 50 Mb which is much larger than the incumbents will allow for an email attachment. This firm ends up driving their data files to each customer.
- Many firms reported that employees must sit and wait when they try to send or receive large files or work in an on-line database. Thus, increased productivity was reported as the primary benefits of getting better broadband.
- Most of the respondents said that they would only be interested in fiber broadband if it cost about the same as their current broadband. CCG has talked to business in many communities around the country and this is a typical response for small businesses. Large businesses generally care more about speed and reliability while small businesses are generally more cost conscious.
- Many of the businesses supported the idea of a County-sponsored broadband network. However, there were a number of businesses who took a 'wait and see' attitude, meaning they would need to know more before they could decide if this is a good idea. CCG also sees this same response in every town we have worked in. Small businesses are always leery about changing service providers unless the service they have is non-functional. While small businesses don't move the large data volumes as large businesses, their access to the Internet is essential to operate their businesses. In every town we see that residents and large businesses are much likelier to try a new fiber network than small businesses. We have always seen a two or three year lag after the introduction of a new network before small businesses will take a chance on changing service providers.
- Most of the businesses with DSL had no complaint about the prices they pay. However, almost every company with a T1 or a fractional T1 thought it is too expensive. Reported prices for T1s ranged from \$360 to \$500 per month.
- A handful of businesses reported that they buy business class data products from Comcast. They report much faster speeds than is available from DSL. However, if Anoka County is like other places, the vast majority of businesses are not connected to the cable network. The cable companies bypassed businesses many years ago when they first built the systems (since they believed businesses would not want cable TV). Most cable companies have not expanded their networks significantly into areas with mostly small businesses.

## **Summary of Community Input for Interested Citizens at the Spring Lake Park High School Community Meeting 9/29/09**

**Question/Comment 1: What would need to happen for this project to move forward? What has to happen within county for a decision to be made? Could the County mandate services by providers?**

Response 1: We are not sure what exactly we plan to do yet. We are in the process of conducting phone survey's with citizens in 3 areas of County and surveying businesses to look for input. One possibility is a central fiber ring connecting County buildings and businesses. Also we are talking to local providers to try to further this initiative.

**Question/Comment 2: Comment from Nowthen Resident: We have approximately 60 houses in our development that lack access to high-speed internet. Qwest has been nonresponsive to repeated requests for service. Qwest provides service to communities in all directions (i.e.; St. Francis, Zimmerman & Elk River), Nowthen is a dead zone in the grid. We are in Nowthen and we can see the house ¼ of a mile away that has DSL but we can't get it.**

Response 2: This can be a problem with existing infrastructure. Distance can also be a major factor.

**Question/Comment 3 from Chamber of Commerce Member: Who would be business winners and losers in providing a high-speed internet alternative?**

Response 3: Small to medium-sized business would be chief beneficiary of broadband development. No service losers; competition works to improve service and reduce price. If you got an additional provider in the area, usually medium to small business could benefit. In communities where a 3<sup>rd</sup> provider comes in (especially a non-profit or municipality) costs can go down. Monticello is the only new local city with a 3<sup>rd</sup> part provider.

**Question/Comment 4: Comment from a local computer businessman: Agreed with previous moderator comments. Receives phone calls with problems. There is a quality of service issue. Security is an issue, can't protect good security with Dial-up. Cost is important. Even had issues in Blaine. It takes 2 kb to get a virus but 2 mb to download virus protection.**

**Question/Comment 5: Additional comment: Qwest said that it would cost \$40k to run cable (DSL Services) to homes in Nowthen.**

**Question/Comment 6: Additional comment from Citizen: We have a petition from our whole neighborhood asking for this (Broadband).**

**Question/Comment 7: Comment from local businessman: ClearWire engaging in build-out in metro areas. What you're looking for is coming, without current impediments. Services will be available if County can get fiber build out. Other things are also going on. For example; Sprint/ClearWire is starting to build out in major cities. New standards coming out to share services. Good that County is trying to bring Broadband to the entire county. Moderator is correct, at some point there won't be phone or cell phone co's – it's all broadband. Clearwater and Sprint are in the process of negotiating the 1<sup>st</sup> multi-billion mobil Wi-Max ring in the County. There will be one open standard someday. It may not make sense to complain to Qwest – it's coming soon either way. Public entities may not be the answer. One of my companies is working on a test Wi-Max in St. Louis Park without government or public funding. So what we are looking for is coming, and I think it is great that Anoka County is doing this.**

Response 7: Extra capacity in an open network fiber could allow room for multiple solutions to problem.

**Question/Comment 8: Local business person: Has customers near Radisson Road in Blaine...in Fridley (Comcast would charge \$13k) ... where DSL isn't even available. Dial-up is only solution in some parts of County; these customers can't even download virus protection software. 120k service through CLEC provider for some folks near Blaine airport (Radisson Road). T-1 is only other option but would cost \$400 - \$500 per month. Has a customer one block from Comcast that would have to pay 13k for DSL. Also works for a Senior**

**Center and they have dial-up. He can't support customers on dial-up. This group of individuals is located near the airport on Radisson Road in Blaine. Their only option is a T1 line at \$400 - \$500 month.**

**Question/Comment 9: Elaboration on structure of network? Who would manage it? What would it look?**

Response 9: Anoka County is not sure what its model might look like. Some counties have done such things as: do nothing; create an initiative to create fiber backbone connecting municipal buildings, schools, etc; fiber ring around county that includes spare fiber that can be leased by county to raise revenue and provide service alternative to various parts of county (such additional service may not be provided by private partners). Scott County is using this model, bringing it to City/County buildings, hospitals & libraries. Lake County is also thinking of trying to build fiber & then looking for a manager / partner to run that.

**Question/Comment 10: Any possible solutions coming from state level?**

Response 10: This is the impetus behind the Broadband Task Force. State of MN is not planning to apply for ARRA funding. Some states are apply for stimulus funding for that but the State of MN is not doing this as far as we know. When a state, county, or municipality own and operate your own infrastructure the taxpayers are the beneficiaries.

**Question/Comment 11: Pricing structure is out of hand. Charging surcharge (\$15.00) if not getting all services from provider. Creating digital divide.**

**Question/Comment 12: From Blaine resident: Computer Network Engineer, owns a wireless network company ... pricing is a big concern ... his sister lacks access due to affordability concerns ... public / private ISPs can offer service at much more competitive rates ... wireless options could address some needs in communities such as Nowthen ... conducted wireless survey of City of Andover & determined that City lacks infrastructure (like much of northern portion of County that only has dial-up or satellite service). Broadband service to rural Anoka County would rely upon wireless in short term. Not sure if it's possible to make it up to East Bethel or Oak Grove. Price Points (\$29.99 / mo with ClearWire, two-year contract; Comcast at \$25 / month with slower speeds, but not available in all parts of county). DSL wasn't fast enough for his own business. Fiber backbone is necessary for any type of deliver, at one point or another. Time and money well spent for county...fiber will never be obsolete...fiber to the home would be cost-prohibitive...there are other opportunities even if County fails to receive ARRA funds. Some cities make it difficult for broadband development...road construction projects are good opportunities for installation of fiber. Time and money well spent to look at fiber. If not able to get stimulus money, could still assist Broadband providers (permits, right of way issues). Should get interduct in ground with any road project.**

**Question/Comment 13: Comment from Citizen: Return of investment is high to connect municipal buildings. Don't do just half. Fiber is better for level of service.**

**Question/Comment 14: County might want to look at Chaska model...guarantee \$25 / mo for basic internet connect, higher rate for increased speed & service...**

**Question/Comment 15: Local business representative: Will backbone benefit wireless?**

Response 15: The County should have all interests in mind. County to look at public/private partnership. Couldn't do home business without broadband. Long-term maintenance costs often off-set short-term savings.

**Question/Comment 16: Local business representative: Anoka County United economic development group...organizations that this group represents have a difficult time telling Comcast or Qwest how to operate businesses. However, Anoka County should have the best interest of the County in mind & thus would make for an inviting partner to improve broadband service...**

**Question/Comment 17: How will Anoka County weather the storm from Comcast & Qwest?**

Response 17: Comcast & Qwest typically will only offer services over infrastructure they install, own & operate...usually opposed to a model that is owned by county or municipality. We are inviting all providers to the table and will have an open RFP process.

