

# Application to DHCD Submitted through CAMS

Franklin Southampton Economic Development, Inc.

FSEDI Southampton County VATI 2021

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**Application ID:** 75708122020110801  
**Application Status:** In Progress - DHCD  
**Program Name:** Virginia Telecommunications Initiative 2021  
**Organization Name:** Franklin Southampton Economic Development, Inc.  
**Organization Address:** 601 North Mechanic Street  
Franklin, VA 23851  
**Profile Manager Name:** Jay Brenchick  
**Profile Manager Phone:** (757) 562-1958  
**Profile Manager Email:** jbrenchick@franklinsouthamptonva.com

**Project Name:** FSEDI Southampton County VATI 2021  
**Project Contact Name:** Jay Brenchick  
**Project Contact Phone:** (757) 562-1958  
**Project Contact Email:** jbrenchick@franklinsouthamptonva.com  
**Project Location:** 601 N. Mechanic Street, Ste 300  
Franklin, VA 23851-1455  
**Project Service Area:** Southampton County

**Total Requested Amount:** \$637,610.40

**Required Annual Audit Status:** No Current Audits Found

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## Budget Information:

Cost/Activity Category	DHCD Request	Other Funding	Total
<b>Telecommunications</b>	<b>\$637,610.40</b>	<b>\$159,402.60</b>	<b>\$797,013.00</b>
Other: Material Cost for Proposed Area	\$232,640.00	\$58,160.00	\$290,800.00
Other: Labor Costs for Proposed Area	\$404,970.40	\$101,242.60	\$506,213.00
<b>Total:</b>	<b>\$637,610.40</b>	<b>\$159,402.60</b>	<b>\$797,013.00</b>

### Budget Narrative:

100% of the requested funds will be used directly on the construction of broadband infrastructure in the proposed project area. They will not be used for marketing or operational costs. Charter's internal construction team did the calculations based upon a physical drive out, as well as experience regarding internal and vendor costs for construction, labor, and equipment.

## Questions and Responses:

### 1. Project Description and Need

Describe why and how the project area(s) was selected. Describe the proposed geographic area including specific boundaries of the project area (e.g. street names, local and regional boundaries, etc.). Attach a copy of the map of your project area(s). Label map: Attachment 1 – Project Area Map.

### Answer:

This project area represents the first phase in a multiphase approach to complete broadband rollout in Southampton County. Charter Communications construction, engineering, and market intelligence teams worked to identify the proposed project area. Currently, broadband service is not available in the proposed area due to the high cost per unit needed to serve the area. This project area is considered a top priority based on communications with citizens and elected officials. In addition, based on engagement with Prince George Electric Cooperative and Mecklenburg Electric Cooperative, this project area serves as a strong phase one project area for the eventual full deployment of broadband in Southampton County.

Southampton County has been designated a Rural County through the 2010 Census by the US Government Office of Management and Budget. This project area includes census tracts 511752001002 and 511752001001 within the County. We are submitting one project area in Southampton County, VA. A map for the project showing the roads/streets of construction is indicated in Attachment 1 - Project Area Map.

The Sedley/Ivor area consists of 25.54 miles of new-build infrastructure that includes the following roads: Unity Road, Cornith Road, Drake Road, Johnson Mill Road, and Mission Church Road. This project would serve approximately 177 residential passing and 2 business passings. The two businesses located in the project area are HG Lowe Auto Repair and Judy Blanche Hair Salon. In addition, there are two small working farms. Residents in this area have expressed interest in having home-based businesses but feel they cannot due to the lack of

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broadband.

There is no other terrestrial provider providing speeds above 10 mbps in this area.

2. List existing providers in the proposed project area and the speeds offered. Please do not include satellite. Describe your outreach efforts to identify existing providers and how this information was compiled with source(s).

**Answer:**

Charter Communications is the only ISP in the proposed area that is providing speeds at or above 25/3. We could not find evidence of existing providers in the proposed project area.

We made this determination by:

- Physically inspecting all the roads in the anticipated service area.
- Reviewing FCC broadband provider information, which determined there are no other ISPs providing service at or above 15 mbps. (see attached maps)
- Speaking with residents in the project area
- Researching and finding that Wireless Internet Service Providers (WISP) in the area providing service do not exist
- Gathering Charter Communications marketing intelligence, which indicates that the only potential provider in the service area is Verizon and the fastest speed they offer is 15 Mbps.
- Franklin Southampton Economic Development utilized <https://broadbandnow.com/Virginia/Franklin?zip=23851> to verify the findings.

3. Describe if any areas near the project have received funding from federal grant programs, including but not limited to Connect America Funds II (CAF II), ACAM, ReConnect, and Community Connect. If there have been federal funds awarded near the project, provide a map verifying the proposed project area does not conflict with these areas. Describe if there are Rural Digital Opportunity Fund (RDOF) eligible census blocks located in the proposed project area. Label Map: Attachment 2 – Documentation on Federal Funding Area.

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## Answer:

FSEDI, Charter Communications, and Southampton County have not applied for funds from federal grant programs.

Existing federal funds (CAF II, ACAM, Reconnect, and Community Connect) in or near the project area.

- We have looked at the CAF and CAF II maps (attached) for the anticipated service area and the proposed projects are not in an eligible area for this Federal funding.

Rural Digital Opportunity Fund (RDOF) eligible census blocks.

- We have looked at the census block data for the anticipated projects and compared it to 1) the list of FCC RDOF eligible census blocks (attached) and 2) a map of the FCC RDOF eligible areas (attached) shows that the anticipated service areas are not in the eligible areas for this Federal funding program.

See Attachment 2 – Documentation on Federal Funding Area

4. Overlap: To be eligible for VATI, applicants must demonstrate that the proposed project area(s) is unserved. An unserved area is defined as an area with speeds of 25/3 mbps or less and with less than 10% service overlap within the project area. Describe any anticipated service overlap with current providers within the project area. Provide a detailed explanation as to how you determined the percentage overlap. Label Attachment: Attachment 3 – Documentation Unserved Area VATI Criteria.

## Answer:

Verizon is the only potential overlapping provider, but the fastest speed they provide is 15 Mbps. Charter Communications is the only provider in the service area with the infrastructure to provide the speeds required for VATI funding.

We have physically examined the anticipated service areas and reviewed federal broadband service provider reports. Based upon this inspection, we found no existing providers and therefore do not anticipate having any areas of overlapping service. We have received requests from residents in this area for broadband service.

See Attachment 3 – Documentation Unserved Area VATI Criteria

5. Total Passings: Provide the number of total serviceable units in the project area. Applicants are encouraged to prioritize areas lacking 10 Megabits per second download and 1 Megabits per second upload speeds, as they will receive priority in application scoring. For projects with more than one service area, each service area must have delineated passing information. Label Attachment: Attachment 4 – Passings Form

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a. Of the total number of passings, provide the number of residential, business, non-residential, and community anchors in the proposed project area. Describe the methodology used for these projections.

b. Provide the number of serviceable units in the project area that have 10/1 mbps or less. Describe the methodology used for these projections.

**Answer:**

a. There are 177 residential passings and 2 business passings. The methodology included the following:

- Physically inspecting all the roads in the anticipated service area.
- Reviewing FCC broadband provider information, which determined there are no other ISPs providing service at or above 15 mbps. (see attached maps)
- Speaking with residents in the project area
- Researching and finding that Wireless Internet Service Providers (WISP) in the area providing service do not exist
- Gathering Charter Communications marketing intelligence, which indicates that the only potential provider in the service area is Verizon and the fastest speed they offer is 15 Mbps
- Franklin Southampton Economic Development utilized <https://broadbandnow.com/Virginia/Franklin?zip=23851> to verify the findings
- FSEDI utilized Southampton County GIS Mapping and Google Maps to confirm findings

b. There are 179 serviceable units that have 10/1 or less.

Type of Passings	Total Number in Project Area	Number with Speeds at 10/1 or below in Project Area
Residential	177	177
Businesses (non-home based)	2	2
Businesses (home-based)		
Community Anchors		
Non-residential		
<b>Total Number of Passings</b>	<b>179</b>	<b>179</b>

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6. For wireless projects only: Please explain the ownership of the proposed wireless infrastructure. Please describe if the private co-applicant will own or lease the radio mast, tower, or other vertical structure onto which the wireless infrastructure will be installed.

**Answer:**

N/A

7. Speeds: Describe the internet service offerings, including download and upload speeds, to be provided after completion of the proposed project. Detail whether that speed is based on dedicated or shared bandwidth, and detail the technology that will be used. This description can be illustrated by a map or schematic diagram, as appropriate. List the private co-applicant's tiered price structure for all speed offerings in the proposed project area, including the lowest tiered speed offering at or above 25/3 mbps.

**Answer:**

The network is designed using a hybrid fiber/coax node based network. Each node is designed to limit the number of homes per node.

Charter offers various offerings at different speeds that the resident can choose from. These include:

Spectrum Internet 50/5 with WiFi	\$74.99
Spectrum Internet 50/5	\$69.99
Spectrum Internet 100/10	\$69.99
Spectrum Internet 100/10 with WiFi	\$74.99
Spectrum Internet Ultra 400/20	\$94.99
Spectrum Internet Assist 30/4 **	\$17.99
Spectrum Internet Assist 30/4 with WiFi **	\$22.99
Spectrum Internet Gig	\$129.99

\*Dates at the time of VATI application

8. Network Design: Provide a description of the network system design used to deliver broadband service from the

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network's primary internet point(s) of presence to end users, including the network components that already exist and the ones that would be added by the proposed project. Provide a detailed explanation of how this information was determined with sources. If using a technology with shared bandwidth, describe how the equipment will handle capacity during peak intervals. For wireless projects, provide a propagation map for the proposed project area with a clearly defined legend for scale of map. Label Map: Attachment 5 – Propagation Map Wireless Project.

## Answer:

Charter's network includes three components: the national backbone, regional/metro networks and the "last-mile" network. Both Charter's national backbone and regional/metro network components utilize a redundant Internet Protocol ("IP") ring/mesh architecture with the capability to differentiate quality of service for each residential or commercial product offering.

