



## Exhibit L - High Cost project Worksheet (NOFA #008)

### Purpose:

This form, labeled "Exhibit L – High-Cost Project Worksheet," requires an Applicant to justify its average cost per passing when the cost per passing resides within the top 25% of all applications submitted to NOFA 8 ("High-Cost Threshold").

It has been determined by the Office that the Application submitted falls within the High-Cost Threshold and seeks justification for the cost per passing indicated within the Core Application. The Office may use this information to determine the sufficiency of the cost and whether to disqualify an application exceeding the High-Cost Threshold.

Separate High-Cost Thresholds have been generated for wireless and wireline delivery platforms.

Applicants must provide additional information to the Office to justify the high deployment costs of their proposed project. This information may include a narrative (one page or less) describing contributing or exacerbating factors leading to the estimated total project costs as identified within the Core Application.

### Organization Name:

Farmers Cooperative Telephone Company



Is rurality a contributing factor to high cost? If yes, please explain how the rurality of your deployment is contributing to high cost.

Yes, Clutier IA is extremely rural. It is a 35 to 50 mile commute to the 2 largest cities for employment. These residents will certainly benefit from increased broadband capabilities at the very least for remote work and school. Additionally this is a heavily farmed area requiring strong broadband connections for their farming operations. Current speeds of 10/1 are nearly impossible to support even a single member household.

It is unlikely Farmers Cooperative Telephone Company will be able to proceed with a timely buildout without funding assistance.

Is topography a contributing factor to high cost? If yes, please explain how the topography of your project area is contributing to high cost.

Yes, the Clutier terrain is quite hilly and heavily farmed; often referred to as 'The Alps' by locals. In this area, of the estimated route miles; 26.4 miles are gravel. The time it takes to plow or bore these rural areas that are mostly gravel increases the overall labor costs.

Is the cost of the technology being used a contributing factor to high cost? If yes, please explain the technology being used and why this lends to high cost.

As the overall expense to deploy fiber has skyrocketed, these highly rural areas are exponentially more costly. FCTC's contractors are competing for a limited pool of experienced staff to complete these build outs which increases our project labor costs. In addition to the actual cost of fiber, conduit & labor; FCTC's Central Office in Clutier will need to be upgraded with all new electronics to handle these faster broadband speeds as well as new nodes placed in these rural areas.

Does your project contain a significant amount of Middle Mile that is contributing to high cost? If yes, please explain the distance and approximate location where your middle mile is coming from, the estimated cost of the middle mile portion of your project, and any other relevant information.

Yes, this project does include a significant amount of middle mile. FCTC will need to build a fiber route from our Dysart Central Office to our Central Office in Clutier which is 17 miles. This alone makes up more than half of the estimated labor costs. FCTC is the ILEC in the Clutier exchange. Unfortunately due to the map erroneously removing FCTC in V5 and listing no wireline providers, we are forced to try and obtain limited funding for the locations deemed as underserved while passing by other underserved locations along the way. This combination of factors is bringing down our efficiency.

Applicants may also provide any additional information, documents or data sets that might further justify the High Cost of the proposed project.

Per the above requested info, I have attach the estimate from our contractor including FCTC's estimated material & labor costs.

FCTC Telephone NOFA-8 BIZ-83 Estimate

Surface Type	Route Footage	Route Miles	Plow %	Plow Footage	Bore %	Bore Footage
aved Route	13,442	2.5	70%	9,409	30%	4,033
Gravel Route	139,428	26.4	70%	97,600	30%	41,828
Bore Route	2,442	0.5	0%	-	100%	2,442
ROUTE TOTALS	155,312	29.4	69%	107,009	31%	48,303
ROW Bore (16 bores x 66')	1056	0.2	0%	-	100%	1,056
Null Only Route	0	0.0	0%	-	0%	-
All Construction	156,368	29.6	68%	107,009	32%	49,359
All Construction +15%	179,823	34.1	68%	123,060	32%	57,016

Potential subscriber count is derived from the Nofa-8 routes and includes the Nofa-8 Eligible Locations.

Potential Subscriber Count	90	BIZ Total Addresses	0	No BIZ in this area
70% Penetration Rate	63			
Total splices (Subscribers x 5)	450			
		Already Served	36	Dysart Exchange
	0	BIZ Application	0	No BIZ in this area
	0	Eligible Non-BIZ Application	43	Cutler Exchange

Current Application	Already Served	
43	5	Tama County
0	31	Benton County

Description	Units	Labor		Material	
PLOW	123060	\$ 2.30	\$ 283,038.81	\$ 0.80	\$ 98,448.28
Bore	57016	\$ 11.00	\$ 627,177.22	\$ 0.75	\$ 42,762.08
24x36 Vault	88	\$ 600.00	\$ 52,800.00	\$ 700.00	\$ 61,600.00
12x18 Vault	16	\$ 250.00	\$ 4,000.00	\$ 300.00	\$ 4,800.00
NOFA-8 HBFO-C	88	\$ 350.00	\$ 30,800.00	\$ 400.00	\$ 35,200.00
NOFA-8 HO-1	360	\$ 40.00	\$ 14,400.00	\$ 5.00	\$ 1,800.00
NOFA-8 HO-1H	43	\$ 130.00	\$ 5,590.00	\$ 15.00	\$ 645.00
Non NOFA HBFO-C	0	\$ -	-	\$ -	-
Non NOFA HO-1	90	\$ 40.00	\$ -	\$ 5.00	\$ -
Non NOFA HO-1H	47	\$ 130.00	\$ -	\$ 15.00	\$ -
Engineering / permitting / project management	1200	\$ 125.00	\$ 150,000.00	\$ -	\$ -
BFO-P New ~72ct (Bore+PLOW+15%)	180076	\$ 1.00	\$ 180,076.46	\$ 1.00	\$ 180,076.46
BFO-P Existing	0	\$ -	-	\$ -	-
new service entrance	43	\$ 1,300.00	\$ 55,900.00	\$ 250.00	\$ 10,750.00
Construction Mgmt		\$ -	-	\$ -	-
Optical Equipment		\$ -	\$ 23,140.00	\$ -	-
Customer Prem Equipment		\$ -	\$ 60,000.00	\$ -	-
20% inflationary est - splicing materials & labor		\$ -	\$ 31,062.00	\$ -	-
			\$ 17,687.00	\$ -	-
Totals	\$	\$ 1,535,671.49	\$	\$ 436,081.82	

Grand Total \$ 1,971,753.31

duct and caution tape  
duct  
tier 22 24x36 vaults  
tier 22 11x18 vaults  
cases and trays  
splice sleeves etc  
cane and splice jumper  
splice sleeves etc  
cane and splice jumper  
splice sleeves etc  
cane and splice jumper  
drop fiber and duct in urban areas  
fiber  
drop fiber and duct in urban areas  
Site Survey & Locating  
Detailed on tab 2 of excel worksheet

Add 20% est. inflationary costs for splicing