**Question/Comment 18: Would like to see change from status quo.**

**Question/Comment 19: Local Businessman: Don't count on ARRA funds...Comcast has quite a few partners that have fiber...Jaguar Communications...don't worry about cable or phone companies...County has the right idea...We should not count on Stimulus funds to do this. Don't think money will be there. Qwest has several partners such as Mid-Com Media in Bloomington, Jaguar communications.**

Response 19: Not counting on ARRA funds...wants to hear from more citizens...

**Question/Comment 20: Local resident: How can we help?**

Response 20: Post your comments to the website. Encourage your neighbors to do the same. Organize community comments groups. What it will take to achieve goals: input need; money; find the right provider. Community will and political will can make things happen, very important to achieving goals.

## **Summary of Community Input for Interested Citizens at the Anoka City Hall Community Meeting 10/1/09**

### **Question/Comment 1: Any other examples in MN or other states?**

Response 1: Few states, but South Dakota made an investment for state educational services. Office of Enterprise Technology leases lines from private providers and makes them available to schools, municipalities. Iowa has a history of public electricity cooperatives, invested in copper infrastructure in the past.

### **Question/Comment 2: Oak Grove Resident: Challenge – No trouble with internet. Has triple play, and has spotty phone service. Uses Comcast.**

Response 2: Comcast provides voice service through voice-over-internet protocol (VOIP). Comcast has not been providing voice service for very long, its approach requires triple play service over same system. Report experience to Public Utilities Commission (PUC) & Attorney General's office

### **Question/Comment 3: Anoka resident: Rather than availability, please consider optimization. Fiber to every home is not practical; cable is capable of handling a lot of data. Switching mechanisms currently used may not be up to par. Makes sense to invest in a fiber backbone, but it may not make sense to provide fiber to the premise. Can we better articulate expectations to optimize current infrastructure? Advocate, not just availability, to look at optimizing. May be possible to engage existing cable infrastructure to optimize – may require upgrading routing infrastructure. Get Fiber background is good goal – especially to institutions. Set expectations to existing cable companies. Another approach is to give economic incentive. Do they have to tear up roads to lay fiber – felt better if that is not the case? Why can't we control (or learn about) the fiber service from the incumbents?**

Response 3: Since cable systems are completely proprietary, cable providers are beyond the scope of the PUC and its regulatory reach. It's very difficult to get incumbent providers to use their private networks in one form or fashion. There are small providers out there that are very interested. There is nothing like competition to get businesses to do what we would like them to do.

### **Question/Comment 4: Anoka County resident: Is the goal to take fiber to the home?**

Response 4: Not sure yet. We're still in an information-gathering stage.

### **Question/Comment 5: City of Columbus – Only service through ISDN. Now get DSL through cable. Still not about to get service through Qwest. Economic Development Committee, with goal to bring businesses to area, asked business owners what they would like to see – mentioned struggle (and cost) to getting service. (Cited Ziegler, Race Track, & Gander Mountain). For the city, to improve service has been unaffordable. Have looked at different options for this city and have not found any. Hard to run a businesses without good access. Residential lot size may be a problem for improved access.**

### **Question/Comment 6: Can get access through US Cable now, but up until two years ago had to rely upon DSL. Columbus Township economic development committee would like to bring high-speed internet to business district near I-35W and I-35W merger. Not able to afford investment in high-speed internet access on Comcast terms (\$30k + take-rate guarantee). No internet or cable in some areas of township.**

### **Question/Comment 7: What about data over power line?**

Response 7: Iowa and Rochester have done trials. Some potential, but not as viable in US due to electrical grid. There are also problems with infrastructure. Some potential, but not as rapidly advanced in U.S. as compared to Europe. Harder climb in U.S. due to differences in electrical grid. Problems with radio interference, transformers can create issues. Companies in Pennsylvania and Ohio, as well as parts of Texas, are experimenting with BPL on a small scale.

**Summary of Community Input for Interested Citizens at the  
Ham Lake City Hall Community Meeting 10/8/09**

**Question/Comment 1: Local Resident – Would like to see some choice in providers in the area.**

**Question/Comment 2: During Introductions:**

- **Nowthen Residents – need assistance with getting better connectivity for businesses, residents and home-based businesses.**
- **City of Blaine – Want to see us make advancement in Broadband**
- **Library Director – Broadband is critical to residents and the libraries.**
- **Local IT Consultant – know there are advantages for Broadband to the County.**
- **Columbia Heights Schools – interested in getting connected to other public entities and making Broadband more cost effective.**

**Question/Comment 3: Resident with home based business: Dial-up is only option today (or AT&T aircard). Would like to see option to have improved Broadband access. Currently experiencing many disconnects and spotty service. Would like to have better service to be able to work from home. Some other small businesses down the road would make use of the service as well. Qwest has said that there is little chance for expansion. Comcast is also not in the area.**

Response 3: Lack of service can affect economic development, education and medical services in the community. Fiber can also be more reliable to wireless.

**Question/Comment 4: City of Blaine: Studying topic and a cheerleader for Fiber. Current Vendors are basing service on possibility for profit which affects ability for residents to get service and the extension of infrastructure. Difficult to rely on vendors to provide service. Need to get base service infrastructure installed and then allow providers to compete.**

**Question/Comment 5: Local Businessman: Since Japan is so advanced, has there been research done on what they have done?**

Response 5: Yes, in part their success is due to partnership between government and business (providers). Japan is only one case, but it's also true in other European countries. In Sweden, the government built a backbone, with providers utilizing the service and in some cases communities provide the service themselves. Fiber can be as important as delivering electricity to the home as in the past.

**Question/Comment 6: It seems like it would make sense for the government to step in and build a backbone.**

**Question/Comment 7: At last meeting in Spring Lake Park, problem wouldn't be building backbone, but getting Fiber to the home. It may not be feasible to do Fiber to the home project, so we need to figure out how to get it to the home.**

Response 7: Decisions have not yet been made on the exact scope of the project.

**Question/Comment 8: Perhaps there are two phases. Eventually Fiber to the home will be required, but perhaps that is later phase. For example, future TV requirements may require Fiber. But short term solution maybe to get at least some coverage to homes that don't have it.**

**Question/Comment 9: Why do I have Fiber outside my house and not in my house?**

Response 9: May require additional investment in electronics by the provider.

**Question/Comment 10: The other problem is that price is based on per megabit. If we continue this way, consumers are not willing to pay for very high speeds so providers have no incentive to increase speed.**

**Question/Comment 11: Library perspective: With lower economy, residents are using libraries at greater rate since they can't afford service at home. Our libraries in various areas of the county (e.g., Coon Rapids) also have problems getting service.**

**Question/Comment 12: There is a myth what is economically feasible. Qwest has no Fiber to the home anywhere, but some small towns in MN have Fiber projects through other providers. These projects have common theme of having community involvement and leadership.**

Response 12: We have talked to a provider that looked at 20 years investment in the smaller areas. From a community perspective, this is often looked at as long term investment, but it still needs to be cost-effective.

**Question/Comment 13: Columbia Heights Schools: Have service and use Comcast to transport and it can be costly. Have looked at collaboration with others and hope that it would be cost effective.**

Response 13: Other counties have done collaboration and there are models to look at.

**Question/Comment 14: Looking at short term, have we talked to Clearwire?**

Response 14: At one of our meetings, we thought we heard that it may be in our area soon.

**Question/Comment 15: Concern that providers charge too high and may be a problem for some consumers.**

**Question/Comment 16: With open access model where government build infrastructure and lease to providers, it is less likely for new sites. Providers have funding to bring law suits.**

Response 16: Another view is looking at the economics of open access. It has been shown to work.

**Question/Comment 17: Look at open access models. They usually work best where there is a committed provider when it is developed and not wait for service to show up.**

**Question/Comment 18: Are there examples where multiple providers provide service?**

Response 18: Not clear that has worked. Have to look at all options.