Charter's last-mile network utilizes a traditional hybrid fiber coaxial cable (or "HFC") architecture, which combines the use of fiber optic cable with coaxial cable. In our Virginia system, we deliver our signals via fiber optic cable from the head end to a group of nodes, and use coaxial cable to deliver the signal from individual nodes to the homes served by that node. For our fiber Internet, Ethernet, carrier wholesale, SIP and PRI commercial customers, fiber optic cable is extended from the individual nodes all the way to the customer's site. On average, our system design enables up to 250 homes passed to be served by a single node and provides for six strands of fiber to each node, with two strands activated and four strands reserved for spares and future services. We believe that this hybrid network design provides high capacity and excellent signal quality. The design also provides two-way signal capacity for the addition of further interactive services. HFC architecture benefits include: bandwidth capacity to enable traditional and two-way video and broadband services; dedicated bandwidth for two-way services, which avoids signal interference problems that can occur with two-way communication capability; and signal quality and high service reliability. Charter's network and broadband service is vastly superior in terms of quality of service, speed, reliability, scalability and sustainability to any provider's service that requires line-of sight access to customers in these rural areas that have very challenging topography for such services.

Charter's HFC (Hybrid Fiber Coax) network design utilizes DOCSIS 3.1 to offer residential speeds as high as 1 Gig (940Mbps for download speed and 35Mbps for upload speed), advanced two-way video and digital phone. When needed, we can also provide dedicated commercial builds to provide broadband speeds in excess of 1 Gigabit in both directions. All of this is made capable by our highly scalable hybrid fiber/ coax DOCSIS 3.1 Network, which is upgradeable to support additional bandwidth and speeds. As the market demands faster speeds, Spectrum expects to continue to raise the minimum speed offered to its customers by continuing to upgrade our network based on the latest DOCSIS specifications.

DOCSIS 3.1 will also further improve network latency by mandating that "Active Queue Management" be included in the DOCSIS 3.1 upgrade. Active Queue Management is a technology that will allow networks like Charter's to reduce transient buffering latencies by hundreds or thousands of milliseconds, which translates into reductions of load times, delays, and glitches in network applications. Typical media latency is less than 28.02 milliseconds and typical media packet loss is less than 0.08%.

If Charter is awarded a broadband grant, the project would be designed, planned and financed by our in-house Technical Operations team. The construction of the system would be completed by contractors but managed by internal Charter employees.

Many circumstances can affect construction timelines, such as weather, availability of materials, permitting

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approvals, acts of God, etc. The potential effects of the current COVID-19 pandemic on a completion deadline are difficult to assess at this time, but Charter is one of the largest broadband providers in the country, so we are confident that we could complete the project in a timely manner. In fact, it is in Charter's interest to provide the service as quickly as possible, so that we can start to make a return on our investment.

## 9. Project Readiness

Describe the current state of project development, including but not limited to: planning, preliminary engineering, identifying easements/permits, status of MOU or MOA, and final design. Prepare a detailed project timeline or construction schedule, identifying specific tasks, staff, contractor(s) responsible, collection of data, etc., and estimated start and completion dates. Applicants must include Memorandums of Understanding (MOUs) or Memorandums of Agreement (MOAs) between applicants (drafts are allowable). Label Attachments: Attachment 6 – Timeline/Project Management Plan; Attachment 7 – MOU/MOA between Applicant/Co-Applicant.

### Answer:

Status of Development (planning, preliminary engineering report)

This project was physically ridden out by our in-house construction staff. They are experienced in looking at such network expansions. They counted the number of existing passings, the mileage from the nearest network tie point and calculated the project cost. The cost is derived from years of company experience, internal (proprietary) template worksheets.

If the grant is awarded, this project would be designed, planned, and overseen by our in-house Technical Operations team. The construction of the system would be completed by contractors but managed by internal Charter employees.

Attached is a draft Memo of Understanding (MOU) between Charter Communication and the County which demonstrates our agreement to work in partnership.

Project Timeline, including detailed construction schedule

Charter Communications shall complete the project in a timely manner but is subject to excusable delay. Excusable delay means a delay to the construction of the project that affects completion and is directly caused by (1) make-ready work that is not received by Grantee within one (1) month of Grantee's submission of a proper application for utility pole attachments; or (2) any delay in receiving governmental, regulatory and third party permits, licenses and approvals, despite Grantee's good faith efforts to secure timely approvals, or (3) due to any reason beyond the Grantee's the reasonable control, but not limited to, acts of God or of a public enemy, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or unusually severe weather. Attachment 6 – Timeline/Project Management Plan

The following is the time frame in which we can build each of these projects, pending timely make ready work by the pole owner:

18 Months due to water crossings

Status of Easements/Permits

All easements and Right of Ways need to be obtained. If this project is approved, we will apply for permits as needed. This is our standard operating procedure and is normal business for Charter. Charter Communications is experienced in this process. In addition, FSEDI and the County will assist with permitting, easements and right of ways.

MOU

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Attachment 7 – MOU/MOA between Applicant/Co-Applicant.

10. Matching funds: Complete the funding sources table indicating the cash match and in-kind resources from the applicant, co-applicant, and any other partners investing in the proposed project (VATI funding cannot exceed 80 percent of total project cost). In-kind resources include, but are not limited to: grant management, acquisition of rights of way or easements, waiving permit fees, force account labor, etc. Please note the a minimum 20% match is required to be eligible for VATI, the private sector provider must provide 10% of the required match. If the private co-applicant's cash match is below 10% of total project cost, applicants must provide financial details demonstrating appropriate private investment. Label Attachments: Attachment 8 - Funding Sources Table; Attachment 9 – Documentation of Match Funding.

**Answer:**

Our VATI request is \$637,610 which is 80% funding through the VATI grant program. Please see Attachment 8 - Funding Sources Table.

The 20% match will be paid by Charter Communications. Please see Attachment 8 - Funding Sources Table.

Charter is a publicly traded company and the second largest cable operator in the nation. Charter Communications is financially positioned to meet their 20% obligation. Please see Attachment 9 – Documentation of Match Funding, which is the 7/31/20 media release that provides details of Charter’s financial position.

11. Leverage: Describe any leverage being provided by the applicant, co-applicant, and partner(s) in support of the proposed project.

**Answer:**

Franklin Southampton Economic Development, Incorporated (FSEDI), receives \$100,000 per year to manage economic development initiatives for Southampton County. For the fiscal year 2020-2021, the only major initiative assigned to FSEDI was VATI grant management for unserved areas of the County. In addition, if Charter Communications needs to apply for local permits the Southampton County Department of Community Development will waive all local permit fees associated with this project. If there is a need of acquisition of County owned rights of way or easements, the County will provide this free of charge.

12. Marketing: Describe the broadband adoption plan.

a. Explain how you plan to promote customer take rate, including marketing activities, outreach plan, and other actions to reach the identified serviceable units within the project area. Provide the anticipated take rate and describe the basis for the estimate.

b. Describe any digital literacy efforts to ensure residents and businesses in the proposed project area sufficiently utilize broadband. Please list any partnering organizations for digital literacy, such as the local library or cooperative extension office.

**Answer:**

- a. FSEDI has held public information sessions during regularly scheduled Board of Supervisors meetings to update

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and inform citizens of the broadband initiative. Citizens in the proposed project area are eager to learn if they will have broadband access in the coming year. If awarded the funds, FSEDI will place articles in the Tidewater News notifying citizens of the project and proposed project timeline. FSEDI will continue to provide public information sessions on the project throughout the year. In addition, FSEDI will participate in the morning news segments on 101.7 FM. FSEDI participates in morning news segments on a regular basis because it has proven to be effective when conducting community outreach. The take rate Charter Communications achieves is proprietary information that they do not release. Charter aggressively promotes and advertises their services to connect subscribers to their network. It is Charter's best interest to connect as many customers and meet and exceed Charters take rate. Marketing campaigns will target potential and existing customers and may include direct sales, direct mail, e-mail, TV, radio, print and digital advertising.

b. The following programs are already in place for citizens and businesses in Southampton County.

1. Blackwater Regional Library: Courtland Branch
  1. Library card gives you access to online platform 'Universal Class,' which offers self-paced online courses with instructor support.
  2. Section *Computer Literacy* offers 50+ self-paced courses to improve upon computer literacy.
2. Southampton Middle and High School
  1. Southampton County Career and Technical Education provides students with various computer literacy options in the following areas:
    1. Business and information technology
    2. Technology education
3. Paul D. Camp Community College
  1. Workforce Development Center offers computer literacy training to both college-aged students and members of the public.
4. FSEDI
  1. Offers one-on-one assistance with internet literacy
  2. Social media for business
  3. Google's "Put us on the Map" program
5. Future Opportunities
  1. FSEDI and Southampton County can offer computer literacy workshops for citizens and businesses in the proposed project area to help residents leverage internet access for job search, medical information, education, and other applications.

13. Project Management: Identify key individuals who will be responsible for the management of the project and provide a brief description of their role and responsibilities for the project. Present this information in table format. Provide a brief description of the applicant and co-applicant's history and experience with managing grants and constructing broadband communication facilities. Please attach any letters of support from stakeholders. If applicant is not a locality(s) in which the project will occur, please provide a letter of support from that locality. Attachment 10 – Letters of Support.

**Answer:**

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## Project Management Team

Name	Title	Project Role
Thomas Jacobs	Sr. Manager of Construction, Charter Communications	Walkout, mapping, and design, permitting, plant construction, splicing and activation
Eric Collins	Director of Government Affairs, Charter Communications	Project point of contact for VATI application and overall project deployment
Jay Brenchick	President and CEO, Franklin Southampton Economic Development, Inc.	Project point of contact and project manager representing the County; primary responsibility for application and contact with partners
Mike Johnson	County Administrator, Southampton County	County overall point of contact for execution of contract and other documents
Beth Lewis	Director, Southampton County Community Development	County contact for permitting, codes, right of ways, easements, and related aspects of this project
Lynette Lowe	Assistant County Administrator, Southampton County	County back-up overall point of contact for execution of contract and other documents
Susan Wright	IT Director, Southampton County	Will provide technical assistance as needed
Sheriff Josh Wyche Sr	County Sheriff	Point of contact for potential road closures and door-to-door community outreach

Eric Collins, Director of Government Affairs for Charter Communications has over 26 years of experience working in the cable and broadband industry for Charter Communications (Time Warner and Spectrum). During this time, he has managed a variety of projects that have included grant management.

