

13Q3_ Supplemental Answers_ Michigan

Connected Nation, Inc.

Grant Number 26-50-M09035

Reporting Period End Date 09-30-13

14 a_Project Attachment_Data Collection

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

The semi-annual update submission was presented to the National Telecommunications and Information Administration (NTIA) under the State Broadband Initiative (SBI) grant program. The submission included datasets for 93.38% of the Michigan provider community, or 127 of 136 total providers. There were 126 participating providers and 1 additional non-participating provider whose estimated coverage areas were submitted. Of the 126 participating providers, 46 supplied an update to their network or coverage area(s), while 57 have reported no change. The remaining 23 providers previously supplied data but were non-responsive in the current update effort; therefore, their previous dataset was included in the compilation.

Connect Michigan continues to maintain the interactive mapping web application, called My ConnectView. The application is housed in a highly available, monitored, and managed environment. My ConnectView is publicly available on the program website (<http://www.connectmi.org/interactive-map>). There were a total of 489 visits to the interactive map between July 1, 2013 and September 30, 2013.

During this quarter, the project received a total of 15 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 8 for this quarter. Users can also request non-confidential mapping data produced for the SBI grant program; one such request was received between July 1, 2013 and September 30, 2013.

For this reporting period, 491 field verification tests were conducted. From program initiation through this reporting period, field validation testing has been completed against 111 companies (out of a universe of 136 viable providers) totaling 81.62% within the state of Michigan.

Geographic Information Systems (GIS) staff created maps to show the status of the active and certified communities within the state for the Connected Community Engagement Program.

Based on the release of information by the Federal Communications Commission (FCC) related to the Connect America Fund (CAF), a statewide map was developed to visualize proposed areas for subsidized build-out under CAF Phase I, 2013. This map is available at www.connectednation.org/fcc-maps.

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

Connect Michigan was recently contacted by a business executive who was being relocated to Michigan by his employer. He had heard about the program's broadband coverage maps and needed to know what providers were available in several areas of Tuscola County where he was considering buying a home. After using our MyConnectView application, he was ecstatic about having this capability and successful in identifying and contacting multiple providers to secure his plans.

Connect Michigan has forged a meaningful relationship with the Michigan Department of Education in order to capture more Community Anchor Institution (CAI) data in the K-12 sector. While the department does not have the data readily available, they will work with program staff to capture the necessary data from local schools.

14 b_Project Attachment_Capacity Building

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

Broadband Capacity Building Year 4, Quarter 3 Milestones per approved Project Plan:

Year 4, Quarter 3 Connect Michigan Office Administration and Task Force support

This milestone was met. Staff provided administrative project oversight on a variety of tasks that involve administering the project plan, managing workflow, managing the timeline, verifying work quality, gathering documentation in support of community projects, and preparing bi-weekly reports as required by the Michigan Public Service Commission (MPSC). In addition to the bi-weekly reports, program staff also met with the MPSC on a bi-weekly basis to provide in-person updates on project issues.

During Q3 2013, the team met with numerous private and public stakeholders in an effort to continue to build awareness of broadband and the Connect Michigan program and to identify resources for community projects including Michigan Economic Development Corporation, Prima Civitas Foundation, Lansing Economic Area Partnership, Michigan State University Center for Community and Economic Development, Library of Michigan, United States Department of Agriculture (USDA), and the Michigan Department of Technology Management and Budget.

Program staff continued to work with the Assistant Director/ Director of Statewide Services for the Library of Michigan to discuss the Connect Michigan Broadband Conference scheduled for October 24, 2013 in East Lansing, Michigan at the Kellogg Center. She continues to be pleased with the progress made towards the execution of the Conference and the planning to showcase the Library of Michigan and all libraries in the state as the cornerstone resource that leads to economic development and technological growth and expansion. The Conference will focus on sharing best practices for community and economic development as they relate to broadband and technology. Three of the high profile speakers confirmed for the Conference represent the Aspen Institute, the Michigan Economic Development Corporation, and a well-known critic, writer, and teacher.

Conduct Year 4, Quarter 3 Task Force Meeting

This milestone was not met. Conflicting schedules and events, including several community meetings to deliver local Technology Action Plans delayed the scheduling of the Q3 2013 meeting of the

Collaborative Broadband Committee. Q3 2013 progress will be incorporated into the Q4 2013 meeting and Broadband Conference. Q4 2013 will provide two opportunities for the Collaborative Broadband Committee to meet: 1) at the 2013 Michigan Broadband Conference on October 24, and 2) at the regular meeting of the Committee in late Q4 to discuss the NTIA data submission and research results.