**Question/Comment 19: Thoughts/Advice:**

- **Create competition**
- **Let small business be able to compete**
- **Look at open access model**
- **Figure out funding and payback**

# BOARD OF COUNTY COMMISSIONERS

*Anoka County, Minnesota*

DATE: March 11, 2010

RESOLUTION #2010-30

OFFERED BY COMMISSIONER: Erhart

**A RESOLUTION DECLARING THE OFFICIAL INTENT OF  
THE COUNTY OF ANOKA, MINNESOTA,  
TO REIMBURSE CERTAIN ORIGINAL EXPENDITURES FOR  
CAPITAL PROJECTS FROM THE PROCEEDS OF TAX-EXEMPT  
BONDS TO BE ISSUED BY THE COUNTY AFTER THE PAYMENT OF  
SUCH ORIGINAL EXPENDITURES**

WHEREAS, the Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations") under the Internal Revenue Code of 1986, as amended (the "Code"), providing that proceeds of tax-exempt bonds (as defined in Section 150(a)(6) of the Code) used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and,

WHEREAS, Anoka County, a county and political subdivision of the State of Minnesota (the "County"), expects to incur certain expenditures that may be financed temporarily from sources other than tax-exempt bonds, build America bonds (as defined in Section 54AA of the Code), recovery zone economic development bonds (as defined in Section 1400U-2 of the Code), and other obligations, and reimbursed from the proceeds of tax-exempt bonds, build America bonds, recovery zone economic development bonds, or other obligations; and,

WHEREAS, the County has determined to make this declaration of official intent ("Declaration") to reimburse certain costs from the proceeds derived from the sale by the County of tax-exempt bonds, build America bonds, recovery zone economic development bonds, or other obligations in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED by the board of commissioners of Anoka County, Minnesota as follows:

1. The County is proposing to undertake a capital project designated as the "Connect Anoka County Project" pursuant to which the County will acquire the indefeasible right to use a portion of the dark fiber strands of a broadband fiber optic system to be constructed by Zayo Bandwidth, LLC, in the County to be connected to buildings owned or used by governmental entities in the County (the "Capital Project"). The County, in partnership with Zayo Bandwidth, LLC, intends to submit a grant request for Federal Stimulus funds, for the construction of broadband infrastructure throughout the County, with a 20 percent cash match from Zayo Bandwidth, LLC, and a 10 percent cash match from the County. The County intends to finance its portion of the Capital Project with the proceeds derived from the sale of tax-exempt bonds, build America bonds, or recovery zone economic development bonds to be issued in calendar year 2010.

2. The County reasonably expects to reimburse the expenditures made for certain costs of the Capital Project from the proceeds of tax-exempt bonds, build America bonds, and/or recovery zone economic development bonds, in a principal amount currently estimated not to exceed \$3,500,000. All reimbursed expenditures related to the Capital Project will be capital expenditures, costs of issuance of the tax-exempt bonds, build America bonds, or recovery zone economic development bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of tax-exempt bonds, build America bonds, or recovery zone economic development bonds, except for the following expenditures: (a) costs of issuance of tax-exempt bonds, build America bonds, or recovery zone economic development bonds; (b) costs in an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the tax-exempt bonds, build America bonds, or recovery zone economic development bonds; or (c) "preliminary expenditures" up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the issue or issues that finance or are reasonably expected by the County to finance the Capital Project. The term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.



4. This Declaration also provides that all reimbursement allocations with respect to tax-exempt bonds, build America bonds, or recovery zone economic development bonds will be made not later than eighteen (18) months after the later of: (i) the date the original expenditure is paid; or (ii) the date the Capital Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure.

5. This Declaration is an expression of the reasonable expectations of the County based on the facts and circumstances known to the County as of the date hereof. The anticipated original expenditures for the Capital Project and the principal amount of the tax-exempt bonds, build America bonds, or recovery zone economic development bonds described in paragraph 2 are consistent with the County's budgetary and financial circumstances. No sources other than proceeds of tax-exempt bonds, build America bonds, or recovery zone economic development bonds to be issued by the County are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the County's budget or financial policies to pay such expenditures.

6. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

STATE OF MINNESOTA )  
 COUNTY OF ANOKA ) SS

I, Terry L. Johnson, County Administrator, Anoka County, Minnesota, hereby certify that I have compared the foregoing copy of the resolution of the county board of said county with the original record thereof on file in the Administration Office, Anoka County, Minnesota, as stated in the minutes of the proceedings of said board at a meeting duly held on March 11, 2010, and that the same is a true and correct copy of said original record and of the whole thereof, and that said resolution was duly passed by said board at said meeting.

Witness my hand and seal this 11th day of March 2010.

  
 TERRY L. JOHNSON  
 COUNTY ADMINISTRATOR

	<u>YES</u>	<u>NO</u>
DISTRICT #1 - BERG	<u>X</u>	<u>      </u>
DISTRICT #2 - LANG	<u>X</u>	<u>      </u>
DISTRICT #3 - WEST	<u>X</u>	<u>      </u>
DISTRICT #4 - KORDIAK	<u>X</u>	<u>      </u>
DISTRICT #5 - LEDOUX	<u>X</u>	<u>      </u>
DISTRICT #6 - SIVARAJAH	<u>      </u>	<u>X</u>
DISTRICT #7 - ERHART	<u>X</u>	<u>      </u>



**CABLE Com**

March 23, 2010

Mr. Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Avenue, NW  
Washington, D.C. 20230

Dear Mr. Strickling:

This letter is being written to express support of the Zayo Bandwidth, LLC and Anoka County, Minnesota grant application for Broadband Stimulus funding as a middle mile provider. As a contractor specializing in utility construction/telecommunications conduit/cabling, we look forward to this project bringing work to Minnesota, and can be prepared to begin work on June 1<sup>st</sup> 2010.

Feel free to contact me with any questions.

Best Regards,

Cheri Grainger  
Vice President

3701 W. Burnham Street  
Suite C  
Milwaukee, WI 53215

office	414.226.2205
fax	414.226.2269
free	888.423.CABLE

[www.cablecomllc.com](http://www.cablecomllc.com)




March 3, 2010

Mr. Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, D.C. 20230

This is to express support of the Zayo Bandwidth, LLC and Anoka County, Minnesota grant application for Broadband Stimulus funding as a middle mile provider. As a contractor specializing in utility construction/telecommunications conduit/cabling, we look forward to this project bringing work to Minnesota, and can be prepared to begin work on June 1<sup>st</sup> 2010.

Feel free to contact me with any questions.

  
Travis J. Wilde  
Vice President  
MasTec North America, Inc.



*Embracing the Future.  
Celebrating the Past.*

Phoenix, AZ

Woodland, CA

Chicago, IL

Topeka, KS

Minneapolis, MN

Salem, OR

Harrisburg, PA

Houston, TX

Seattle, WA

Brownsville, WI

Green Bay, WI

Milwaukee, WI

Neenah, WI

Nisku, Alberta

817 W. Main Street  
P.O. Box 128  
Brownsville, WI 53006

920.583.3132  
Fax 920.583.3429

[www.michels.us](http://www.michels.us)

March 4, 2010

Mr. Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Ave. NW  
Washington, D.C. 20230

RE: Economic Stimulus Application – Zayo Bandwidth, LLC & Anoka County, MN

Dear Mr. Strickling,

We have reviewed the project parameters for the OSP Construction included in Zayo Bandwidth, LLC and Anoka County, Minnesota's Economic Stimulus application. With the network design, Zayo Bandwidth, LLC and Anoka County propose to deploy a state-of-the-art FTTP network architecture to bring Broadband services to Anoka County, MN. The proposed FTTP network includes over 300 miles of fiber network construction.

Michels Corporation is capable of completing a project of this size in a timely, safe and professional manner.

In the event that Zayo Bandwidth and Anoka County are awarded funding for the project, we can immediately finalize the contracts and project parameters allowing us to begin construction in an expedient manner to meet the proposed project timelines.

If you have any questions or require any additional information, please feel free to contact me at 920-924-4303.

Sincerely,

Jerrod Henschel,  
General Manager



500 Co. Rd. 37 E • Maple Lake, MN 55358  
office: 320-963-2400 • fax: 320-963-2439  
[www.mpnexlevel.com](http://www.mpnexlevel.com)

March 3, 2010

Mr. Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, D.C. 20230

This is to express support of the Zayo Bandwidth, LLC and Anoka County, Minnesota grant application for Broadband Stimulus funding as a middle mile provider. As a contractor of 37 years specializing in utility construction/telecommunications conduit/cabling, we look forward to this project bringing work to Minnesota, and can be prepared to begin work on June 1<sup>st</sup> 2010.

Feel free to contact me with any questions by email at [rpribyl@mpnexlevel.com](mailto:rpribyl@mpnexlevel.com) or by phone at 320-963-2412.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Robbi I. Pribyl', is written over a white background.

Robbi I. Pribyl  
Vice President of Operations  
MP Nexlevel, LLC





**Character - Capital - Capacity**

March 3, 2010

Mr. Lawrence E. Strickling  
Assistant Secretary  
National Telecommunications and Information Administration  
U.S. Department of Commerce  
1401 Constitution Ave., NW  
Washington, D.C. 20230

Dear Sir,

This is to express support of the Zayo Bandwidth, LLC and Anoka County, Minnesota grant application for Broadband Stimulus funding as a middle mile provider. As a contractor specializing in utility construction/telecommunications conduit/cabling, we look forward to this project bringing work to Minnesota, and can be prepared to begin work on June 1<sup>st</sup> 2010.