Franklin Southampton Economic Development and Jay Brenchick have a combined history of 30 years in grant management some of which include the following: Community Development Block Grants, Agriculture and Forestry Industries Development Funds, Community Wealth Opportunity Fund, Local Performance Funds, Economic Development Administration grants, and local foundation and charity grants.

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Mike Johnson, Southampton County Administrator, has over 24 years of local, regional, state, and federal grant management. None of the grants managed by FSEDI and the County were used for broadband deployment but demonstrate an ability to manage grants.

See Attachment 10 - Letters of Support

## 14. Project Budget and Cost Appropriateness

**Budget:** Applicants must provide a detailed budget that outlines how the grant funds will be utilized, including an itemization of equipment, construction costs, and a justification of proposed expenses. If designating more than one service area in a single application, each service area must have delineated budget information. For wireless projects, please include delineated budget information by each tower. Expenses should be substantiated by clear cost estimates. Include copies of vendor quotes or documented cost estimates supporting the proposed budget.

**Label Attachments:** Attachment 11 – Derivation of Costs; Attachment 12 - Documentation of Supporting Cost Estimates.

### **Answer:**

100% of the requested funds will be used directly on the construction of broadband infrastructure in the proposed project area. They will not be used for marketing or operational costs. Charter's highly skilled internal construction team does the calculation based upon a physical drive out and their knowledge of the marketplace from years of experience. Charter's internal and vendor costs for construction, labor, and equipment are considered Charter proprietary information. Please see Attachment 11 – Derivation of Costs and Attachment 12 - Documentation of Supporting Cost Estimates.

**Cost Breakdown:** Project Aerial Miles 8.23; UG Miles 5.48; Total Miles 13.7; Passings 179; Labor Costs 506,213; Material Costs \$290,800; Total Cost 797,013; HPM 13.06; Cost/Mile \$58.134; Cost/Passing \$4,453; 80% Cost Grant \$637,610; 20% Cost match \$159,404

## 15. The cost benefit index is comprised of three factors: (i) state share for the total project cost, (ii) state cost per unit passed, and (iii) the internet speed. From these statistics, individual cost benefit scores are calculated and averaged together to create a point scale for a composite score. Provide the following:

- a. Total VATI funding request
- b. Number of serviceable units
- c. Highest residential speed available in proposed project area

### **Answer:**

- a. Total VATI funding request: \$637,610
- b. Number of serviceable units: 179

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c. Current highest residential speed available in proposed project area via Verizon: 15 Mbps. With VATI funding Charter will offer 940/50.

Project	State the Cost	State Cost Per Passing	Speeds
Sedley/Ivor	\$637,610	\$4,453	940/50

## 16. Commonwealth Priorities

Additional points will be awarded to proposed projects that reflect Commonwealth priorities. If applicable, describe the following:

- a. How the proposed project fits into a larger plan to achieve universal broadband coverage for the locality. Explain the remaining areas of need in the locality and a brief description of the plan to achieve universal broadband coverage.
- b. Businesses, community anchors, or other passings in the proposed project area that will have a significant impact on the locality or region because of access to broadband.
- c. Unique partnerships involved in the proposed project. Examples include electric utilities, universities, and federal/state agencies.
- d. Digital equity efforts to ensure low to moderate income households in the proposed project area will have affordable access to speeds at or above 25/3 mbps.

### Answer:

a. To achieve universal broadband coverage and hybrid of fiber optics to the premises (FTTP) and fixed wireless broadband will need to be utilized. Also, multiple ISPs and partners will be required. FSEDI has been in conversations with Prince George Electric Cooperative, Mecklenburg Electric Cooperative, Dominion Energy, and All Points Broadband for future broadband deployment phases that will require collaboration from all partners.

Prince George Electric Cooperative is both an electricity provider and an internet service provider. They currently provide electric service to a small part of northeastern Southampton County, but they do not offer broadband. Mecklenburg Electric Cooperative is both an electricity provider and an internet service provider. They currently provide electric service to a small part of northwestern Southampton County, but they do not offer broadband. In both cases, we are in discussions of how to provide broadband most effectively to their current electric services areas and beyond.

Dominion Energy is an electricity provider, but not an ISP. They can provide middle mile fiber to assist with the interconnection of service areas.

All Points Broadband is not an electricity provider. However, they offer a hybrid of fiber and state-of-the-art fixed-wireless technology to homes and businesses in communities throughout Virginia. All Point Broadband or another

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wireless provider can service the areas that Charter Communications and the electric coops cannot service.

b. The proposed area is in a rural portion of Southampton County. There are two businesses located in the project area: HG Lowe Auto Repair and Judy Blanche Hair Salon. In addition, there are two small working farms. Residents in this area have expressed interest in having a home-based business but feel they cannot due to the lack of broadband.

c. This project is a partnership between Franklin Southampton Economic Development (nonprofit), Southampton County (Government), and Charter Communication (private sector). This project is the first phase of broadband deployment that will later include partnerships with Charter Communications, Prince George Electric Cooperative, Mecklenburg Electric Cooperative, Dominion Energy, All Points Broadband, and potentially others.

d. Charter Communications offers straightforward, nationally uniform pricing to customers with no data caps or usage-based pricing, no modem fees, and no early termination fees. They schedule one-hour appointment windows when customers need at-home support, at times which work for them, including evenings and weekends.

Charter's Spectrum Internet Assist (SIA) is available to eligible households across the 41 states they serve. This low-cost broadband option for eligible families and seniors and offers speeds of 30 Mbps, which exceeds the FCC's definition of high-speed broadband. Helping bridge the digital divide for families through Spectrum Internet Assist is creating life-changing opportunities, allowing them to apply for jobs, complete homework or start their own businesses.

Spectrum Internet Assist is a low-cost, high-speed broadband service that provides new, qualifying households with internet service. Spectrum makes it simple for qualified households to sign up for low income Internet assistance.

- Free Internet modem
- High-speed Internet at 30 Mbps
- No data caps
- No contracts
- Optional in-home Wi-Fi service for an additional monthly fee

Requirements: One or more members of your household must be a recipient of one of the following assistance programs:

- National School Lunch Program (NSLP)
- Community Eligibility Provision (CEP) of the NSLP
- Supplemental Security Income (for applicants age 65+ only)

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dealing with even the most common, everyday situations. As the summer months come to an end and fall ushers in another school year, lawmakers, administrators, and educators are grappling with decisions about how and where students will resume schooling. One of the biggest factors in deciding which approach is best—whether it is in-person schooling, online learning, or a hybrid approach—is whether students have the reliable Internet connectivity in their homes necessary to attend online classes and complete schoolwork.

To help address the lack of internet connectivity faced by some student households, Spectrum Enterprise has been working on an innovative solution to help get more households connected. Through their new Stay Connected K-12 program, the Spectrum Enterprise team will work directly with school districts across our footprint to assist them in offering high-speed, cable broadband Internet access to students, educators and staff in their homes. This partnership will ensure that learning, teaching, and working are uninterrupted by giving schools and districts the flexibility to add students to the program when needed, and provide much needed in-home connectivity, which includes:

- Internet download speeds up to 50 Mbps
- Unlimited Internet usage with no data caps or speed throttling
- Cable modem, Wi-Fi and self-installation kit provided at no cost
- Wireline connectivity with over 99.9% network reliability
- 24/7/365 technical support

Throughout the COVID-19 pandemic Charter has done our part to help to ease the strain on millions of Americans, including by connecting nearly 450,000 students, teachers, and their families to up to 100 Mbps or 200 Mbps broadband service for 60 days at no cost, keeping around 700,000 customers connected when they had a hard time paying bills because of COVID-related economic hardship, and forgiving approximately \$85 million in customers' overdue balances. Spectrum gave its front-line workers a raise during the pandemic and is in the process of permanently raising its minimum wage from \$15 to \$20 per hour. Our COVID-19 pandemic response was even recognized by Forbes as one of the best in the nation. Spectrum's Stay Connected K-12 program is another way we are doing our part to respond to the pandemic and support the communities we serve.

## 17. Additional Information

17. Provide any other information that the applicant desires to include. Applicants are limited to four additional attachments.

Label Additional Attachments as:

- a. Attachment 13 – Two most recent Form 477 submitted to the FCC or equivalent
- b. Attachment 14 – XXXXXXXX

# Application to DHCD Submitted through CAMS

Franklin Southampton Economic Development, Inc.

FSEDI Southampton County VATI 2021

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c. Attachment 15 – XXXXXXXX

d. Attachment 16 – XXXXXXXX

e. Attachment 17 – XXXXXXXX

**Answer:**

N/A

**Attachments:**

Map(s) of project area, including proposed infrastructure

Attachment1ProjectAreaMap815202084100.pdf

Documentation of Federal Funding (CAF/ACAM/USDA, etc...) in and/or near proposed project area.

Attachment2DocumentationonFederalFundingArea815202084204.pdf

Documentation that proposed project area is unserved based on VATI criteria

Attachment3DocumentationUnservedAreaVATICriteria816202065645.pdf

Passings Form (Please use template provided)

Attachment4PassingsForm8162020125548.pdf

Timeline/Project Management Plan

Attachment6TimelineProjectManagementPlan816202062423.xlsx

MOU/MOA between applicant/co-applicant (can be in draft form)

Attachment7MOUMOAbetweenApplicantCoApplicant816202062817.pdf

Funding Sources Table

Attachment8FundingSourcesTable816202010729.pdf

Documentation for match funding

Attachment9DocumentationofMatchFunding816202012322.pdf

# Application to DHCD Submitted through CAMS

Franklin Southampton Economic Development, Inc.

