

NC DIT GREAT Program
Growing Rural Economies with Access to Technology Program

Applicant Information

| | |
|--------------------------------------|---|
| Company Name | Spectrum Southeast, LLC |
| Address | Spectrum Southeast, LLC, by its Manager, Charter Communications, Inc. 7800 Crescent Executive Drive Charlotte, NC 28217 |
| Website | https://www.spectrum.net/ |
| Federal Tax ID | |
| DUNS # | 116799873 |
| System Award Management (SAM.Gov) ID | FKP2W71T9GK7 |

| Authorized Representative | | Authorized Representative (Alternative) | |
|---------------------------|------------------------------------|---|------------------------------|
| Full Name | Joe Prater | Full Name | Brian Gregory |
| Contact Title | Director, State Government Affairs | Contact Title | VP, State Government Affairs |
| Phone Number | 919-882-4715 | Phone Number | 704-731-1915 |
| E-Mail | joe.prater@charter.com | E-Mail | brian.gregory@charter.com |

Grant Administrator & Company Name(if applicable):

| | |
|----------------|--|
| Full Name | |
| Contact Title | |
| Telephone | |
| E-Mail | |
| Website | |
| Federal Tax ID | |
| Address | |

Project Information

| | | | |
|--|--|--------|-----|
| Project Title | 2022 NC GREAT - Caswell County Project | | |
| Project Cost | \$4,810,161 | | |
| County | Caswell | Tier # | 001 |
| Estimated # of Households with improved access | 918 | | |
| Estimated # of businesses with improved access | 11 | | |
| Base Speed - Minimum Download/Upload | Greater than 100:100 Mbp | | |

Project Description (provide a brief summary of the project)

Rural broadband expansion project in Caswell County to provide gigabit capable connectivity to 929 currently unserved locations, as identified by the NC One Map.

Has the applicant entered into a partnership for this project as defined in S.L. 2019-230?

Yes

Checklist Details

1) Statement of Qualifications (Please provide a detailed description of qualifications and experience with the deployment of broadband):

Spectrum Southeast, LLC, by its Manager, Charter Communications, Inc. ("Spectrum" or "Charter") is a leading connectivity company providing superior products and services through its Spectrum brand of services and investing in the infrastructure, technology, and people powering the future. Charter is at the intersection of technology and entertainment, facilitating communications that connect more than 32 million residential and business customers in 41 states. Charter's commitment to serving customers and exceeding their expectations is the bedrock of Spectrum's business strategy and it's the philosophy that guides its 93,000+ employees.

Charter (and its predecessor companies) have been providing broadband internet service in the State for over 30 years and will be able to draw upon the experience and capabilities of its regional and local personnel. Charter currently serves approximately 2.7 million customers in 486 North Carolina communities.

Charter is currently the second largest broadband provider in the United States. The company has achieved growth through innovation and acquisitions of cable properties, including completing transactions with Time Warner Cable and Bright House Networks. U.S. News and World Report recently named Spectrum Internet as the "Best Internet Service Provider for Rural Areas." Charter's commitment to service quality has resulted in Multichannel News naming its Spectrum brand as Operator of the Year for 2020, CableFax naming us "2021 MSO of the Year," and CNET naming Spectrum the "Best Cable Internet Provider" for 2022.

Spectrum's unparalleled commitment to service quality was especially evident in response to the pandemic. Charter's network continued to perform well despite higher levels of peak bandwidth usage. And Charter accomplished all this while making adjustments to how and where we worked in response to COVID protocols.

We are proud of the speeds we are able to deliver over our network. In fact, the most recent Federal Communications Commission broadband report

Checklist Details

highlighted how Spectrum Internet outperformed its fiber broadband competitors in terms of speed delivered and consistent performance. Spectrum exceeded 100% of our advertised speeds during peak times on all speeds measured.