Feel free to contact me with any questions.

Thank you,

A handwritten signature in blue ink, appearing to read "RRM", is written over the typed name.

Mark R. Muller  
President  
TelCom Construction, Inc.

2218 200<sup>TH</sup> STREET EAST, PO BOX 189  
CLEARWATER, MN 55320-0189  
OFFICE: (320) 558-9485 FAX: (320) 558-9486

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

David Boyd  
J. Dennis O'Brien  
Phyllis Reha  
Thomas Pugh  
Betsy Wergin

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

Thomas Erik Bailey  
Briggs and Morgan  
2200 IDS Center  
80 South 8th Street  
Minneapolis, MN 55402-2157

SERVICE DATE: October 9, 2009

DOCKET NO. P-6818/NA-09-718

In the Matter of the Application of Zayo Bandwidth, LLC for a Certificate of Authority to Provide Local, Long Distance, and Local Niche Services,

The above entitled matter has been considered by the Commission and the following disposition made:

**Granted operational approval of the request of Zayo Bandwidth, LLC for a certificate of authority to provide local niche service on a statewide basis.**

**Granted conditional approval of the request of Zayo Bandwidth, LLC for a certificate of authority to provide facilities based and resold local and long distance services.**

**Approved the proposed local niche tariff, as filed on June 16, 2009 and revised on August 12, 2009 and September 16, 2009.**

**Granted a variance, under Minn. Rules pt. 7829.3200, to the notification requirements in Minn. Rules pt. 7812.0200, subpt. 6.**

**Conditions to Receive Operational Authority to provide local service:**

- 1. Commission approval of an interconnection agreement**
- 2. Commission approval of 911 plan**
- 3. Submission of a tariff reflecting the rates, terms and conditions of the local exchange services offered by the Company.**

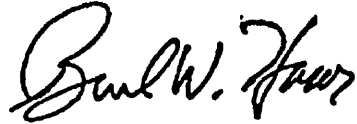
**Conditions to Receiving Operational Authority to provide long distance service:**

- 1. Submission of a tariff reflecting the rates, terms and conditions of the long distance services offered by the Company.**

**This decision is issued by the Commission's consent calendar subcommittee, under a delegation of authority granted under Minn. Stat. § 216A.03, subd. 8 (a). Unless a party, a participant, or a Commissioner files an objection to this decision within ten days of receiving it, it will become the Order of the full Commission under Minn. Stat. § 216A.03, subd. 8 (b).**

The Commission agrees with and adopts the recommendations of the Department of Commerce which are attached and hereby incorporated in the Order.

BY ORDER OF THE COMMISSION

A handwritten signature in black ink, appearing to read "Burl W. Haar". The signature is written in a cursive style with a large initial "B".

Burl W. Haar  
Executive Secretary

(S E A L)

This document can be made available in alternative formats (i.e. large print or audio tape) by calling 651.201.2202 (voice). Persons with hearing or speech disabilities may call us through Minnesota Relay at 1.800.627.3529 or by dialing 711.





85 7th Place East, Suite 500  
St. Paul, Minnesota 55101-2198  
www.commerce.state.mn.us  
651.296.4026 FAX 651.297.1959  
An equal opportunity employer

September 28, 2009

Burl W. Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul, Minnesota 55101-2147

RE: In the Matter of the Application of Zayo Bandwidth, LLC for a Certificate of Authority to Provide Local, Long Distance, and Local Niche Services, Docket No. P6818/NA-09-718

Dear Dr. Haar:

Applications for certificates of authority may be approved without hearing under Minn. Stat. §216A.03, subd. 7. The Public Utilities Commission's (Commission's) Order designating certain applications for certificates of authority as being subject to a standing Order was issued on August 25, 2000 in Docket No. P999/CI-00-634. The use of a standing Order is to apply to filings submitted on or after September 1, 2000.

As required by the Commission's August 25, 2000 Order, the Department of Commerce (Department) has reviewed and analyzed the current filing. Attached is the Department's checklist for processing applications for certificates of authority. The checklist reflects the Department's analysis of the issues relating to the requirements of Minnesota law and the Commission's rules.

*The application for certification was filed on:* June 16, 2009, August 12, 2009, September 16, 2009

*The application was filed by:*

Thomas Erik Bailey  
Briggs and Morgan  
2200 IDS Center  
80 South 8<sup>th</sup> Street  
Minneapolis, MN 55402-2157

*The application requested the following type of certification:* Certificate of Authority to provide facilities based and resold local, long distance, and local niche services.

*Recommended Action:*

The Department recommends that the Commission grant operational approval of the request of Zayo Bandwidth, LLC for a certificate of authority to provide local niche service on a statewide basis. Grant conditional approval of the request of Zayo Bandwidth, LLC for a certificate of authority to provide facilities based and resold local and long distance services. Approve the proposed local niche tariff, as filed on June 16, 2009 and revised on August 12, 2009 and September 16, 2009. Grant a variance, under Minn. Rules pt. 7829.3200, to the notification requirements in Minn. Rules pt. 7812.0200, subpt. 6.

*Conditions to Receive Operational Authority to provide local service:*

1. Commission approval of an interconnection agreement
2. Commission approval of 911 plan
3. Submission of a tariff reflecting the rates, terms and conditions of the local exchange services offered by the Company.

*Conditions to Receiving Operational Authority to provide long distance service:*

1. Submission of a tariff reflecting the rates, terms and conditions of the long distance services offered by the Company.

Notes: 1) Zayo Bandwidth, LLC received approval to obtain control of Onvoy, Inc. in the October 15, 2007 Order in Docket No. P3007,5728/PA-07-1184. Under that Order, Onvoy, Inc. continued to operate under its existing certificate of authority. In the current docket, Zayo Bandwidth, Inc. is requesting certification to operate as a separate regulated entity from Onvoy, Inc. 2) The tariff indicates that the volume and term discounts will be offered on an individual case basis (ICB). The tariff also allows for temporary promotions subject to individualized pricing. There is also language in the tariff indicating that the tariff will be updated to reflect any specific rates, terms, or conditions associated with contracts entered into with ICB pricing. Further, it has been confirmed that temporary promotions will be filed as a tariff update with the Department.

The Department's analysis finds that the Application for Certification complies with the Commission's requirements as indicated on the attached checklists. The Department is submitting this memorandum recommending that the Commission approve the Application for Certification either at a Commission hearing or by way of the standing order process approved by the Commission on August 25, 2000.

Sincerely,

/s/ DIANE DIETZ  
Rates Analyst

DD/ja  
Attachment

## CHECKLIST FOR PROCESSING APPLICATIONS FOR CERTIFICATES OF AUTHORITY

### Key

X: Analyst has reviewed this item and found item to be compliant with law, or confirming information is contained in the filing.

NC: Analyst has reviewed this item and found non-compliance with law.

W: Noncompliance with Rules, but Waiver Requested. Recommendation section will state if waiver is supported by DOC.

NA: Not Applicable, or does not describe characteristic of filing or applicant.

Blank space: Spaces may be left blank if they are for inapplicable subparts to a checklist item, or if only one of several choices is to be selected.

### I. TYPE OF CERTIFICATION REQUESTED BY APPLICANT

- X A. Facilities-based local exchange company (Note, Minn. Rules pt. 7812.0200, subpt. 2 states that a certificate to provide facilities-based local exchange service authorizes the provision of all forms of local service, interexchange service, and local niche service in Minnesota)  
X i. Conditional certificate of authority  
\_\_\_ ii. Operational certificate of authority (not subject to August 25, 2000 standing Order in Docket No. P999/CI-00-634)
- X B. Resale of local exchange service  
X i. Conditional certificate of authority  
\_\_\_ ii. Operational certificate of authority
- X C. Long Distance Service  
X i. Conditional certificate of authority  
\_\_\_ ii. Operational certificate of authority
- X D. Local Niche Service  
\_\_\_ i. Conditional certificate of authority  
X ii. Operational certificate of authority

### II. GEOGRAPHIC AREA OF CERTIFICATION

- X A. Facilities-based local exchange company  
X a. Exchanges served by Citizens Telecommunications of Minnesota Inc.  
X statewide  
\_\_\_ other (specify exchanges) \_\_\_\_\_
- X b. Exchanges served by Qwest Corporation  
X statewide  
\_\_\_ other (specify exchanges) \_\_\_\_\_
- X c. Exchanges served by Embarq Minnesota  
X statewide  
\_\_\_ other (specify exchanges) \_\_\_\_\_
- X d. Exchanges served by Frontier Communications of Minnesota  
X statewide  
\_\_\_ other (specify exchanges) \_\_\_\_\_

\_\_\_e. Exchanges served by the following incumbent local exchange companies:

\_\_\_\_\_

\_\_\_\_\_ statewide

\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_

X B. Resale of local exchange service

X a. Exchanges served by Citizens Telecommunications of Minnesota Inc.