FSEDI Southampton County VATI 2021

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## Letters of Support

Attachment10LettersofSupport814202021223.pdf

## Derivation of Cost (Project Budget)

Attachment11DerivationofCosts816202052147.xlsx

## Documentation supporting project costs (e.g. vendor quotes)

Attachment12DocumentationofSupportingCostEstimates816202040138.pdf

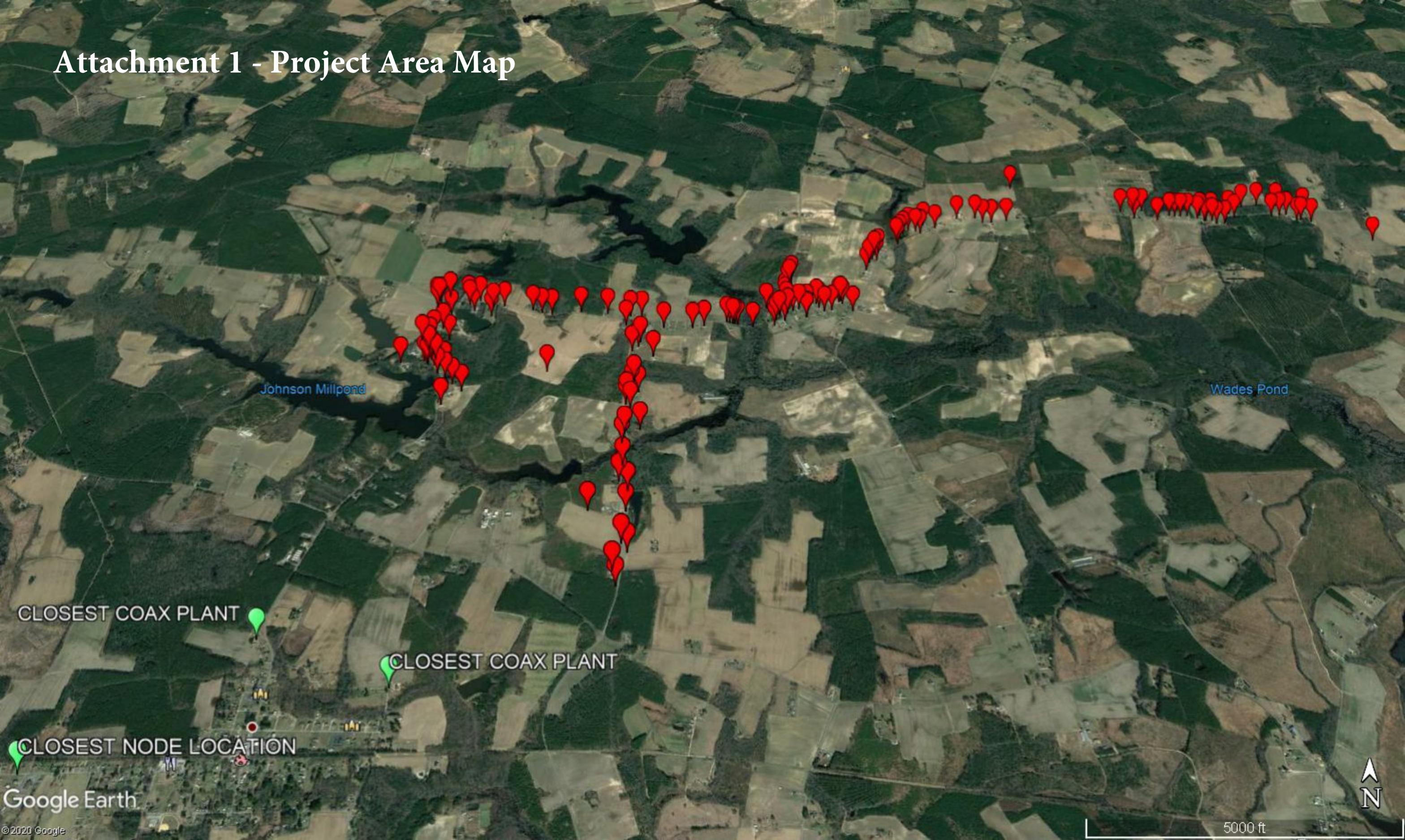
## Two most recent Form 477 submitted to FCC