Broadband Capacity Building Major Activities for Next Quarter

- Year 4, Quarter 4 Connect Michigan Office Administration and Task Force support
- Michigan Public Service Commission attendance at broadband collaboration conferences
- Conduct Year 4, Quarter 4 Task Force Meeting

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

The program provided information, data, and broadband and technology related assistance to several key state and national stakeholders during Q3 2013 with the goal of increasing the state's broadband capacity. Some of these stakeholders are: Prima Civitas Foundation, Michigan Public Safety Communications System, Community Economic Development Association of Michigan, Michigan Municipal League, Lansing Economic Area Partnership, Comlink, Merit Network, Library of Michigan, Institute of Museum and Library Services, Michigan Association of Planning, Michigan Workforce Development Agency, Michigan Townships Association, Broadband Communities Magazine, and CenturyLink.

14 b_Project Attachment_Technical Assistance

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

Technical Assistance Year 4, Quarter 3 Milestones per approved Project Plan:

Milestone: Distribute 2013 business survey research results

This milestone was partially met. Program staff presented finalized findings of the 2013 business survey research to the NTIA, Michigan Governor's Office, and the task force, and shared initial results with some stakeholders by presentations or meetings. In Q4 Connect Michigan will publicly announce the release of data via press release, website update, and meetings with stakeholders. Preliminary results indicate that 1) three-fourths (75%) of Michigan business use broadband in their daily business functions; 2) on average, Michigan businesses with online sales earn \$325,000 higher in annual revenue than businesses without online sales; 3) Michigan businesses spent more than \$1.7 billion on online purchasing from in-state vendors.

Milestone: Initiate 2013 residential survey peer review

This milestone was partially met. The program research team finalized the survey script with incorporation of feedback from stakeholders and began the search for a peer reviewer within the state. Once the data collection is completed in Q4 2013, Connect Michigan will provide the survey script and methodology along with the initial results to the peer reviewer. The team expects the peer review process to be initiated in Q4 2013 and completed in Q1 2014.

Milestone: Initiate 2013 residential survey research

This milestone was met. A spreadsheet used for the generation of quotas and weights for the 2013 residential survey was created, the script finalized based on feedback from state stakeholders, and provided to the quantitative data provider for data collection.

*Outstanding Technical Assistance Milestones:***Milestone: Finalize 2013 business survey research results**

This milestone was met. In Q3 2013 research staff finalized the survey results of the 2013 business survey after Dr. Mark Wilson of Michigan State University conducted a thorough peer review of the findings along with the survey script and methodology. Following the peer review, results were provided to the NTIA, Michigan Public Service Commission, and stakeholders.

Technical Assistance Major Activities for Next Quarter

- Analyze 2013 residential survey research results
- Finalize 2013 residential survey research results
- Commence development of the 2014 business survey script
- Peer review of 2013 residential survey research completed
- Conduct the 2013 Michigan Broadband Conference

14 b_Project Attachment_ Planning Teams

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

*Planning Teams Year 4, Quarter 3 Milestones per approved Project Plan:***Milestone: Assist in development and implementation of local regional technology growth strategies**

This milestone has been met. Community Tech Team Specialists continue working with communities across the state helping to facilitate the expansion of broadband access, adoption, and use via the Connected Community Engagement Program. At the end of Q3 2013, 6 communities have completed their assessment and Technology Action Plan and have achieved Connected certification status (Charlevoix, Antrim, St. Clair, Roscommon, Livingston, and Mecosta Counties); 13 communities have completed their Technology Action Plan and are working to attain certification (Marquette, Delta, Schoolcraft, Luce, Chippewa, Mackinac, Osceola, Clare, Barry, Oscoda, Ogemaw, Missaukee Counties, along with the Harbor Springs Area Broadband Team); 1 is working to finalize their Technology Action Plan (Wexford County); and 5 communities are working to finish their assessment and draft Technology Action Plan, (Otsego, Berrien, Cass, and Van Buren Counties, along with an engaged collection of townships surrounding Gull Lake in Kalamazoo County).

Additionally, 27 communities are interested to participate in the Connected program or are working to form teams of local stakeholders. All 25 actively engaged communities are working to implement projects to expand broadband and technology access, adoption, and use. Continued support was provided by program staff to the communities involved in the Connected program to plan, schedule, and

facilitate local and regional planning sessions by creating meeting agendas and documenting the work accomplished. Support was provided to train members of the Michigan communities to develop plans for broadband expansion to the target areas in the state. The progress of each community involved in the Connected program was tracked and monitored in an effort to provide support where needed and to report to stakeholders on the progress of each.

Outstanding Planning Teams Milestones:

Year 4, Quarter 2 Transition from planning activities to implementation

This milestone was met. As we complete the planning portion of the local/regional community engagement program, staff continued to compile Technology Action Plans for communities involved in the process and to track resulting programs and outcomes. Many of the communities that have participated in local planning are already working to implement projects and programs to expand broadband and technology access, adoption, and use. Below are some examples of projects that resulted from community engagement.