X statewide

\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_

X b. Exchanges served by Qwest Corporation

X statewide

\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_

X c. Exchanges served by Embarq Minnesota

X statewide

\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_

X d. Exchanges served by Frontier Communications of Minnesota

X statewide

\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_

\_\_\_e. Exchanges served by the following incumbent local exchange companies:

\_\_\_\_\_

\_\_\_\_\_ statewide

\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_

X C. Long Distance Service

X i. Statewide

\_\_\_ii. Other (specify)

X D. Local Niche Service

X i. Statewide

\_\_\_ii. Other (specify)

### III. APPLICATION REQUIREMENTS OF THE APPLICANT

Minn. Stat. §237.16, subd. 1(b) and §237.74, subd. 12 mandate that companies obtain a certificate of authority prior to offering regulated telecommunications services in Minnesota. A conditional certificate of authority is permitted under Minn. Rules pts. 7812.0300, subpt. 4 and 7812.0350, subpt. 4 when the submission and Commission approval of tariffs and interconnection agreements is a prerequisite for providing the services identified in the applicable petition for certification. The requirements for certification for providers of facilities-based local exchange service, resellers of local exchange service, long distance service, and local niche services are listed in Minn. Rules pt. 7812.0300, 7812.0350, 7812.0400, and 7812.0500 respectively.

Minn. Rules pt. 7812.0300, subpt. 2 (parts A through N) describe the application requirements and the decision criteria for granting a certificate of authority. Companies applying for certification to provide long distance, local niche, or resale of local service must meet A to L of the filing requirements, except for the information, relevant to facilities-based local exchange service providers, which is identified in Minn. Rules pt. 7812.0300, subpt. 2, items G and K.

The application requirements of Minn. Rules pt. 7812.0300, subpt. 2 (A through N) are as follows:

X A. Company has the managerial, technical and financial ability, required under Minnesota law, to provide telecommunications services in Minnesota.

X B. All applications must include the applicant's full legal name and address, including the address of the applicant's place of business; if a corporation, the names, addresses, telephone numbers, and business experience of its officers; if a partnership or limited liability partnership, the names, addresses, telephone numbers, and business experience of persons authorized to bind the partnership; or, if a limited liability company, the names, addresses, and telephone numbers of its managers;

- X C. All applications must include a description of the applicant's organizational structure, including documentation identifying the petitioner's legal status, for example, sole proprietorship, partnership, limited liability partnership, company, limited liability company, corporation, and so forth; a copy of its articles of incorporation; and, a list of shareholders, partners, or members owning ten percent or more of the interest in the business;
- X D. All applications must include a list of the applicant's affiliates, subsidiaries, and parent organizations, if any;
- X E. All applications must include a description of the nature of the applicant's business, including a list of the services it provides. Note: Applicants that intend to provide prepaid local service must include a statement indicating that they have reviewed Minnesota Rules part 7810.1800-7810.2300 and that their proposed service complies with these Rules. Specifically, these Rules do not allow a carrier to disconnect an end user until the end user has received a disconnect notice. Disconnect notices may not be issued until after an event listed under Minnesota Rules 7810.1800 (A)-(H) has occurred.
- X F. All applications must include a description of the applicant's business history, including: (1) the date the business was first organized, the dates of subsequent reorganizations, and the date the applicant started providing telephone or other telecommunications services; and (2) the applicant's experience providing telephone company services or telecommunications services in Minnesota and other jurisdictions, including the types of services provided, the dates and nature of state or federal authorization to provide those services, the length of time it has provided those services, and pending or completed criminal, civil, or administrative action taken against the applicant by a state or federal authority, including any settlements, in connection with the applicant's provision of telephone company services or telecommunications services;
- X G. All applications must include a financial statement of the applicant, for the most recent fiscal year and the financial statement must consist of a balance sheet, an income statement, notes to the financial statement, and, if available, an annual report;
  - X (i) Positive equity (required for facilities-based authority)
  - X (ii) Company has the financial capacity necessary for the proposed undertaking
- X H. Applications for facilities-based authority must include a list and description of the types of services the applicant seeks authority to offer: (1) including the classes of customers the applicant intends to serve; (2) indicating the extent to which it intends to provide service through use of its own facilities, the purchase of unbundled network elements, or resale; (3) identifying the types of services it seeks authority to provide by reference to the general nature of the service, for example, voice, custom calling, signaling, information, data, and video; and (4) listing the technology that will be used to deliver the service, for example, fiber-optic cable, digital switches, or radio;
- X I. All applications must include a proposed price list or tariff setting forth the rates, terms, and conditions of each service offering, unless the applicant is seeking a conditional certificate under subpart 4 and has not yet developed the information listed in this item;
  - X (i) Tariff checklist is satisfactory
- X J. Applications for authority to provide local exchange service must include a service area map providing the information required under part 7810.0500, subpart 2, and narrative description of the area for which the applicant is seeking certification, except that if the applicant does not have the necessary agreements or tariffs to serve the entire area for which certification is sought, a map providing the information required under part 7810.0500, subpart 2, and a narrative delineating specifically those areas in which the applicant is currently prepared to provide service. A list of each of the exchanges for which the company is seeking certification will be accepted as the service area map where the entire exchange is served and each exchange is individually identified. Note also that applications for authority to provide local niche service must include a narrative description of the area for which the applicant is seeking certification;

- K. All applications must include the date by which the applicant expects to offer local service to the entire service area for which the applicant is seeking certification, including the applicant's estimated timetable for providing at least some of its services through use of its own network facilities;
- L. Applications for facilities-based authority must include a description of the applicant's policies, personnel, and equipment or arrangements for customer service and equipment maintenance, including information demonstrating the applicant's ability to respond to customer complaints and inquiries promptly and to perform maintenance necessary to ensure compliance with the quality requirements set forth in the Commission's rules;
- M. All applications must include a copy of the applicant's certificate to conduct business from the Minnesota Secretary of State;
- N. An application for facilities-based authority must include a description of the applicant's technology and facilities, as well as the location or proposed location of those facilities;
  - i. Description of end users' connection to the network:
    - Connection to network will be made through ILEC's local loop.
    - Broadband connection will be used to access the network:
      - 1. Connecting signal will be integrated into the end user's connection with the Internet.
      - 2. Connecting signal will be a separate connection on the same facility.
      - 3. Connecting signal will be on a separate facility from the end user's Internet access. Explain:
 

\_\_\_\_\_
    - Connection to network will be made through a facility other than ILEC's local loop or broadband connection.
  - ii. Description of method to provision transport between different local calling areas:
    - transport provisioned via public switched network.
    - transport provisioned via public Internet backbone.
    - transport provisioned via private IP network.
    - transport provisioned via other method. Explain
 

\_\_\_\_\_
  - iii. Description of location of switches or soft-switches that the applicant will use to provide the facilities based local services.
  - iv. Description of the availability of nomadic connection to network:
    - Nomadic connection available (i.e. service can be used from more than one location).
    - Nomadic connection not available.
  - v. Description of whether the facilities based local service permits a Minnesota end user to be assigned a telephone number associated with a rate center in which the end user is not physically located.
  - vi. Description of scope of facilities based local service offering:
    - Service to be offered on retail basis.
    - Service to be offered on wholesale basis.
  - vii. Description of target market for facilities based local services:
    - Individual residential households.
    - Small business customers.
    - Large business/large organization customers.
    - Other CLECs and ILECs.
- O. Other information needed to demonstrate that the applicant has the managerial, technical, and financial ability to provide the services it intends to offer consistent with the requirements of this chapter and applicable law including the following:
  - i. All applicants must have a toll-free number required pursuant to Minn. Rules pt. 7812.0300, subpt. 3(G).
    - Toll free number has been called.
      - 1. Toll-free number is operational.