Attachement13FCCForm477VAJune2019andDec2018816202052809.xlsx

## Optional

Attachment14InternetAssistEligibilityFormEnglish816202053142.pdf

# Attachment 1 - Project Area Map



Johnson Millpond

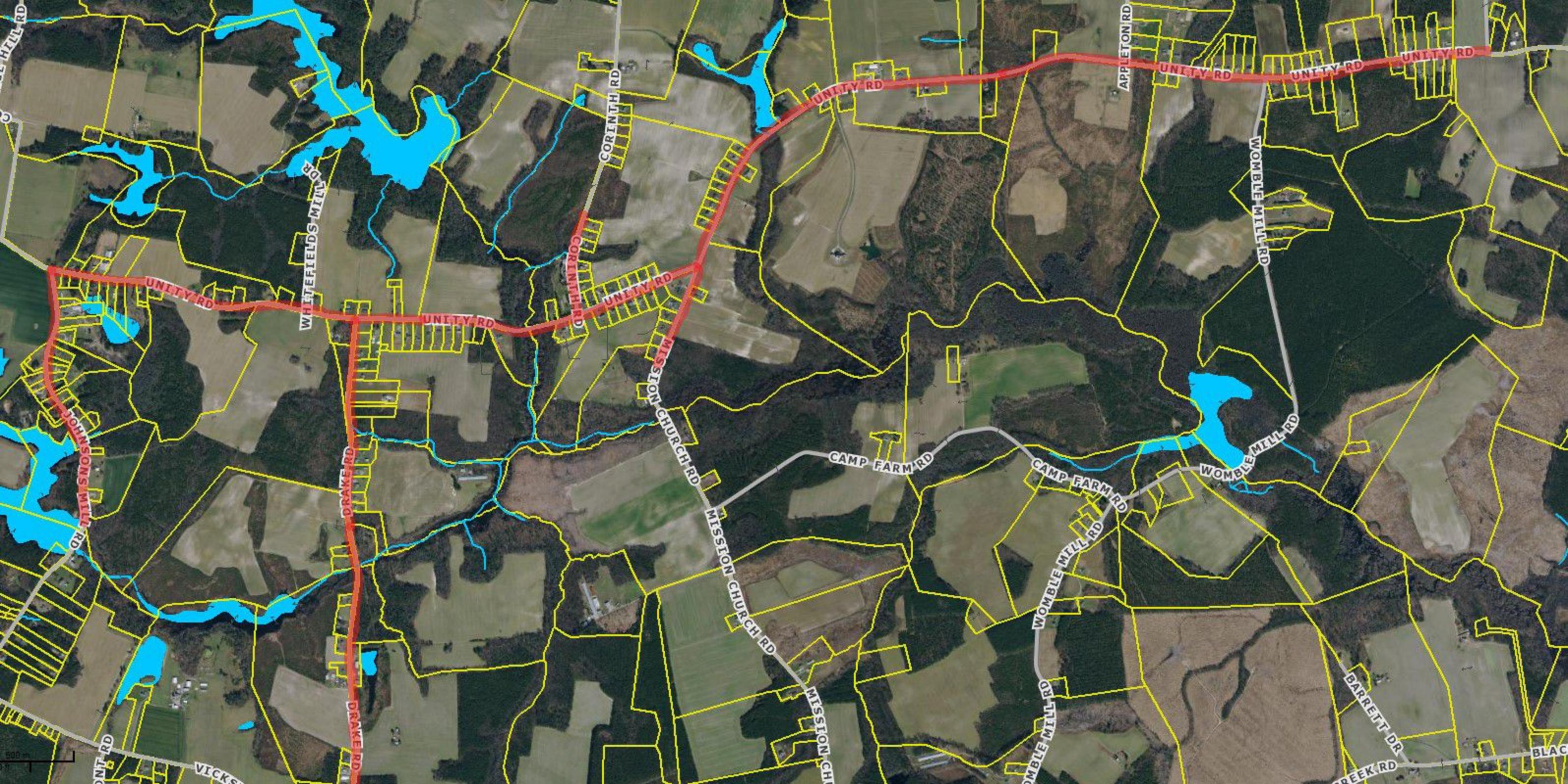
Wades Pond

CLOSEST COAX PLANT

CLOSEST COAX PLANT

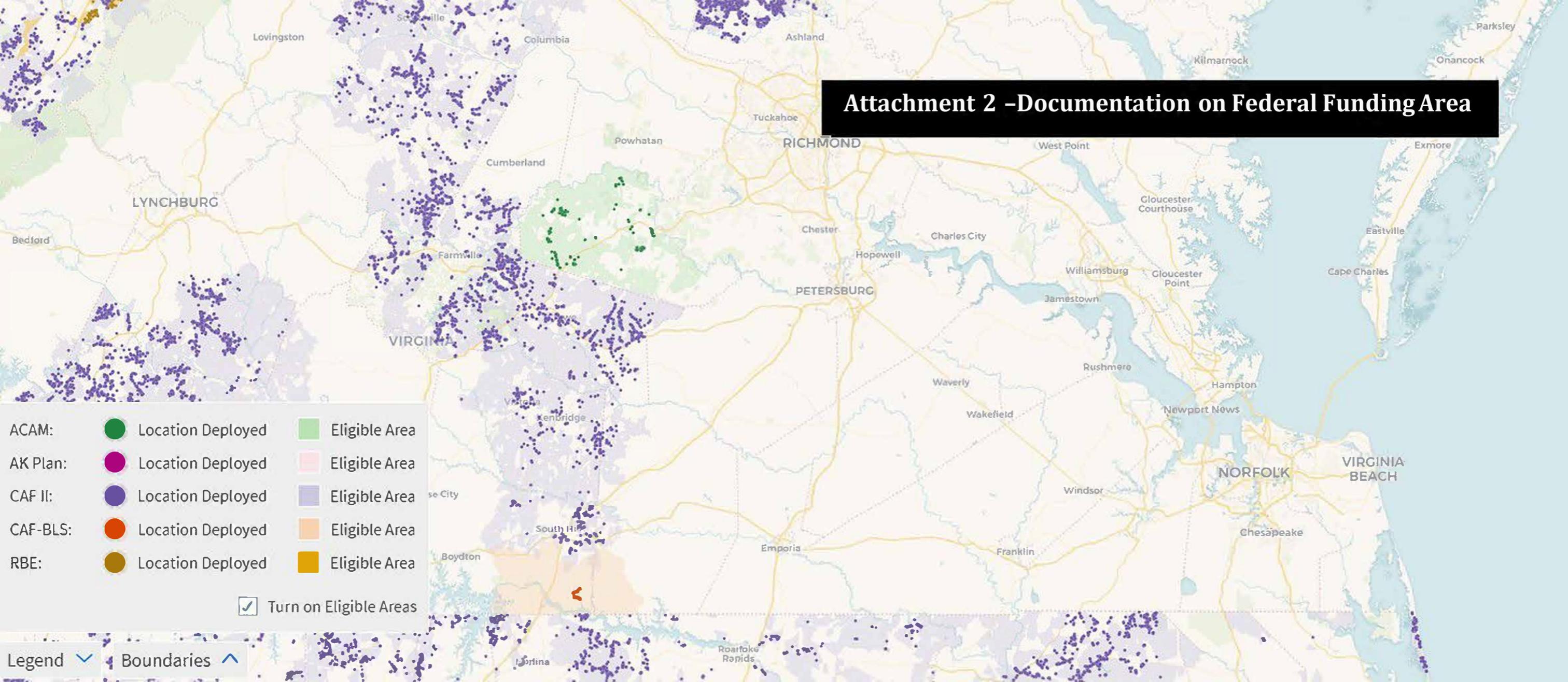
CLOSEST NODE LOCATION







# Attachment 2 - Documentation on Federal Funding Area



# Attachment 3 – Documentation Unserved Area VATI Criteria

The screenshot displays the FCC's Fixed Broadband Deployment map interface. The browser address bar shows the URL: `broadbandmap.fcc.gov/#/location-summary?version=jun2019&place_name=Sedley,%20Virginia,%20United%20States&lat=36.776000&lon=-76.984100&tech=acfosw&speed=25_3&vlat=36.805120998707196&vlon=-76.95225870014372&vzoom=13.65017...`

The interface includes the following elements:

- Header:** Federal Communications Commission logo and "Fixed Broadband Deployment" title.
- Navigation:** Home, Location Summary (selected), Area Summary, Area Comparison, Provider Detail, Data Download, About.
- Map:** A map of Sedley, Virginia, with a search bar containing "Sedley, Virginia, United States". The map shows roads like Unity Rd, Carinth Rd, and Appleton Rd.
- Data Panel (Right):**
  - All Providers Reporting Service:** Census block ID: 511752001002108.
  - Number of Fixed Residential Broadband Providers:** A color scale legend ranging from 0 (lightest) to 12 or more (darkest).
  - Broadband:** Technology: ADSL, Cable, Fiber, Fixed Wireless, Satellite, Other; Speed:  $\geq 25/3$  Mbps; Date: June 2019 (latest public release).
  - Table:**

Provider	Tech	Down (Mbps)	Up (Mbps)
Charter Communications	Cable	940	35
ViaSat, Inc.	Satellite	100	3
Hughes Network Systems, LLC	Satellite	25	3
Verizon Communications Inc.	ADSL	15	1
VSAT Systems, LLC	Satellite	2	1.3

## Attachment 4 – Passings Form

### 2021 Virginia Telecommunication Initiative (VATI)

### Passing Form

Type of Passings	Total Number in Project Area	Number with Speeds at 10/1 or below in Project Area
<b>Residential</b>	177	177
<b>Businesses (non-home based)</b>	2	2
<b>Businesses (home-based)</b>		
<b>Community Anchors</b>		
<b>Non-residential</b>		
<b>Total Number of Passings</b>	179	179

*Note: The Total Number of Passings **MUST** be equal to the Residential, Business (non-home based), Non-residential and Community Anchors sum.*

### Definitions

**Passing** – any structure that can receive service.

**Business** – An organization or entity that provides goods or services in order to generate profit. Businesses based in residential homes can count if they are a registered business (BPOL, LLC, etc.).

**Community Anchor** - schools, libraries, medical and health care providers, public safety entities, community colleges and other institutions of higher education, and other community support organizations and agencies that provide outreach, access, equipment, and support services to facilitate greater use of broadband service by vulnerable populations, including low-income, unemployed, and the aged.

**Non-Residential Passing** – places of worship, federal, state, or local facilities or other potential customers that are neither a residence, business or a community anchor as defined above.



# Attachment 7 – MOU/MOA between Applicant/Co-Applicant

## DRAFT Memorandum of Understanding between Charter Communications and Southampton County, Virginia Regarding VATI Funding Template

On {DATE}, the Virginia Department of Housing and Community Development ("DHCD") announced that it had offered Southampton County (the "Grantee") a total of {AMOUNT} in funding under the Virginia Telecommunication Initiative (VATI) program in response to the joint application of the County and Charter Communications. Pursuant to the program guidelines and statutory authority, the primary objective of the VATI is to provide financial assistance to supplement construction costs by private sector broadband providers, in partnership with local units of government to extend service to areas that presently are unserved by any broadband provider.

The grant agreement, between DHCD and the County (the "DHCD Agreement") will impose certain responsibilities on the Grantee in accepting the VATI grant. As anticipated in the joint application for funding submitted by Southampton County, Virginia and Charter Communications the parties wish to outline the roles of each party now that the grant has been awarded. Accordingly, the parties now hereby agree as follows:

Charter Communications shall perform all work described in the DHCD Agreement and {GRANT CONTRACT NUMBER} Terms and Conditions (both of which are attached hereto and incorporated herein by reference), the submitted application, project management schedule and budget. Specifically, {PROVIDER} shall complete all Grant Activities described in the DHCD Contract Documents (including but not limited to {GRANT ACTIVITIES}) on or before {DATE}. Charter Communications shall indemnify, defend and hold the County harmless for any failure(s) (a) to complete any Grant Activities described in the DHCD Contract Documents on or before {DATE of Grant Expiration} and/or (b) to achieve any project Outcomes by {Date of Construction Conclusion Per Contract} , {PROVIDER} will provide information of subscribers and speed package selected, as well as speed validation data to ensure that the proposed Outcomes have been met and broadband speeds meet VATI criteria. Charter Communications will submit a {number of invoices if predetermined} invoice for payment upon completion of the work. No VATI funds shall be distributed unless and until (a) Charter Communications has submitted all requested documents and (b) the County has verified that pre-construction and/or construction work has been completed or equipment has been ordered and received.

In their application, the parties estimated that {NUMBER OF UNITS} serviceable units will have access to the required broadband speeds. Southampton County, Virginia and Charter Communications will exercise due diligence and best efforts on community outreach and marketing the availability of service, which is the intent of the program. The parties understand, however, that the actual number of customers who choose to subscribe is beyond the parties' control. The parties also understand that the intent of the Department of Housing and Community Development is that the parties exercise due diligence and best efforts and that no funds will be returned to the Commonwealth nor retained by Southampton County so long as the parties exercise due diligence and best efforts to reach the program goals.

Southampton County, Virginia, and Charter Communications

By: \_\_\_\_\_  
{Local Signatory, Title}

By: \_\_\_\_\_  
{Provider Signatory, Title}

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment 8 - Funding Sources Table**

VATI FUNDING SOURCES TABLE

Please fill in the chart below with a description of the project funding source (local, federal, state, private, other), the amount from that source, the percentage of total project funding that source represents, and a description of the current status of the funds (pending, secured, etc.).

Source	Amount	%	Status
REQUESTED VATI	\$ 637,610	80%	Pending
CHARTER COMMUNICATIONS	\$ 159,403	20%	Secured, but Pending VATI Approval
	\$		
	\$		
	\$		
	\$		
	\$		
<b>TOTAL</b>	<b>\$ 797,013</b>	<b>100 %</b>	



## Charter Announces Second Quarter 2020 Results

**Stamford, Connecticut** - July 31, 2020 - Charter Communications, Inc. (along with its subsidiaries, the "Company" or "Charter") today reported financial and operating results for the three and six months ended June 30, 2020.

### Key highlights:

- Second quarter total residential and SMB customer relationships<sup>1</sup> increased by 755,000, compared to 203,000 during the second quarter of 2019. Second quarter total residential and SMB Internet customers<sup>1</sup> increased by 850,000, compared to 258,000 during the second quarter of 2019.
- Charter added 325,000 *Spectrum Mobile*<sup>™</sup> lines in the second quarter, and as of June 30, 2020, Charter served a total of 1.7 million mobile lines.
- Second quarter revenue of \$11.7 billion grew by 3.1% year-over-year, driven by residential revenue growth of 4.1%, mobile revenue growth of 96.1% and SMB revenue growth of 2.0%.
- Second quarter Adjusted EBITDA<sup>2</sup> of \$4.5 billion grew by 7.3% year-over-year, while second quarter cable Adjusted EBITDA<sup>2</sup> of \$4.6 billion grew by 6.7% year-over-year.
- Net income attributable to Charter shareholders totaled \$766 million in the second quarter, compared to \$314 million during the same period last year.
- Second quarter capital expenditures totaled \$1.9 billion and included \$125 million of mobile-related capital expenditures.
- Consolidated free cash flow<sup>2</sup> for the second quarter of 2020 totaled \$1.9 billion, compared to \$1.1 billion in 2019. Cable free cash flow<sup>2</sup> totaled \$2.1 billion for the second quarter of 2020, versus \$1.4 billion in 2019.
- During the second quarter, Charter purchased approximately 2.3 million shares of Charter Class A common stock and Charter Communications Holdings, LLC ("Charter Holdings") common units for approximately \$1.2 billion.

"Our ability to grow our services this year for new and existing customers, is a testament to our operating strategy, the quality of our products and our significant investment in systems and people over the last several years," said Tom Rutledge, CEO and Chairman of Charter Communications, Inc. "We continue to perform in a difficult and disruptive environment, and all of us at Charter are proud of our work in serving the communities in which we operate."

<sup>1</sup> Results include the impact of COVID-19 related offers and programs launched by Charter in the first quarter of 2020. See page 3 for additional information.

<sup>2</sup> Adjusted EBITDA, cable Adjusted EBITDA, free cash flow and cable free cash flow are non-GAAP measures defined in the "Use of Adjusted EBITDA and Free Cash Flow Information" section and are reconciled to net income attributable to Charter shareholders and net cash flows from operating activities, respectively, in the addendum of this news release.