Charter has invested more than \$40 billion in infrastructure and technology over the last five years as part of its long-term commitment to expanding broadband access across urban, suburban and rural areas to connect more Americans. From 2018-2020 alone, Charter extended its network to reach an additional 2.5 million new homes and businesses, about a third in rural areas. In 2021, Charter extended its network to reach an additional 127,000 homes and small businesses in North Carolina. Charter has recently announced a \$5 billion dollar investment to connect more than a million currently-unserved, mostly rural families and small businesses to reliable broadband service with speeds of up to 1 gigabit per second, including adding significant resources to its construction department focused solely on adding nearly 115,000 miles of new network infrastructure to its more than 750,000 existing miles.

Charter will use the same network deployment and operational procedures in the Project Area that are currently successfully employed across the country. These practices include documented and thoroughly tested methods of managing network performance, managing service issues at a network or customer level, and coordinating change management with minimal or no disruption to customers. All of Charter's services are delivered over its state-of-the-art network and Charter backs them up with professional customer service and support from local technicians. Charter is dedicated to bringing its clients innovative, reliable services, and responsible care.

Charter has worked with governments across the country on joint projects targeted at broadband expansion, including state governments in Alabama, California, Maryland, Massachusetts, South Carolina, Tennessee, Minnesota, Wisconsin, and Kentucky. Spectrum therefore has extensive experience with managing and completing projects of the sort contemplated here.

In addition to these national resources, Charter will be able to draw upon the experience and capabilities of its regional and local personnel. As stated above, Charter (and its predecessor companies) have been providing broadband internet service in North Carolina for over 30 years. Charter currently serves 486 communities in North Carolina, and provides broadband internet, video and voice service to more than 2.7 million customers. Additionally, Charter's insourced, U.S.-based workforce includes nearly 11,000 people in North Carolina.

2) Assessment of the current level of broadband access in the proposed deployment area – supporting data may be uploaded if applicable:

Using the datasets and shapefiles from the NC One Map, Spectrum has conducted a detailed analysis to identify the unserved and underserved households and businesses in the proposed Project Area of Caswell County. Through this analysis, we have identified a total of 929 homes and businesses in the County that are eligible for grant funding and require an infrastructure investment which will deliver 1 Gigabit broadband.

3) Description of Proposed Services, Advertised Speeds, and Pricing Structure for proposed broadband recipients in the eligible project area:

Upon completion, residents in the proposed Project area will have access to Charter's Spectrum Internet Gig service (up to 1000/500 Mbps). With Spectrum Internet, customers can simultaneously stream videos, download music and more without sacrificing performance. Spectrum provides free modems and the fastest, most powerful in-home Wi-Fi to do more on more devices.

Charter employs a nationwide pricing structure (called Spectrum Pricing & Packaging), which offers standardized pricing for each tier of broadband internet service Charter offers new customers across its service territory. Charter's pricing strategy ensures that rural customers receive the same pricing as other highly competitive areas in the state. Charter's wireline broadband offerings currently include no data caps, usage-based pricing, early termination or modem fees.

Current prices for Charter's Spectrum Internet Assist, Spectrum Internet, and Spectrum Internet Ultra service tiers, and its planned pricing for the Spectrum Internet Gig service tier, are as follows:

- Spectrum Internet Assist: 30 Download Mbps/4 Upstream Mbps - \$17.99/month (\$0.00 Installation Fee)*
- Spectrum Internet: 200 Download Mbps/10 Upstream Mbps - \$74.99/month (\$49.99 Installation Fee)
- Spectrum Internet Ultra: 400 Download Mbps/20 Upstream Mbps - \$94.99/month (\$49.99 Installation Fee)
- Spectrum Internet Gig: 1000 Download Mbps/500 Upstream Mbps - \$114.99/month (\$49.99 Installation Fee)

In addition to the standard, non-promotional rates itemized above, Charter may also offer promotional pricing, including bundled discounts. Charter's current promotional offerings can be found at <https://www.spectrum.com/internet>. Spectrum's terms of service will apply to all tiers of service.

Customers can add WiFi for \$5.00 per month (Spectrum Internet Assist, Spectrum Internet & Spectrum Internet Ultra).

Spectrum's Internet Assist program provides 30 Mbps broadband to qualified families with children on the National School Lunch Program or seniors receiving supplemental income.

All promotional offers are subject to change and may not be available in all areas or to all customers

* For self-installation only. Additional fees may apply for professional installation.