\_\_\_\_ 2. Toll-free number is not operational. Explain:

- 
- Company states that toll free number will appear on customer bills.
- ii. All applications must include a description of the extent to which the applicant has had any civil, criminal, or administrative action against it in connection with the applicant's provision of telecommunications services.
- iii. All applications for authority to provide local service must be served on the Department, the OAG-RUD, the Department of Administration, persons certified to provide telecommunications service within the petitioner's designated service area, and the city clerk, or other official authorized to receive service or notice on behalf of the municipality, of all municipalities within the petitioner's designated service area in compliance with Minn. Rules pt. 7812.0200, subpt. 6.
- \_\_\_\_ iv. Applicants requesting authority to provide local exchange service must file a 911 plan that complies with the requirements of Minn. Rules pt. 7812.0550.  
\_\_\_\_ 911 checklist is satisfactory
- \_\_\_\_ v. Applicants requesting authority to provide local exchange service must file and receive Commission approval of an Interconnection Agreement (ICA) with each Incumbent Local Exchange Carrier in the applicant's service area.  
\_\_\_\_ ICA checklist is satisfactory
- vi. Applicants requesting authority to provide local exchange service must agree to offer the following services to all customers pursuant to Minn. Rules pt. 7812.0600 (basic service requirements):
- single party voice-grade service and touch-tone capability;
  - 911 or enhanced 911 access;
  - 1 + intraLATA and interLATA presubscription and code-specific equal access to interexchange carriers subscribing to its switched access service;
  - access to directory assistance, directory listings, and operator services;
  - toll and information service-blocking capability without recurring monthly charges as provided in the Commission's ORDER REGARDING LOCAL DISCONNECTION AND TOLL BLOCKING CHARGES, Docket No. P999/CI-96-38 (June 4, 1996), and its ORDER GRANTING TIME EXTENSIONS AND CLARIFYING ONE PORTION OF PREVIOUS ORDER, Docket No. P999/CI-96-38 (September 16, 1996);
  - one white pages directory per year for each local calling area, which may include more than one local calling area, except where an offer is made and explicitly refused by the customer;
  - a white pages and directory assistance listing, or, upon customer request, a private listing that allows the customer to have an unlisted or unpublished telephone number;
  - call-tracing capability according to chapter 7813;
  - tariff language on blocking capability according to the Commission's ORDER ESTABLISHING CONDITIONS FOR THE PROVISION OF CUSTOMER LOCAL AREA SIGNALING SERVICES, Docket No. P999/CI-92-992 (June 17, 1993) and its ORDER AFTER RECONSIDERATION, Docket No. P999/CI-92-992 (December 3, 1993). Specifically, these Orders require companies offering CLASS services to offer per call business blocking to certain businesses (i.e., businesses which meet special criteria), anonymous call rejection, and per call unblocking of blocked lines without a separate charge. Businesses that meet special criteria include law firms and medical offices. Residential customers must be offered per line and per call blocking. There must be no recurring charges for blocking of caller identification services. A one-time cost-based installation fee may be applied to customers who request line blocking after an initial period of at least 90 days; and
  - Telecommunications relay service capability or access necessary to comply with state and federal regulations.
  - A Separate flat rate service offering. At a minimum, each local service provider (LSP) shall offer the services identified in Minn. Rules pt. 7812.0600, subpt. 1 as a separate tariff or price list offering on a flat rate basis. An LSP may also offer

basic local service on a measured rate basis or in combination with other services. An LSP may impose separate charges for the services set forth in subpart 1 only to the extent permitted by applicable laws, rules, and Commission Orders.

- Service area obligations: A LSP shall provide its local services on a nondiscriminatory basis, consistent with its certificate under part 7812.0300 or 7812.0350, to all customers who request service and whose premises fall within the carrier's service area boundaries or, for an interim period, to all requesting customers whose premises fall within the operational areas of the local service provider's service area under part 7812.0300, subpart 4, or 7812.0350, subpart 4. The obligation to provide resale services does not extend beyond the service capability of the underlying carrier whose service is being resold. The obligation to provide facilities-based services does not require an LSP that is not an eligible telecommunications carrier (ETC) to build out its facilities to customers not abutting its facilities or to serve a customer if the local service provider cannot reasonably obtain access to the point of demarcation on the customer's premises.
  - Service disconnection. An LSP may disconnect a customer's basic local service as allowed under parts 7810.1800 to 7810.2000, except that it shall not disconnect basic local service for nonpayment of toll or information service charges or any service other than basic local service.
  - A competitive local exchange carrier shall offer each end user at least one flat rate calling area that matches the flat rate calling area offered that customer by the local exchange carrier under Minn. Rules pt. 7812.0900, subpt. 1, including any applicable extended area service (pursuant to Minn. Rules pt. 7812.0800, subpt. 1).
  - Other issues (specify) \_\_\_\_\_
- 

P. Applicants for local service authority must confirm that they will be collecting the Commission approved surcharge for the Telephone Assistance Plan (TAP) and will file TAP reports with the Commission verifying their remittance of this surcharge. Applicants must also list the name of the person that will be responsible for submitting these reports.

Q. All applications must be accompanied by a \$570 filing fee.

#### IV. RECOMMENDATION OF THE DEPARTMENT

A. Find that applicant possesses the managerial, technical, and financial abilities required under Minnesota law to provide telecommunications services.

B. Grant a conditional certification of authority to provide the following services:

i. Facilities-based local exchange company

- a. Exchanges served by Citizens Telecommunications of Minnesota Inc.  
 statewide  
\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_
- b. Exchanges served by Qwest Corporation  
 statewide  
\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_
- c. Exchanges served by Embarq Minnesota  
 statewide  
\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_
- d. Exchanges served by Frontier Communications of Minnesota  
 statewide  
\_\_\_\_\_ other (specify exchanges) \_\_\_\_\_



e. Exchanges served by the following incumbent local exchange companies:

\_\_\_\_\_  
\_\_\_\_\_  
 statewide  
 other (specify exchanges) \_\_\_\_\_

ii. Resale of local exchange service

a. Exchanges served by Citizens Telecommunications of Minnesota Inc.

statewide  
 other (specify exchanges) \_\_\_\_\_

b. Exchanges served by Qwest Corporation

statewide  
 other (specify exchanges) \_\_\_\_\_

c. Exchanges served by Embarq Minnesota

statewide  
 other (specify exchanges) \_\_\_\_\_

d. Exchanges served by Frontier Communications of Minnesota

statewide  
 other (specify exchanges) \_\_\_\_\_

e. Exchanges served by the following incumbent local exchange companies:

\_\_\_\_\_  
\_\_\_\_\_  
 statewide  
 other (specify exchanges) \_\_\_\_\_

iii. Long Distance Service

a. Statewide

b. Other (specify)

iv. Local Niche Service

a. Statewide

b. Other (specify)

C. Grant an operational certification of authority to provide the following services:

i. Facilities-based local exchange company

a. Exchanges served by Citizens Telecommunications of Minnesota Inc.

statewide  
 other (specify exchanges) \_\_\_\_\_

b. Exchanges served by Qwest Corporation

statewide  
 other (specify exchanges) \_\_\_\_\_

c. Exchanges served by Embarq Minnesota

statewide  
 other (specify exchanges) \_\_\_\_\_

d. Exchanges served by Frontier Communications of Minnesota

statewide  
 other (specify exchanges) \_\_\_\_\_

e. Exchanges served by the following incumbent local exchange companies:

\_\_\_\_\_  
\_\_\_\_\_  
 statewide  
 other (specify exchanges) \_\_\_\_\_

- ii. Resale of local exchange service
  - a. Exchanges served by Citizens Telecommunications of Minnesota Inc.
    - statewide
    - other (specify exchanges) \_\_\_\_\_
  - b. Exchanges served by Qwest Corporation
    - statewide
    - other (specify exchanges) \_\_\_\_\_
  - c. Exchanges served by Embarq Minnesota
    - statewide
    - other (specify exchanges) \_\_\_\_\_
  - d. Exchanges served by Frontier Communications of Minnesota
    - statewide
    - other (specify exchanges) \_\_\_\_\_
  - e. Exchanges served by the following incumbent local exchange companies:
    - \_\_\_\_\_
    - \_\_\_\_\_
    - statewide
    - other (specify exchanges) \_\_\_\_\_

- iii. Long Distance Service
  - a. Statewide
  - b. Other (specify)

- iv. Local Niche Service
  - a. Statewide
  - b. Other (specify)