**Key Operating Results**

	<u>Approximate as of</u>		<u>Y/Y Change</u>
	<u>June 30, 2020 (a)</u>	<u>June 30, 2019 (a)</u>	
<b><u>Footprint (b)</u></b>			
Estimated Passings	52,714	51,619	2.1 %
<b><u>Penetration Statistics (c)</u></b>			
Total Customer Relationship Penetration of Estimated Passings	57.8 %	55.5 %	2.3 ppts
<b><u>Customer Relationships (d)</u></b>			
Residential	28,496	26,755	6.5 %
Small and Medium Business	1,980	1,902	4.1 %
Total Customer Relationships	30,476	28,657	6.3 %
<b><u>Quarterly Net Additions (Losses)</u></b>			
Residential	751	164	357.5 %
Small and Medium Business	4	39	(90.5)%
Total Customer Relationships	755	203	271.5 %
<b>Residential</b>			
<b><u>Primary Service Units ("PSUs")</u></b>			
Internet	26,313	24,244	8.5 %
Video	15,652	15,802	(0.9)%
Voice	9,398	9,808	(4.2)%
<b><u>Quarterly Net Additions (Losses)</u></b>			
Internet	842	221	280.8 %
Video	102	(150)	167.7 %
Voice	38	(207)	118.5 %
Single Play (e)	12,552	11,354	10.5 %
Double Play (e)	9,021	7,709	17.0 %
Triple Play (e)	6,923	7,692	(10.0)%
Single Play Penetration (f)	44.0 %	42.4 %	1.6 ppts
Double Play Penetration (f)	31.7 %	28.8 %	2.9 ppts
Triple Play Penetration (f)	24.3 %	28.8 %	(4.5) ppts
% Residential Non-Video Customer Relationships	45.1 %	40.9 %	4.2 ppts
Monthly Residential Revenue per Residential Customer (g)	\$110.82	\$112.20	(1.2)%
<b>Small and Medium Business</b>			
<b><u>PSUs</u></b>			
Internet	1,783	1,701	4.8 %
Video	516	518	(0.4)%
Voice	1,169	1,097	6.5 %
<b><u>Quarterly Net Additions (Losses)</u></b>			
Internet	8	37	(79.6)%
Video	(8)	9	(197.5)%
Voice	7	25	(71.7)%
Monthly Small and Medium Business Revenue per Customer (h)	\$166.06	\$170.42	(2.6)%
<b>Mobile Lines</b>			
Residential and Small and Medium Business Mobile Lines	1,697	518	227.8 %
Net Additions	325	208	56.3 %
<b>Enterprise PSUs (i)</b>			
Enterprise PSUs	270	258	4.9 %
Net Additions	1	5	(75.3)%

**Footnotes**

In thousands, except per customer and penetration data. See footnotes to unaudited summary of operating statistics on page 5 of the addendum of this news release. The footnotes contain important disclosures regarding the definitions used for these operating statistics.

All percentages are calculated using whole numbers. Minor differences may exist due to rounding.

**Customers and Net Additions on COVID-19 Offers**  
**For the quarter ended June 30, 2020**  
*(in thousands)*

	Remote Education Offer (a)	Keep Americans Connected (b)	Seasonal Plan (c)	Total
<b>Residential</b>				
Customer Relationships	160	208	n/a	368
Internet PSUs	160	202	n/a	362
Video PSUs	58 (d)	148	n/a	206
Voice PSUs	46 (d)	90	n/a	136
Mobile Lines	10 (d)	8	n/a	18
<b>Quarterly Net Additions</b>				
Customer Relationships	41	207	n/a	248
Internet PSUs	41	201	n/a	242
Video PSUs	12 (d)	147	n/a	159
Voice PSUs	12 (d)	90	n/a	102
Mobile Lines	7 (d)	8	n/a	15
<b>Small and Medium Business</b>				
Customer Relationships	n/a	14	13	27
Internet PSUs	n/a	13	11	24
Video PSUs	n/a	6	13	19
Voice PSUs	n/a	11	8	19
Mobile Lines	n/a	—	—	—
<b>Quarterly Net Additions</b>				
Customer Relationships	n/a	14	8	22
Internet PSUs	n/a	13	7	20
Video PSUs	n/a	6	11	17
Voice PSUs	n/a	11	5	16
Mobile Lines	n/a	—	—	—
<b>Enterprise PSUs</b>				
Enterprise PSUs	n/a	1	9	10

- (a) The Remote Education Offer ("REO") represents residential customers receiving free Internet service by participating in Charter's free 60-day Internet offer available to households with K-12 and/or college students or educators who were not Spectrum Internet customers. This offer for new customers ended on June 30, 2020. These residential customers are generally eligible to purchase additional products and services (i.e. video, voice and mobile) at current promotional rates. Of the 448,000 Internet customers who were added as part of the REO through June 30, 2020 (of which 119,000 were added in March), 160,000 remained within their 60-day free period with 288,000 having rolled off the promotional period as of June 30, 2020. Nearly 90% of cumulative connects on the REO remained Internet customers as of July 27, 2020.
- (b) As part of our March 2020 pledge to the FCC which we extended through June 30, Keep Americans Connected ("KAC") represents customers who requested to not be disconnected from service due to COVID-19 related payment challenges and would have been disconnected under our normal collection policies during the pledge period. Approximately 600,000 residential customers and 100,000 SMB customers had requested protection from disconnection, of which at the peak of the program, 208,000 and 14,000, respectively, would have been disconnected under our normal collection policies. Approximately 30% of the KAC customer bills were current, and over 60% were making partial or full payments. In an effort to assist these COVID-19 impacted customers with overdue balances, Charter waived \$76 million of residential, \$6 million of SMB and \$3 million of mobile receivables, each of which were recorded as a reduction to revenue in the second quarter. These customers no longer have an overdue balance and will be subject to Charter's standard collection practices going forward.
- (c) Represents small and medium businesses and Enterprise hospitality customers who have requested a reduced level of service and now pay a reduced price for their service due to temporary business closure or because these customers have reduced their service offering to their own customers.
- (d) Customers who are receiving free Internet Service as part of the REO who have subscribed to products in addition to Spectrum Internet (i.e., video, voice, mobile) during the 60-day Free Internet Offer. Billings are not deferred for these additional services.

To assist communities impacted by the COVID-19 pandemic, in March, Charter launched its Remote Education Offer providing free *Spectrum Internet*<sup>®</sup> for 60 days to households with K-12 and/or college students as well as educators that did not already have *Spectrum Internet* service. This offer for new customers ended on June 30, 2020. The majority of customers that participated in the Remote Education Offer chose to be provided with Internet service at flagship speeds (i.e., 200 Mbps or 100 Mbps). Furthermore, as of June 30, 2020, nearly 50% of participants in the Remote Education Offer chose to subscribe to additional services (i.e., video, voice, mobile) from Charter, and were billed for these additional services. Charter also participated in the Federal Communication Commission's ("FCC") Keep Americans Connected Pledge through June 30, 2020, pausing disconnects and collection efforts for residential and SMB customers impacted by COVID-19. In an effort to assist these COVID-19 impacted customers with overdue balances, Charter waived \$76 million of residential, \$6 million of SMB and \$3 million of mobile receivables which were recorded as reductions to revenue in the second quarter of 2020. As a result, these customers no longer have overdue balances. Finally, Charter provided a seasonal plan at reduced rates to SMB and Enterprise customers that have temporarily closed or because these customers have reduced their service offerings to their own customers. The following discussion includes the impact of Charter's COVID-19 related offers and programs, which were generally provided up to June 30, 2020, on customer results and data. See page 3 for the total number of customers participating in these COVID-19 related offers and programs as of June 30, 2020.

During the second quarter of 2020, Charter's residential customer relationships grew by 751,000, while second quarter 2019 residential customer relationships grew by 164,000. As of June 30, 2020, Charter had 28.5 million residential customer relationships, with year-over-year growth of 1.7 million, or 6.5%.

Charter added 842,000 residential Internet customers in the second quarter of 2020, versus second quarter 2019 residential Internet customer net additions of 221,000. As of June 30, 2020, Charter had 26.3 million residential Internet customers, with over 85% subscribing to tiers that provided 100 Mbps or more of speed. Currently, 200 Mbps is the slowest speed offered to new *Spectrum Internet* customers in approximately 60% of Charter's footprint, with 100 Mbps the slowest speed offered in the remaining 40% of its footprint.

Residential video customers increased by 102,000 in the second quarter of 2020, while second quarter 2019 residential video customers decreased by 150,000. As of June 30, 2020, Charter had 15.7 million residential video customers.

During the second quarter of 2020, residential wireline voice customers increased by 38,000, while second quarter 2019 voice customers declined by 207,000. As of June 30, 2020, Charter had 9.4 million residential wireline voice customers.

Second quarter 2020 residential revenue per residential customer (excluding mobile) totaled \$110.82, and declined by 1.2% compared to the prior year period, given the waiver of overdue customer balances for customers offered protection following Charter's participation in the FCC's Keep Americans Connected Pledge, Charter's Remote Education Offer, a higher percentage of non-video customers and a higher mix of lower priced video packages within Charter's video customer base, partly offset by promotional rate step-ups and rate adjustments.

During the second quarter of 2020, Charter added 325,000 mobile lines, and as of June 30, 2020, Charter served a total of 1.7 million mobile lines. *Spectrum Mobile* is available to all new and existing *Spectrum Internet* customers and runs on America's most awarded LTE network combined with *Spectrum WiFi*. *Spectrum Mobile* customers can choose one of two simple ways to pay for data, "Unlimited" for \$45 a month (per line), or "By the Gig" at \$14/GB, in both cases including applicable fees and taxes. Earlier this year, *Spectrum Mobile* launched 5G service. Customers with a \$45/monthly unlimited data plan can use 5G phones to access 5G service at no additional cost in select cities nationwide.

SMB customer relationships grew by 4,000 during the second quarter of 2020, compared to growth of 39,000 during the second quarter of 2019. As of June 30, 2020, Charter had 2.0 million SMB customer relationships, with year-over-year growth of 4.1%. Enterprise PSUs grew by 1,000 during the second quarter of 2020 compared to growth of 5,000 during the second quarter of 2019. As of June 30, 2020, Charter had 270,000 enterprise PSUs, with growth of 4.9% year-over-year.