Low Cost Programs:

Spectrum has engaged in several initiatives and established numerous business practices that benefit consumers in need, and demonstrate our commitment to the community. As described below, Spectrum has established several programs to provide low cost internet service particularly for students and remote learning, has assisted customers struggling to pay their bills for service, and supported communities by providing good paying jobs and long-term careers, and strengthening local organizations.

Affordable Connectivity Program: To further assist in closing the Digital Divide during the COVID pandemic, Charter is participating in the \$14.2 billion federal Affordable Connectivity Program ("ACP") to help connect eligible households with high-speed internet during the ongoing COVID-19 pandemic. Broadband internet access is more important than ever, and the ACP offers a tremendous opportunity to help low-income families stay connected, providing eligible households a credit of up to \$30 per month toward any tier of broadband service that meets their needs and up to \$75 per month for households on Tribal lands. The ACP credit is currently available to offset the cost of any of our broadband products for qualifying customers. Charter also offers Spectrum Internet 100, a high-speed, low-cost broadband service with 100 Mbps download speeds available to households qualifying for the Federal Communications Commission's (FCC) Affordable Connectivity Program (ACP). Eligible new households can get Spectrum Internet 100 for just \$29.99 per month, which includes a modem, in-home Wi-Fi and self-installation at no additional charge. ACP provides qualifying households up to a \$30 monthly credit (\$75 on qualifying Tribal lands) toward broadband service, allowing eligible customers to receive Spectrum Internet 100 at no monthly cost. Additional information is

Checklist Details

available at [https:// www.spectrum.net/support/internet/affordable-connectivity-program](https://www.spectrum.net/support/internet/affordable-connectivity-program)

Spectrum Internet Assist: Spectrum also offers a low-cost broadband service to low-income students and seniors through our Spectrum Internet Assist ("SIA") program. SIA provides high-speed broadband (30Mbps/4Mbps) at a rate of \$17.99 per month (plus \$5 per month for Wi-Fi service) to qualifying households. SIA is available to qualifying households of which at least one member is a recipient of (1) the National School Lunch Program (NSLP), (2) the Community Eligibility Provision (CEP) of the NSLP, or (3) Supplemental Security Income (for applicants age 65+ only). Students or seniors in need of discounted service can apply online through the link above or contact us for assistance.

4) Description of Adoption Plan:

Charter Communications is committed to ensuring more Americans have access to high-quality, reliable broadband. As we expand to more communities in North Carolina, we remain focused on ensuring customers are aware of our offerings. This includes, but is not limited to, residential marketing strategies of deploying direct sales representatives to the community (ex. on-site, at major retailers, door to door), television, radio, and online advertisements and mailers.

No American should be kept from accessing the internet because of an inability to afford service or equipment, or due to fear or a lack of digital literacy. Charter Communications has long been committed to helping to close these gaps.

- As previously mentioned, and to make broadband more accessible for low-income learners and seniors, we offer Spectrum Internet Assist, an industry-leading high-speed, low-cost broadband service for qualified customers. Introduced in 2016, Spectrum Internet Assist is available to households where one or more members of household are a recipient of: the National School Lunch Program, including through the Community Eligibility Provision, or Supplemental Security Income (for applicants age 65+). Throughout the duration of this program, Spectrum Internet Assist has met all benchmarks set by the FCC. This product includes a free internet modem, no data caps, no contracts and high speed internet speeds at 30 Mbps. Eligible households can now apply for the product and provide eligibility documentation online, or by phone.

- To increase adoption and access to technology, we offer philanthropic support to key community organizations through our Spectrum Digital Education Grant program, which provides computers, digital education classes, and technology labs for thousands across the country. For more information regarding our Spectrum Digital Education Grants, please visit <https://corporate.charter.com/digital-education/grants>.

- Spectrum Enterprise introduced a turnkey solution, Stay Connected K-12, in 2020, which enables schools to offer high speed, cable broadband internet access direct to their students, educators and staff in their homes. For more information regarding our Stay Connected K-12 program, please visit <https://enterprise.spectrum.com/services/industries/k-12/stay-connected.html>.

