

Executive Project Summary

For

Proposed Rural Mills County Fiber Optic Construction Project Near Glenwood, Iowa

Proposed By

BTC, Inc. d/b/a Western Iowa Networks



Executive Project Summary

BACKGROUND

Over the past several years, the Telecommunications industry in the United States and Iowa has undergone tremendous change in the regulatory environment, the level of service customers demand from their providers, and the technologies used to provide those services. During this period, many rural areas in Iowa have lagged in terms of the Broadband services and technologies available. Many refer to this lagging behind the more urban areas of the country as the 'digital divide'. The recent Coronavirus pandemic and subsequent shutdowns and emergency orders have made that digital divide even more clear, as millions of rural Americans struggle to utilize telework, telehealth, or distance learning from their homes, due to inadequate Broadband service. To help bridge this divide, BTC, Inc. d/b/a Western Iowa Networks (WIN) proposes to construct a fiber-to-the premise (FTTP) network extending from its existing network, in certain areas of Mills County, Iowa, near the town of Glenwood. As the FCC definition of Broadband changes, and as consumer demand for more bandwidth continually increases, a FTTP network is the only current network architecture which can keep up with these changes and provide a truly 'future proof' means of delivering the necessary Broadband speeds to every single area of the network.

WIN is headquartered in the City of Breda, Iowa and is incorporated in the State of Iowa. WIN currently provides services in areas of Glenwood, as well as the nearby towns of Malvern and Pacific Junction. WIN is a Communications Service Provider as defined by Iowa Code chapter 8B. The company is owned by the shareholders of parent company Breda Telephone Corp. and has been in business since 1905. It is the mission of WIN to be the leading communications provider in Iowa.

The WIN management team consists of the following seven individuals:

Jeff Roiland, CEO
Kevin Skinner, CFO
Chris Nieland, Director of Operations
Mike Ludwig, Plant Manager
Amy Hatterman, Accounting Department Manager
Stephanie Thomsen, Human Resources Manager
Wes Treadway, Customer Service/Marketing Manager

WIN's management team has nearly 120 years combined experience in the telecommunications industry and contributes to numerous industry boards and committees.



WIN provides a wide variety of services to residential and business customers in communities throughout western Iowa, including voice, Broadband, television, managed IT, hosted PBX, key systems equipment, email hosting and web hosting.

Over the last 11 years, WIN has deployed a FTTP network in each community it serves. This network, combined with knowledge and expertise, gives WIN a distinct advantage over competitors, allowing it to provide cutting edge service to all customers in the WIN serving area for many years to come. While there are providers with somewhat similar service offerings in WIN's existing markets, none of them provide services over a FTTP network. This advanced, state-of-the-art network deployed by WIN is able to provide reliable high bandwidth and low latency Broadband services which the other providers simply cannot match.

PROJECT SUMMARY

This project area includes 50 targeted service areas (TSAs) near the community of Glenwood, Iowa, and will be a complete overbuild of the area with a FTTP network. This area is ideally located near both Interstate 29 and U.S. Highway 34, approximately 15 minutes from Bellevue, Nebraska, Omaha, Nebraska and Council Bluffs, Iowa. Mills County is actively engaged in attracting new businesses to this area. Google has built a data center north of this proposed area in Pottawattamie County, and has plans to build an additional data center to the west, on the Nebraska side of Interstate 29. This area is poised for economic growth, which will create a critical need for broadband and other communications services over this fiber network. In turn, this network would aid in further development, by attracting businesses searching for fast and reliable broadband.

There is a large amount of development in residential subdivisions near this area. A fast and reliable Broadband service is becoming more important all the time for those seeking a place to live, work and go to school, so construction of this network would be an important selling point for these communities. The project area falls within both the Glenwood and the Lewis Central Community School Districts. Providing more reliable Broadband to the students living in these rural areas is a high priority for WIN. Building this network would provide an invaluable tool for the households in these school districts.

The proposed service area mentioned above covers approximately 9.61 square miles. The TSAs include 179 housing units and 22 businesses, with a population of 441. Construction on this project has not yet started. WIN estimates this project would begin in the spring of 2021 and be completed by the end of 2022. After construction is completed, WIN plans to aggressively build its customer base through various forms of advertising and promotional offers. As is the case in all of WIN's communities, future plans for this area would include edging out WIN's FTTP network into surrounding areas near Interstate 29 and U.S. Highway 34, wherever it is feasible to do so, and this would specifically include continued edge out into the town of Glenwood, lowa due to its proximity to the proposed serving area. To



accomplish this, the funding being offered through the Empower Rural Iowa Broadband Grant Program is critical and necessary.

Based on the size and number of targeted service areas included, WIN has estimated a cost for this project as detailed in Exhibits D and D.1 of the Core Application and is asking for grant funding equal to 35% of the total projected costs.

CONCLUSION

Through the application and other supporting documents provided, WIN aims to demonstrate how this project will comply with all the requirements of the Notice of Funding Availability, while effectively bridging the digital divide in this entire proposed service area. WIN has the experience, facilities, equipment, processes, staff, third party relationships and internal systems in place to support the successful completion of this project. The advantages of a FTTP network over other networks are well documented in terms of speed, reliability, and long-term utility. Having access to this network will be a valuable tool to help keep residents in these rural areas, draw new residents, strengthen the school districts, and foster economic development for new and existing businesses for many years to come. WIN strongly believes this project will be a very worthwhile investment in the future of Broadband for this area and for all rural lowa.