**Second Quarter Financial Results**

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND OPERATING DATA**  
(dollars in millions, except per share data)

	Three Months Ended June 30,		
	2020	2019	% Change
<b>REVENUES:</b>			
Internet	\$ 4,530	\$ 4,103	10.4 %
Video	4,371	4,391	(0.4)%
Voice	451	489	(7.7)%
Residential revenue	9,352	8,983	4.1 %
Small and medium business	983	963	2.0 %
Enterprise	606	652	(7.1)%
Commercial revenue	1,589	1,615	(1.7)%
Advertising sales	249	395	(37.0)%
Mobile	310	158	96.1 %
Other	196	196	— %
Total Revenue	11,696	11,347	3.1 %
<b>COSTS AND EXPENSES:</b>			
Cable operating costs and expenses	6,794	6,885	(1.3)%
Mobile operating costs and expenses	413	277	48.6 %
Total operating costs and expenses	7,207	7,162	0.6 %
Adjusted EBITDA	\$ 4,489	\$ 4,185	7.3 %
Adjusted EBITDA margin	38.4 %	36.9 %	
Cable Adjusted EBITDA	\$ 4,592	\$ 4,304	6.7 %
Cable Adjusted EBITDA margin	40.3 %	38.5 %	
Capital Expenditures	\$ 1,877	\$ 1,597	
% Total Revenue	16.1 %	14.1 %	
Cable Capital Expenditures	\$ 1,752	\$ 1,504	
% Total Cable Revenue	15.4 %	13.4 %	
Net income attributable to Charter shareholders	\$ 766	\$ 314	
Earnings per common share attributable to Charter shareholders:			
Basic	\$ 3.72	\$ 1.41	
Diluted	\$ 3.63	\$ 1.39	
Net cash flows from operating activities	\$ 3,529	\$ 2,761	
Free cash flow	\$ 1,866	\$ 1,112	
Cable free cash flow	\$ 2,099	\$ 1,409	

**Revenues**

Second quarter revenue increased by 3.1% year-over-year to \$11.7 billion, driven by growth in Internet, mobile and SMB. Excluding mobile, revenue grew by 1.8% year-over-year.

Residential revenue totaled \$9.4 billion in the second quarter, an increase of 4.1% year-over-year, despite \$76 million of customer receivables which Charter has waived to address past due balances for customers offered collection protection following Charter's participation in the FCC's Keep Americans Connected Pledge.

Internet revenue grew by 10.4% compared to the year-ago quarter, to \$4.5 billion, driven by growth in Internet customers during the last year, promotional rolloff and rate adjustments, partly offset by the aforementioned waiver of overdue customer balances.

Video revenue totaled \$4.4 billion in the second quarter, a decrease of 0.4% compared to the prior year period, driven by a decline in video customers during the last year, a higher mix of lower priced video packages within Charter's video customer base and the aforementioned waiver of overdue customer balances, partly offset by rate adjustments and promotional rolloff.

Voice revenue totaled \$451 million in the second quarter, a decrease of 7.7% compared to the second quarter of 2019, driven by a decline in wireline voice customers over the last twelve months and value-based pricing.

Commercial revenue declined to \$1.6 billion, a decrease of 1.7% over the prior year period, driven by a decline in enterprise revenue of 7.1%, partly offset by SMB revenue growth of 2.0%. SMB revenue in the second quarter was negatively impacted by \$17 million of COVID-19 related seasonal plans and receivables waived to address past due balances for customers offered collection protection following Charter's participation in the FCC's Keep Americans Connected Pledge. Excluding one-time COVID-19 related impacts, SMB revenue grew by 3.8% year-over-year reflecting lower SMB unit growth during the pandemic. Second quarter enterprise revenue was negatively impacted by Charter's sale of Navisite in the third quarter of 2019 and \$18 million of COVID-19 related hospitality customer credits. Excluding Navisite revenue from the second quarter of 2019 and one-time COVID-19 related impacts, commercial and enterprise revenue grew by 2.8% and 1.3% year-over-year, respectively.

Second quarter advertising sales revenue of \$249 million decreased by 37.0% compared to the year-ago quarter, driven by lower local and national sales due to the COVID-19 pandemic. Excluding political revenue in both periods, advertising sales revenue declined by 40.8% year-over-year.

Second quarter mobile revenue totaled \$310 million, an increase of 96.1% year-over-year.

Other revenue totaled \$196 million in the second quarter, in-line with the prior year.

### Operating Costs and Expenses

Second quarter total operating costs and expenses increased by \$45 million, or 0.6% year-over-year. Excluding mobile costs in both periods, operating costs and expenses decreased by 1.3% compared to the year-ago quarter.

Second quarter programming costs increased by \$46 million, or 1.6% as compared to the second quarter of 2019, reflecting contractual programming increases and renewals, partly offset by lower video customers and a higher mix of lower cost video packages within Charter's video customer base.

Regulatory, connectivity and produced content expenses decreased by \$109 million, or 18.3% year-over-year, primarily driven by delayed sports rights costs.

Costs to service customers increased by \$81 million, or 4.6% year-over-year, despite year-over-year residential and SMB customer growth of 6.3%. In addition to customer growth and record transaction volume for new sales and service, the year-over-year increase in costs to service customers was driven by previously announced accelerated wage benefits for hourly field operations and call center employees and COVID-19 related flex time, partly offset by lower medical costs and a one-time payroll tax credit. While bad debt increased 5.0% year-over-year, bad debt in the second quarter benefited from the revenue reduction for Keep Americans Connected customers and better collections from other customers as a result of Federal stimulus under the CARES Act.

Marketing expenses decreased by \$49 million, or 6.3% year-over-year, primarily driven by better media placement rates and a one-time payroll tax credit.

Other expenses decreased by \$60 million, or 6.6% as compared to the second quarter of 2019 primarily driven by lower advertising sales expense, enterprise costs from the sale of Navisite, employee travel expense and insurance costs.

Second quarter mobile costs totaled \$413 million, an increase of 48.6% year-over-year, and were comprised of device costs, customer acquisition costs, and service and operating costs.

### Adjusted EBITDA

Second quarter Adjusted EBITDA of \$4.5 billion grew by 7.3% year-over-year, reflecting growth in revenue and operating expenses of 3.1% and 0.6%, respectively. Second quarter cable Adjusted EBITDA grew by 6.7% year-over-year reflecting growth in cable revenue of 1.8% and a decline in cable operating expenses of 1.3%.

### Net Income Attributable to Charter Shareholders

Net income attributable to Charter shareholders totaled \$766 million in the second quarter of 2020, compared to \$314 million in the second quarter of 2019. The year-over-year increase in net income attributable to Charter shareholders was primarily driven by higher Adjusted EBITDA, a non-cash gain on financial instruments in the current year period versus a loss in the prior year period and lower depreciation and amortization, partly offset by higher tax expense.

Net income per basic common share attributable to Charter shareholders totaled \$3.72 in the second quarter of 2020 compared to \$1.41 during the same period last year. The increase was primarily the result of the factors described above in addition to a 7.5% decrease in weighted average common shares outstanding versus the prior year period.

### Capital Expenditures

Property, plant and equipment expenditures totaled \$1.9 billion in the second quarter of 2020, compared to \$1.6 billion during the second quarter of 2019, primarily driven by increases in scalable infrastructure, line extensions and Internet CPE. The year-over-year increase in scalable infrastructure spending was primarily due to core network enhancements and node splits to maintain excess network capacity with growing customers and traffic. The increase in line extensions was driven by continued network expansion, including to rural areas. The increase in Internet CPE spending was due to higher Internet customer growth. Second quarter capital expenditures included \$125 million of mobile costs, most of which are included in support capital.

Charter currently expects 2020 cable capital expenditures to decline as a percentage of cable revenue versus 2019.

### Cash Flow and Free Cash Flow

During the second quarter of 2020, net cash flows from operating activities totaled \$3.5 billion, compared to \$2.8 billion in the prior year quarter. The year-over-year increase in net cash flows from operating activities was primarily due to higher Adjusted EBITDA and a favorable change in working capital.

Consolidated free cash flow for the second quarter of 2020 totaled \$1.9 billion, compared to \$1.1 billion during the same period last year. Cable free cash flow for the second quarter of 2020 totaled \$2.1 billion, compared to \$1.4 billion during the same period last year. The year-over-year increases in consolidated free cash flow and cable free cash flow were driven by an increase in net cash flows from operating activities.

Liquidity & Financing

As of June 30, 2020, total principal amount of debt was \$77.8 billion and Charter's credit facilities provided approximately \$4.7 billion of additional liquidity in excess of Charter's \$2.1 billion cash position.

In April 2020, Charter Communications Operating, LLC and Charter Communications Operating Capital Corp. issued \$1.6 billion of 2.800% senior secured notes due 2031 and \$1.4 billion of 3.700% senior secured notes due 2051. The proceeds were used to pay related fees and expenses and for general corporate purposes.

In June 2020, Charter Communications Operating, LLC and Charter Communications Operating Capital Corp. redeemed all of their 3.579% senior secured notes due July 2020.

In July 2020, CCO Holdings, LLC ("CCO Holdings") and CCO Holdings Capital Corp. issued \$3.0 billion of 4.250% senior unsecured notes due 2031. The proceeds will be used to pay related fees and expenses and for general corporate purposes, including repaying certain indebtedness, including all of CCO Holdings' 5.875% senior notes due 2024, as well as funding buybacks of Charter Class A common stock and/or Charter Holdings common units.

Share Repurchases

During the three months ended June 30, 2020, Charter purchased approximately 2.3 million shares of Charter Class A common stock and Charter Holdings common units for approximately \$1.2 billion.

### ***Conference Call***

Charter will host a conference call on Friday, July 31, 2020 at 8:30 a.m. Eastern Time (ET) related to the contents of this release.

The conference call will be webcast live via the Company's investor relations website at [ir.charter.com](http://ir.charter.com). The call will be archived under the "Financial Information" section two hours after completion of the call. Participants should go to the webcast link no later than 10 minutes prior to the start time to register.