By checking the appropriate box, you will upload the following documents:

| | |
|--|-------------------------------------|
| 5) Description of Project Area, Identification of locations to be served, relevant maps and mapping files: | <input checked="" type="checkbox"/> |
| 6) If submitting other data sources, including field data, to identify unserved locations (households and businesses) outside of the fully unserved census blocks provided on the NC One Map, please provide a narrative describing your methodology for determining the proposed funding area is unserved and eligible for funding in this round. | <input checked="" type="checkbox"/> |
| 7) Excel Spreadsheet (NO PDF) that itemizes the eligible activities and cost estimates. Please provide an explanation of how you estimated the costs: | <input checked="" type="checkbox"/> |
| 8) Please provide your methodology or explanation of how you calculated cost per location (Households/Businesses): | <input checked="" type="checkbox"/> |
| 9) Proof of Financial Solvency | <input checked="" type="checkbox"/> |
| 10) Technical Report | <input checked="" type="checkbox"/> |
| 11) Evidence of Support for the Project (i.e. Letter of Support) | <input checked="" type="checkbox"/> |
| 12) Evidence or proof a partnership based on the definition in the guidance document and the authorizing legislation | <input checked="" type="checkbox"/> |

SCORING

The GREAT Program is a competitive grant program. Applications shall be scored based upon a system that awards a single point for criteria considered to be the minimum level for the provision of broadband service, with additional points awarded to criteria that exceed minimum levels. Applications receiving the highest score shall receive priority status for the awarding of grants.

The tool below is being provided to Applicants so that they may estimate their score to determine estimated match requirements. All final and official scores will be determined by the BIO during the review process.

| | Reviewer | Score |
|---|------------|-------|
| a1) Partnership - One point shall be given for a proposed partnership that will make available existing infrastructure that has been installed for the partner's enterprise, non-consumer broadband purposes, or any other property, buildings, or structures owned by the partner, for a proposed project. | Choose One | 0 |
| a2) Partnership - A county or nonprofit entity that proposes to provide a financial match shall be given one point. Notwithstanding Article 8 of Chapter 143 of the General Statutes, or any provision of law to the contrary, a county may use unrestricted general funds or federal American Rescue Plan Act (P.L. 117 1) funds allocated to it for the purpose of improving broadband infrastructure for a financial match. | Choose One | 0 |

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| a3) Partnership - An applicant shall receive two additional points for a proposed partnership where the county's financial match is comprised entirely from federal American Rescue Plan Act (P.L. 117 2) funds intended for broadband infrastructure. | Choose One | 0 |
| b) Unserved Households(HH) – Using most recent FCC Data or other information or supporting data, estimated number of unserved households within the eligible county (TIER ONE) | 500 or Less | 1 |
| c) Unserved Households (HH) to be Served – Using most recent FCC Data or other information supporting data, the percentage of the total unserved households with the eligible project area | Less than 15% | 1 |
| d) Unserved Business – Using most recent FCC Data or other information by NC BIO, provide broadband service to unserved business within eligible county (TIER ONE) and project area (Documentation) | 1 and 4 | 1 |
| e1) Piedmont or Coastal Plain Region | Choose One | |
| e2) Mountain Region | Choose One | |
| f) Base Speed - Min Download : Upload | 100:20 Mbps to 100:100 Mbps | 1.00 |
| Total Score | | 3 |
| g) Community Broadband Plan defined by NCBIO | No | 0 |
| h1) For counties that received an aggregate of eight million dollars (\$8,000,000) or more directly from the federal government, the following points shall be added to the application score: | Choose One | |
| h2) For counties that (i) received less than an aggregate of eight million dollars (\$8,000,000) directly from the federal government from the American Rescue Plan Act (P.L. 117 2) and (ii) are providing a portion of a project's matching funds using the entirety of the federal funds the county received, together with any other unrestricted general fund monies, if needed, the following points shall be added to the application score: | Choose One | |
| i1) Are the matching funds partially comprised of ARPA funds a county received directly from US Treasury? | Choose One | |
| i2) Are the matching funds entirely comprised of ARPA funds a county received directly from US Treasury? | Choose One | |
| Final Score | | 3 |