D. Require the applicant to fulfill the following conditions for approval of operational certification:

- 1. Filing of tariff revision noted in cover letter.
- 2. Commission approval of interconnection agreement with incumbent carrier where certificate of authority is to be operational.
- 3. Commission approval of 911 plan for each area where certificate of authority is to be operational.
- 4. Filing of certificate from Minnesota Secretary of State
- 5. Filing of service area map
- 6. Filing of narrative description of service area
- 7. Filing of toll-free number
- 8. Filing of the following information: \_\_\_\_\_
- 9. Filing containing the following tariff revisions: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

## CHECKLIST FOR PROCESSING ORIGINAL TARIFFS OR PRICE LISTS

### I. TYPE OF TARIFF OR PRICE LIST

- A. Local Exchange Tariff/Price List
- B. Access Services Tariff/Price List
- C. Long Distance Tariff/Price List
- D. Local Niche Services Tariff/Price List

### II. REGULATORY REQUIREMENTS THAT ONLY APPLY TO THE TARIFFS OR PRICE LISTS OF LOCAL EXCHANGE CARRIERS

The regulatory requirements of Minn. Rules Ch. 7810 and Minn. Rules pt. 7812.0600 are as follows:

- NA A. The tariffs or price lists of local exchange carriers must offer the following services to all customers pursuant to Minn. Rules pt. 7812.0600 (basic service requirements):
  - single party voice-grade service and touch-tone capability;
  - 911 or enhanced 911 access;
  - 1 + intraLATA and interLATA presubscription and code-specific equal access to interexchange carriers subscribing to its switched access service;
  - access to directory assistance, directory listings, and operator services;
  - toll and information service-blocking capability without recurring monthly charges as provided in the commission's ORDER REGARDING LOCAL DISCONNECTION AND TOLL BLOCKING CHARGES, Docket No. P999/CI-96-38 (June 4, 1996), and its ORDER GRANTING TIME EXTENSIONS AND CLARIFYING ONE PORTION OF PREVIOUS ORDER, Docket No. P999/CI-96-38 (September 16, 1996). These Orders state that no telecommunications providers may disconnect local exchange service for nonpayment of toll service. These Orders also require local exchange carriers to offer toll blocking and bill screening services with no monthly charge.;
  - one white pages directory per year for each local calling area, which may include more than one local calling area, except where an offer is made and explicitly refused by the customer;
  - a white pages and directory assistance listing, or, upon customer request, a private listing that allows the customer to have an unlisted or unpublished telephone number;
  - call-tracing capability according to chapter 7813;
    - (i) call Trace provisions in tariff mirror Commission's tariff templates.
  - blocking capability according to the Commission's ORDER ESTABLISHING CONDITIONS FOR THE PROVISION OF CUSTOMER LOCAL AREA SIGNALING SERVICES, Docket No. P999/CI-92-992 (June 17, 1993) and its ORDER AFTER RECONSIDERATION, Docket No. P999/CI-92-992 (December 3, 1993). These Orders require local exchange carriers, who offer class services, to offer CLASS trace services and per call and residential per line blocking of CLASS services with no monthly charge.

These Orders also require local exchange carriers, who offer CLASS services, to also educate their customers regarding their options with respect to CLASS services and blocking options. In addition, these Orders require companies offering CLASS services to offer per call business blocking to certain businesses (i.e., businesses which meet special criteria) without a monthly charge and anonymous call rejection without a separate charge. Businesses that meet special criteria include law firms and medical offices. Residential customers must be offered per line and per call blocking. A one-time cost-based installation fee maybe applied to customers who request line blocking after an initial period of at least 90 days; and \_\_\_\_\_ telecommunications relay service capability or access necessary to comply with state and federal regulations.

- NA B. A Separate flat rate service offering is required pursuant to Minn. Rules pt. 7812.0600, subpt. 2. At a minimum, each local service provider (LSP) shall offer the services identified in Minn. Rules pt. 7812.0600, subpt. 1 as a separate tariff or price list offering on a flat rate basis. An LSP may also offer basic local service on a measured rate basis or in combination with other services. An LSP may impose separate charges for the services set forth in subpart 1 only to the extent permitted by applicable laws, rules, and commission orders.
- NA C. Service area obligations under Minn. Rules pt. 7812.0600, subpt. 3: An LSP shall provide its local services on a nondiscriminatory basis, consistent with its certificate under part 7812.0300 or 7812.0350, to all customers who request service and whose premises fall within the carrier's service area boundaries or, for an interim period, to all requesting customers whose premises fall within the operational areas of the local service provider's service area under part 7812.0300, subpart 4, or 7812.0350, subpart 4. The obligation to provide resale services does not extend beyond the service capability of the underlying carrier whose service is being resold. The obligation to provide facilities-based services does not require an LSP that is not an eligible telecommunications carrier (ETC) to build out its facilities to customers not abutting its facilities or to serve a customer if the local service provider cannot reasonably obtain access to the point of demarcation on the customer's premises.
- NA D. Service disconnection requirements under Minn. Rules pt. 7812.0600, subpt. 7: An LSP may disconnect a customer's basic local service as allowed under parts 7810.1800 to 7810.2000, except that it shall not disconnect basic local service for nonpayment of toll or information service charges or any service other than basic local service.
- NA E. A competitive local exchange carrier shall offer each end user at least one flat rate calling area that matches the flat rate calling area offered that customer by the local exchange carrier under Minn. Rules pt. 7812.0900, subpt. 1, including any applicable extended area service (pursuant to Minn. Rules pt. 7812.0800, subpt. 1).
- NA F. Local exchange companies must comply with the requirements of Minn. Stat. §237.73 before disconnecting local exchange services in cases of fraud. Minn. Stat. §237.73 generally requires a local exchange carrier to obtain a temporary restraining order or injunction before disconnecting local exchange services in cases of fraud.
- NA G. Local exchange carriers who propose to include provisions in their tariffs or price lists allowing for individual case based (ICB) pricing of local exchange services must comply with the Commission's applicable policies and Orders.

- NA H. Local exchange carriers that are Eligible Telecommunications Carriers (ETCs) must offer the Link-up Program.
  - \_\_\_(i) Link-up provisions in tariff mirror Commission's tariff templates.
  - \_\_\_(ii) Carrier is not an ETC and is not required to offer Link-Up.
  
- NA I. All local exchange carriers who introduce promotions must file the appropriate notices with their promotions pursuant to the requirements of Minn. Stat. §237.626. Minn. Stat. §237.626 states that "The notice must identify customers to whom the promotion is available and include cost information demonstrating that the revenue from the service covers incremental cost, including cost of the promotion." The notice must include information showing the number of units projected to be sold during the promotion and the projected revenue to be derived during the promotion less the cost of the promotion (including the cost of the charge that is being waived and the administrative cost of carrying out the promotion) to derive the net value of the promotion.
  
- NA J. Local exchange carriers may not withhold number portability from customers whose accounts are in arrears. Docket Nos. P5692, 421/M-99-196; P5669,430/M-99-701.
  
- NA K. Local service providers must offer the Telephone Assistance Plan (TAP).
  - \_\_\_(i) TAP provisions in tariff mirror Commission's tariff templates.
  
- NA L. Local exchange carriers that file tariffs imposing termination charges on wireless carriers must abide by the Commission's Orders in Docket No. P511/M-03-811.
  
- NA M. Local exchange carriers who provide directory assistance service to their customers for a fee must provide immediate credit to a customer who informs them that they have been provided incorrect information for which a DA rate has been charged. A local exchange carrier must notify its customers of the right to the immediate credit for incorrect directory assistance. The notice must be in a writing labeled "NOTICE OF RIGHT TO INCORRECT DIRECTORY ASSISTANCE CREDIT." The notice must be given to a new customer within 45 days of commencing service and at least annually thereafter. The notification print must be of sufficient size to be clearly legible. See Minn. Stat. §237.155.

**III. REGULATORY REQUIREMENTS THAT APPLY ONLY TO THE TARIFFS OR PRICE LISTS OF LONG DISTANCE CARRIERS**

The regulatory requirements of Minn. Rules Ch. 7810, Minnesota law, and applicable Commission Orders are as follows:

- X A. Minn. Stat. §237.74, subd. 2 prohibits discrimination with respect to long distance services and states as follows: "No telecommunications carrier shall offer telecommunications service within the state upon terms or rates that are unreasonably discriminatory. No telecommunications carrier shall unreasonably limit its service offerings to particular geographic areas unless facilities necessary for the service are not available and cannot be made available at reasonable costs. The rates of a telecommunications carrier must be the same in all geographic locations of the state unless for good cause the commission approves different rates. A company that offers long-distance services shall charge uniform rates and charges on all long-distance routes and in all geographic areas in the state where it offers the services.