One of the priority projects identified in the Ogemaw County Technology Action Plan is to develop a program to address digital literacy. The West Branch District Library already has a robust digital literacy program with several classes that had 338 residents in attendance, but staff decided they needed to develop a program that addressed the needs of those residents that did not fare well in a normal class setting. So the staff developed 'Tech Tuesdays' to address the needs of those residents that were not comfortable learning in a normal classroom setting. Starting in May 2013, every Tuesday from 12 noon to 1 p.m. the library offers its patrons the options to learn about any technology subject with which they are having issues. To date the library has given 31 one-hour classes to 52 patrons with the subject matter including basic computer skills, basic Internet, using a mouse, defragging your hard drive, using an iPad or e-reader, and searching for your favorite recipes on the Internet. The program has become very popular and the number of patrons using the service increases on a weekly basis.

The Clare County Broadband Committee identified the need to expand their existing intergovernmental fiber network. The Clare-Gladwin Intermediate School District has just completed the full fiber ring between the school districts in both Clare County and Gladwin County with full redundancy. The county government of Clare, the cities of Clare and Harrison, the village of Farwell, the Pere Marquette Library and the Harrison Library are also part of the fiber ring. The State of Michigan's Department of Technology, Management & Budget is currently negotiating with the fiber ring's project manager to add all the state offices located in Clare and Gladwin County to the fiber ring.

One of the priority projects in the Clare County Technology Action Plan is to 'Develop a broadband awareness program focused on businesses,' and one of the recommended actions in the plan is for the team to 'Facilitate a Technology Summit.' Utilizing funds from a small grant from the Community Economic Development Association of Michigan, the team put on its first Connect Clare County (C-3) Business Summit on September 12 in Clare, Michigan. The summit was held in two sessions – one during the day and one in the evening – with both being well attended by local economic development leaders and business owners. Several service providers attended as vendors with a few providers donating door prizes. The success of the event has motivated several of the attending Connected community champions to begin planning a similar business summit in other communities.

One of the projects for the Charlevoix County Broadband Committee is to develop an intergovernmental fiber network, similar to one established in the Eastern Upper Peninsula, which encompasses Chippewa

County, Luce County, and Mackinac County. Both efforts are led by the perspective intermediate school districts; the Charlevoix-Emmet Intermediate School District and Eastern Upper Peninsula Intermediate School District. It has been determined by leaders from both teams that the best cost savings would be to purchase a full gigabit of broadband thereby combining networks would be advantageous for all parties concerned. Negotiations are currently underway to develop the mega-intergovernmental network.

Livingston County has recently hired a new Chief Information Officer (CIO) to manage its Information Technology needs and plans. With a high priority on continuing to enhance the county's broadband capabilities, the new CIO has recognized the value of the Connected Community Engagement Program and asked Connect Michigan to meet with him to understand details of the program and collaborate going forward on technology-related planning for the county. Additionally, Livingston County has been sponsoring a ten-week session called Venture Plan, to help entrepreneurs and business owners plan for and manage their businesses. The county's libraries were spotlighted during a session held this quarter for the resources they provide to small businesses and residents.

Northstar Reach, an outdoor camp for children with severe medical issues and part of the Serious Fun Children's Network founded by Paul Newman, is beginning construction of a new camp outside of Pinckney, in Livingston County. This non-profit organization offers camp facilities and programs at no-charge to eligible children and will be equipped with state-of-the-art medical facilities requiring high-speed broadband infrastructure. Connect Michigan and the Livingston County Information Technology Department is teaming up to help in the planning and sourcing of broadband services to support the camp, which is planned to open in 2015.

The Oscoda County Technology Planning Team issued a broadband survey in order to create a business case for expansion of broadband service, and the results were released to the local providers. Two of those providers, M-33 Access and miSpot.net are reacting to the results in a positive manner and are currently expanding services and installing equipment in the Mio and Cummins area of Oscoda County. Frontier Communications has also filed for Connect America Funding for census blocks in both the Mio and Cummins area. Another priority project for the Oscoda County Technology Planning Team is to expand service along the M-33 business corridor between Mio and Cummins. The team facilitated a meeting with M-33 Access and local business leaders which resulted in local business leaders funding a fiber build project along the M-33 corridor with M-33 Access thereby providing fiber-to-the-door broadband service to all the businesses along the corridor. Construction for the fiber build began August 26 and will continue for thirty days.

The Ogemaw County Technology Planning Team has collected over 1,200 responses to its broadband survey that was launched in July 2013. In addition, the county's broadband service providers are already asking to see the data thus far collected. A fixed wireless provider, miSpot, has already publicly announced that they will be bringing service to two communities in Ogemaw County – Skidway Lake and West Branch.