List all expenses related to the project, the amount of each expense, and the corresponding funding source(s) in the table below. The table should include all of the eligible costs such as: installation, acquiring or updating easements, equipment, fiber, construction, backhaul infrastructure for the end user, and testing costs. Ineligible costs should not be included in the project budget. The table should clearly show all planned expenditures and all funding sources for the project.

| | | | |
|--|-------------|------------------------------|-----|
| Reviewer Score: | 3 | Matching Requirement (%): | 50% |
| Based on your scoring matrix, Your minimum match requirements: | | \$2,405,080.5 | |
| Total Project Cost: | \$4,810,161 | Grant Amount Requested (\$): | \$0 |

Please indicate which documents were submitted with your application, by checking the appropriate box.

~ Reference guidelines booklet for document details ~

| | |
|---|--------------------------|
| 1) Excel Spreadsheet (NO PDF) that itemizes the eligible activities and cost estimates. Please provide an explanation of how you estimated the costs | <input type="checkbox"/> |
| 2) What is the total cost per location for the project? Please provide your methodology or explanation of how you calculated cost per location (Households/Businesses) | <input type="checkbox"/> |
| 3) Proof of Financial Solvency | <input type="checkbox"/> |

| Project Expense | GREAT Funds | Matching Funds | Total |
|------------------------------------|-------------|----------------|-------|
| Easements (one-time fees) | | | 0 |
| Materials (fiber, equipment, etc.) | | | 0 |
| Construction/Installation | | | 0 |
| Testing | | | 0 |
| Engineering | | | 0 |

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| Lease/Collocation Fees (one-time fees) | | | 0 |
| Other 1 | | | 0 |
| Other 2 | | | 0 |
| Other 3 | | | 0 |
| Total Eligible Project Cost | | | 0 |

Company Certifications

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|---|--|---|----|
| 1 | Overdue Tax Debts | Does the Company or the Related Member(s) currently have any overdue tax debts with any City, Town or County in, or with the State of North Carolina? | No |
| 2 | Occupational Safety and Health Act Violations | Does the Company, or the Related Member(s) have any citation under the Occupational Safety and Health Act that have become a final order within the past three years for willful serious violations or for failing to abate serious violations? | No |
| 3 | Loan Defaults | Is the Company, or the Related Member(s) currently in default on any loan or grant previously made by the State of North Carolina? | No |
| 4 | Incentive History | Has the Company, or Related Member(s) ever defaulted on an economic development grant or incentive or been sued by a grantor with respect to an economic development grant or incentive from the State of North Carolina? | No |
| 5 | Creditor Losses, Litigation, Government Investigations | Has any member of management or any principal of the Company, or the Related Member(s) been involved in a financial reorganization, a bankruptcy, or other situation that led to losses by creditors or bond buyers, investor lawsuits, or government investigation alleging fraud or impropriety? | No |
| 6 | Pending or Threatened Litigation | Is the Company, or Related Member(s) subject to any claim, suit, action, proceeding, or government investigation that is pending or threatened that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on the proposed grantee's finances or operations or the ability to conduct the proposed project, or that would reasonably be expected to impact the NC DIT's decision to award a grant? | No |

Internet Service Provider (ISP) Certification and Attestation

The attached statements and exhibits are hereby made part of this application, and the undersigned representative of the applicant certifies that the information in this application and the attached statements and exhibits are true, correct, and complete to the best of the signatory's knowledge and belief. The signatory further certifies:

1. as Authorized Representative, the signatory has been authorized to file this application by formal action of the governing body;
2. agrees that if a grant is awarded, the applicant will provide proper and timely submittal of all documentation requested by the Grantor Agency;
3. that the applicant has substantially complied with or will comply with all federal, state, and local laws, rules, regulations, and ordinances as applicable to this project;
4. that the applicant certifies the financial and organizational strength regarding the ability to successfully meet the terms of the grant requirements and the ability to meet the potential for repayment of grant funds; and
5. attests that the proposed project area is eligible.

Authorized Representative

| | | | | | |
|-------|------------|--------|------------------------------------|-------|------------|
| Name: | Joe Prater | Title: | Director, State Government Affairs | Date: | 05/04/2022 |
|-------|------------|--------|------------------------------------|-------|------------|