However, a carrier may offer or provide volume or term discounts or may offer or provide unique pricing to certain customers or to certain geographic locations for special promotions, and may pass through any state, municipal, or local taxes in the specific geographic areas from which the taxes originate.”

- B. Federal law prohibits IXC's from deaveraging interstate rates based on differing access charges and preempts inconsistent state law on intrastate rates that might otherwise permit such deaveraging.<sup>1</sup>
- C. With respect to those carriers who bill for uncompleted calls, the Commission's October 16, 1987 Notice to All Long Distance Carriers requires carriers to notify their customers regarding policies relating to billing for uncompleted telephone calls and the policies regarding the availability and procedures for providing refunds of those billed amounts.

#### IV. REGULATORY REQUIREMENTS THAT APPLY TO THE TARIFFS OR PRICE LISTS OF ALL TELECOMMUNICATIONS CARRIERS

The regulatory requirements of Minn. Rules Ch. 7810, Minnesota law, and applicable Commission Orders are as follows:

- A. The disconnection requirements in Minn. Rules pt. 7810.1800 through 7810.2200 apply to all telephone companies. Minn. Rules pt. 7810.1800 specifies the permissible reasons to disconnect service with notice. Minn. Rules pt. 7810.1900 specifies permissible reasons to disconnect service without notice. Minn. Rules pt. 7810.2000 specifies nonpermissible reasons to disconnect service. Minn. Rules pt. 7810.2100 requires that service shall not be disconnected on any Friday, Saturday, Sunday, or legal holiday, or any time when the utility's business offices are not open to the public, except where an emergency exists. Minn. Rules pt. 7810.2200 states that a utility shall not charge a reconnect fee for disconnection of service without notice pursuant to Minn. Rules pt. 7810.1900 (B).
  - (i) Disconnection provisions in tariff mirror Commission's tariff templates.
- B. Notices sent out pursuant to Minn. Rules Ch. 7810 must comply with the notice requirements of Minn. Rules pt. 7810.2300. The notice requirements under Minn. Rules pt. 7810.2300 require, among other things, that notice must precede the action to be taken, such as disconnection, by at least five days excluding Sundays and legal holidays.
- C. All telephone companies operating in Minnesota must comply with the Commission's deposit and guarantee requirements in Minn. Rules pt. 7810.1500 through 7810.1700. Minn. Rules pt. 7810.1500 states that deposits can only be based on a customer's utility credit rating. Minn. Rules pt. 7810.1600 requires that deposits be refunded after 12 months of prompt payment of bills to a given telephone company. Minnesota Statutes §325E.02 requires interest to be paid on deposits over \$20 at the rate set by the Commissioner of the Department of Commerce, and posted on the Department's website at [www.commerce.state.mn.us](http://www.commerce.state.mn.us). Minn. Rules pt. 7810.1700 covers guarantee of payment.
  - (i) Deposit provisions in tariff mirror Commission's tariff templates.
  - (ii) No deposit required.

<sup>1</sup> Policy and Rules Concerning the Interstate, Interexchange Marketplace, "Report and Order," 1996 WL 444636, 11 F.C.C.R. 9564, 11 FCC Rcd. 9564 (Aug. 07, 1996) (No. CC 96-61, FCC 96-331) at ¶¶38, 46.

- X D. All telephone companies who apply a returned check charge must comply with the requirements of Minn. Stat. §604.113. Minn. Stat. §604.113 states that “a service charge of up to \$30, may be imposed immediately on any dishonored check by the payee or holder of the check, regardless of mailing a notice of dishonor, if notice of the service charge was conspicuously displayed on the premises when the check was issued. Only one service charge may be imposed under this paragraph for each dishonored check. The displayed notice must also include a provision notifying the issuer of the check that civil penalties may be imposed for nonpayment.” To satisfy this requirement, local service providers must list the returned check charge in their annual notice of customer rights required under Minn. Rules 7812.1000 and in their tariffs. Long distance providers must list the charge in their tariffs.
- X E. Telephone companies are not allowed to disconnect service in cases of insolvency or bankruptcy that are unrelated to the payment of services to a given telephone company. Minn. Rules pt. 7810.1500 states that “no utility shall use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer.” Minn. Rules pt. 7810.1800 does not allow for disconnection of services in general cases of bankruptcy and insolvency which are unrelated to the use of the utility's services.
- X F. The Commission requires telephone companies who require advance payments from some, but not all, subscribers of a given service to comply with the Commission’s deposit rules with respect to these advance payments. This requirement was established pursuant to the Commission’s Order of April 1, 1993 for Docket No. P999/CI-92-868.
- X G. Telecommunications carriers may not include “forum selection” clauses in their tariffs or contracts which requires customers to litigate in an out-of-state forum. Docket No. P5358, 5381/C-97-1197, Order issued December 29, 1997.
- X H. Telecommunications carriers may not include mandatory arbitration provisions in their tariffs. Customers must have the option of filing complaints with the Commission or filing a claim in court in lieu of arbitration. Docket No. P3073/TC-97-1326, Order Issued February 25, 1998.
- X I. All telephone companies must comply with the Commission’s dial service requirements. Minn. Rules pt. 7810.5300 requires complete dialing of called numbers on at least 97 percent of telephone calls.
- X J. All telephone companies operating in Minnesota are required, under the tariff filing requirements of Minn. Stat. §237.07 and §237.74, subd. 1 to submit tariff or price list filings for individual promotions. Although telephone companies may include general language in their tariffs or price lists indicating that they offer promotions, the companies should be aware that individual tariff or price list filings must be filed and the filings must describe the individual promotions in detail.
- X K. All telephone and telecommunications carriers should include, in their tariffs, the Commission’s template on “Customer Complaints and/or Billing Disputes.” Inclusion of this template in the tariff is an informal requirement of the Commission’s staff. Failure to include the template in the tariff may result in a processing delay.

L. Other issues (specify) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**V. RECOMMENDATION OF THE DEPARTMENT**

     A. Approve the proposed tariff/price list as filed by the Company.

  X   B. Approve the proposed tariff/price list as filed by the Company and revised on the following date(s): See cover letter.

     C. Approve the proposed tariff/price list contingent upon the Company filing the following tariff revisions within 30 days of the date of issuance of the Order in this case:

\_\_\_\_\_  
\_\_\_\_\_

/ja



STATE OF MINNESOTA)  
                                          )SS  
COUNTY OF RAMSEY )

AFFIDAVIT OF SERVICE

I, Robin Benson, being first duly sworn, deposes and says:

That on the 9th day of October, 2009 she served the attached  
ORDER.

MNPUC Docket Number: P-6818/NA-09-718

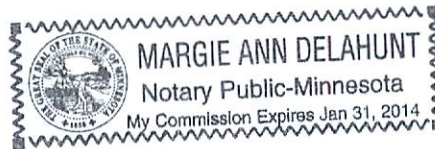
- XX By depositing in the United States Mail at the City of St. Paul, a true and correct copy thereof, properly enveloped with postage prepaid
- XX By personal service
- XX By inter-office mail

to all persons at the addresses indicated below or on the attached list:

Mark Oberlander  
Docketing - DOC  
Julia Anderson - OAG  
John Lindell- OAG

*Robin Benson*

Subscribed and sworn to before me,  
a notary public, this 9th day of  
October, 2009  
Margie Delahunt  
Notary Public



Service List Name	First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret
OFF_SL_9-718_1	Burl	Haar	burl.haar@state.mn.us	MN Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 55101-2147	Electronic Service	No
OFF_SL_9-718_1	Christopher P	Yost	N/A	Zayo Bandwidth, LLC	901 Front St Ste 200 Louisville, CO 80027	Paper Service	No
OFF_SL_9-718_1	John	Lindell	agorud.ecf@state.mn.us	OAG-RUD	900 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No
OFF_SL_9-718_1	Julia	Anderson	Julia.Anderson@state.mn.us	MN Office Of The Attorney General	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No
OFF_SL_9-718_1	Linda	Chavez	linda.chavez@state.mn.us	State of MN - DOC	85 7th Place E Ste 500 Saint Paul, MN 55101-2198	Electronic Service	No
OFF_SL_9-718_1	Thomas	Bailey	tbailey@briggs.com	Briggs And Morgan	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No