One of the priority projects for the Ogemaw County Technology Planning Team is to host website and social media classes for local businesses. In response, the team champion has implemented a program with its regional partners. The Michigan Works Region 7B Consortium, Ogemaw County Economic Development Corporation, Kirtland Community College, West Branch Chamber of Commerce, and Northern Transformation announced they are co-sponsoring a "Crash Course in Business Software." The workshops are being held at Kirtland Community College's West Branch Campus, in its state-of-the-art

computer lab. The workshops will take place once a month from 6:00 – 8:00 p.m., on the fourth Wednesday of the month. Topics include: Excel, QuickBooks, social media, and web design. The entire series is forty dollars per person, and seating is limited to twenty participants. The first class was full, and the second class has already exceeded registration capacity.

From May to July of 2013 the Osceola County Broadband Expansion Team conducted a survey of residents and businesses within the County in order to develop a business case for private service providers to expand their service areas in Osceola County. On Friday August 16 the team champion posted the survey summary and Google maps that showed the locations of the respondents. He then notified each of the local service providers and offered to meet with any of the providers and supply them the addresses of those residents looking for broadband service. Survey results have been posted on the front page of the county's website.

The North East Michigan Council of Governments (NEMCOG) is a strong regional partner for Connect Michigan, promoting and supporting the community engagement program to all seven counties within its governing region. With the lack of access to broadband being considered the number one deterrent to economic expansion by the leaders of Northern Michigan, it comes as no surprise that in most cases the top priority project for the teams participating in the Connect Michigan program is to perform a broadband survey in order to develop a business case for expansion by private service providers. In an effort to support those communities engaging in the survey projects, the NEMCOG has committed the services of its GIS team to help tabulate and display the results on a Google Map format, free of charge. Recently, NEMCOG increased its support of the teams by creating a separate web page for the teams participating in the Connected program that displays the surveys, the Technology Action Plan and other supporting materials, again free of charge. A link to the Oscoda County IGNITE team website has been sent to all area service providers and meetings are already being scheduled with team leaders and service providers in order to discuss the results and possible expansion of broadband service within Oscoda County, especially in the expanding and underserved M-33 business corridor north of Mio. To date, miSpot.Net, a division of Agri-Valley Services Inc., has informed the team that in response to their request and supporting data, they have leased space on a tower in Mio and will be able to bring 4G fixed wireless services to the currently underserved M-33 business corridor and surrounding residential area. Additionally, the Harbor Area Regional Board of Resources, Inc. team was notified by officials from miSpot.Net that in response to their request and supporting data from their broadband survey, miSpot has leased space on a American Tower, located on Stutsmanville Road in Friendship Township and will be able to bring 4G fixed wireless services to those currently underserved areas by Q4 2013.

The Harbor Area Regional Board of Resources, Inc. (HARBOR, Inc.) team has always hosted a basic web page for each of the six townships in its region for a minimum fee of sixty dollars per year per township. One of the recommend actions in the community's Technology Action Plan is to increase the online services offered by the local governments including the ability for the tax payers to be able access their tax bills and pay them online, but the website needed to be upgraded and enhanced before they were able to offer that service. Recently HARBOR, Inc. upgraded its website including the basic web pages for the townships yet still only charging them a minimum fee of sixty dollars per year per township. Soon, HARBOR, Inc. is going to hold website workshops for the township officials in order to educate them on enhancing the basic web page and begin the step of offering advanced e-government services.

The Gull Lake Area Broadband Team sponsored an "open house" meeting for local residents to learn about FreedomNet (fixed wireless provider) and their current service, expansion plans, and pricing for broadband service around the Gull Lake Area. Good participation and interest in the event has helped

raise awareness of service providers in the area and increased availability of service to those who did not have service before (or weren't aware of their options).

As one of their priority projects, the Delta County team launched a broadband survey in conjunction with the Garden Peninsula Economic Taskforce (GPTF) and the Garden Wind Farm in order to develop a business case for service providers to increase the access of broadband to its residents and businesses. In 2012, Heritage Sustainable Energy completed the construction of 14 (90 meter) wind turbines in the Garden Peninsula. The turbines are capable of producing two megawatts; enough to provide electricity to 400-500 homes. Heritage is willing to work with the community and any service provider to explore extending its high-speed fiber infrastructure that is currently being used to network all of the company's windmills in an effort to increase broadband access. Utilizing surveys conducted by other local planning teams, in Charlevoix and Emmet Counties, the GPTF was able to launch a survey within two months of the Delta County Technology Planning Team's kick-off meeting. The survey results and summary have been released and sent to all the providers serving Delta County. Meetings between the providers, the GPTF, and Heritage Sustainable Energy Corporation have begun.

Planning Teams Major Activities for Next Quarter:

- Assist in development and implementation of local regional technology growth strategies