Those participating via telephone should dial 866-919-0894 no later than 10 minutes prior to the call. International participants should dial 706-679-9379. The conference ID code for the call is 5936339.

A replay of the call will be available at 855-859-2056 or 404-537-3406 beginning two hours after the completion of the call through the end of business on August 14, 2020. The conference ID code for the replay is 5936339.

### ***Additional Information Available on Website***

The information in this press release should be read in conjunction with the financial statements and footnotes contained in the Company's Quarterly Report on Form 10-Q for the three and six months ended June 30, 2020, which will be posted on the "Financial Information" section of our investor relations website at [ir.charter.com](http://ir.charter.com), when it is filed with the Securities and Exchange Commission (the "SEC"). A slide presentation to accompany the conference call and a trending schedule containing historical customer and financial data will also be available in the "Financial Information" section.

### **Use of Adjusted EBITDA and Free Cash Flow Information**

The company uses certain measures that are not defined by U.S. generally accepted accounting principles ("GAAP") to evaluate various aspects of its business. Adjusted EBITDA and free cash flow are non-GAAP financial measures and should be considered in addition to, not as a substitute for, net income attributable to Charter shareholders and net cash flows from operating activities reported in accordance with GAAP. These terms, as defined by Charter, may not be comparable to similarly titled measures used by other companies. Adjusted EBITDA and free cash flow are reconciled to net income attributable to Charter shareholders and net cash flows from operating activities, respectively, in the Addendum to this release.

Adjusted EBITDA is defined as net income attributable to Charter shareholders plus net income attributable to noncontrolling interest, net interest expense, income taxes, depreciation and amortization, stock compensation expense, loss on extinguishment of debt, (gain) loss on financial instruments, net, other pension (benefits) costs, net, other (income) expense, net and other operating (income) expenses, such as special charges and (gain) loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of the Company's businesses as well as other non-cash or special items, and is unaffected by the Company's capital structure or investment activities. However, this measure is limited in that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues and the cash cost of financing. These costs are evaluated through other financial measures.

Free cash flow is defined as net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.

Management and Charter's board of directors use Adjusted EBITDA and free cash flow to assess Charter's performance and its ability to service its debt, fund operations and make additional investments

with internally generated funds. In addition, Adjusted EBITDA generally correlates to the leverage ratio calculation under the Company's credit facilities or outstanding notes to determine compliance with the covenants contained in the facilities and notes (all such documents have been previously filed with the SEC). For the purpose of calculating compliance with leverage covenants, the Company uses Adjusted EBITDA, as presented, excluding certain expenses paid by its operating subsidiaries to other Charter entities. The Company's debt covenants refer to these expenses as management fees, which were \$308 million and \$619 million for the three and six months ended June 30, 2020, respectively, and \$299 million and \$599 million for the three and six months ended June 30, 2019, respectively.

Cable Adjusted EBITDA is defined as Adjusted EBITDA less mobile revenues plus mobile operating costs and expenses. Cable free cash flow is defined as free cash flow plus mobile net cash outflows from operating activities and mobile capital expenditures. Management and Charter's board of directors use cable Adjusted EBITDA and cable free cash flow to provide management and investors a more meaningful year-over-year perspective on the financial and operational performance and trends of our core cable business without the impact of the revenue, costs and capital expenditures in the initial funding period to grow a new product line as well as the negative working capital impacts from the timing of device-related cash flows when we sell the handset or tablet to customers pursuant to equipment installment plans.

## About Charter

Charter Communications, Inc. (NASDAQ:CHTR) is a leading broadband connectivity company and cable operator serving more than 30 million customers in 41 states through its Spectrum brand. Over an advanced communications network, the company offers a full range of state-of-the-art residential and business services including Spectrum Internet®, TV, Mobile and Voice.

For small and medium-sized companies, Spectrum Business® delivers the same suite of broadband products and services coupled with special features and applications to enhance productivity, while for larger businesses and government entities, Spectrum Enterprise provides highly customized, fiber-based solutions. Spectrum Reach® delivers tailored advertising and production for the modern media landscape. The company also distributes award-winning news coverage, sports and high-quality original programming to its customers through Spectrum Networks and Spectrum Originals. More information about Charter can be found at [corporate.charter.com](http://corporate.charter.com).

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### Contact:

Media:

Justin Venech  
203-905-7818

Analysts:

Stefan Anninger  
203-905-7955

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This communication includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our plans, strategies and prospects, both business and financial. Although we believe that our plans, intentions and expectations as reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions including, without limitation, the factors described under “Risk Factors” from time to time in our filings with the SEC. Many of the forward-looking statements contained in this communication may be identified by the use of forward-looking words such as “believe,” “expect,” “anticipate,” “should,” “planned,” “will,” “may,” “intend,” “estimated,” “aim,” “on track,” “target,” “opportunity,” “tentative,” “positioning,” “designed,” “create,” “predict,” “project,” “initiatives,” “seek,” “would,” “could,” “continue,” “ongoing,” “upside,” “increases,” “focused on” and “potential,” among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this communication are set forth in our annual report on Form 10-K, and in other reports or documents that we file from time to time with the SEC, and include, but are not limited to:

- the impact of the COVID-19 pandemic on the economy, our customers, our vendors, local, state and federal governmental responses to the pandemic and our businesses generally;
- our ability to sustain and grow revenues and cash flow from operations by offering Internet, video, voice, mobile, advertising and other services to residential and commercial customers, to adequately meet the customer experience demands in our service areas and to maintain and grow our customer base, particularly in the face of increasingly aggressive competition, the need for innovation and the related capital expenditures;
- the impact of competition from other market participants, including but not limited to incumbent telephone companies, direct broadcast satellite (“DBS”) operators, wireless broadband and telephone providers, digital subscriber line (“DSL”) providers, fiber to the home providers and providers of video content over broadband Internet connections;
- our ability to obtain programming at reasonable prices or to raise prices to offset, in whole or in part, the effects of higher programming costs (including retransmission consents);
- our ability to develop and deploy new products and technologies including mobile products and any other consumer services and service platforms;
- any events that disrupt our networks, information systems or properties and impair our operating activities or our reputation;
- the effects of governmental regulation on our business including costs, disruptions and possible limitations on operating flexibility related to, and our ability to comply with, regulatory conditions applicable to us as a result of the Time Warner Cable Inc. and Bright House Networks, LLC Transactions;
- general business conditions, economic uncertainty or downturn, including the impacts of the COVID-19 pandemic to unemployment levels and the level of activity in the housing sector;
- the ability to retain and hire key personnel;
- the availability and access, in general, of funds to meet our debt obligations prior to or when they become due and to fund our operations and necessary capital expenditures, either through (i) cash on hand, (ii) free cash flow, or (iii) access to the capital or credit markets; and
- our ability to comply with all covenants in our indentures and credit facilities, any violation of which, if not cured in a timely manner, could trigger a default of our other obligations under cross-default provisions.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We are under no duty or obligation to update any of the forward-looking statements after the date of this communication.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND OPERATING DATA**  
(dollars in millions, except per share data)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	% Change	2020	2019	% Change
<b>REVENUES:</b>						
Internet	\$ 4,530	\$ 4,103	10.4 %	\$ 8,937	\$ 8,127	10.0 %
Video	4,371	4,391	(0.4)%	8,793	8,775	0.2 %
Voice	451	489	(7.7)%	908	993	(8.6)%
Residential revenue	9,352	8,983	4.1 %	18,638	17,895	4.2 %
Small and medium business	983	963	2.0 %	1,979	1,908	3.7 %
Enterprise	606	652	(7.1)%	1,228	1,295	(5.2)%
Commercial revenue	1,589	1,615	(1.7)%	3,207	3,203	0.1 %
Advertising sales	249	395	(37.0)%	614	740	(17.1)%
Mobile	310	158	96.1 %	568	298	90.9 %
Other	196	196	— %	407	417	(2.3)%
Total Revenue	<u>11,696</u>	<u>11,347</u>	3.1 %	<u>23,434</u>	<u>22,553</u>	3.9 %
<b>COSTS AND EXPENSES:</b>						
Programming	2,873	2,827	1.6 %	5,765	5,692	1.3 %
Regulatory, connectivity and produced content	488	597	(18.3)%	1,039	1,158	(10.3)%
Costs to service customers	1,848	1,767	4.6 %	3,696	3,589	3.0 %
Marketing	719	768	(6.3)%	1,485	1,503	(1.2)%
Mobile	413	277	48.6 %	787	537	46.6 %
Other expense	866	926	(6.6)%	1,777	1,834	(3.1)%
Total operating costs and expenses (exclusive of items shown separately below)	<u>7,207</u>	<u>7,162</u>	0.6 %	<u>14,549</u>	<u>14,313</u>	1.7 %
Adjusted EBITDA	<u>4,489</u>	<u>4,185</u>	7.3 %	<u>8,885</u>	<u>8,240</u>	7.8 %
Adjusted EBITDA margin	<u>38.4 %</u>	<u>36.9 %</u>		<u>37.9 %</u>	<u>36.5 %</u>	
Depreciation and amortization	2,428	2,500		4,925	5,050	
Stock compensation expense	90	82		180	167	
Other operating expenses, net	2	62		9	57	
Income from operations	<u>1,969</u>	<u>1,541</u>		<u>3,771</u>	<u>2,966</u>	
<b>OTHER INCOME (EXPENSES):</b>						
Interest expense, net	(957)	(945)		(1,937)	(1,870)	
Loss on extinguishment of debt	(36)	—		(63)	—	
Gain (loss) on financial instruments, net	64	(119)		(254)	(82)	
Other pension benefits, net	11	9		21	18	
Other expense, net	(9)	(16)		—	(126)	
	<u>(927)</u>	<u>(1,071)</u>		<u>(2,233)</u>	<u>(2,060)</u>	
Income before income taxes	1,042	470		1,538	906	
Income tax expense	(166)	(84)		(195)	(203)	
Consolidated net income	<u>876</u>	<u>386</u>		<u>1,343</u>	<u>703</u>	
Less: Net income attributable to noncontrolling interests	<u>(110)</u>	<u>(72)</u>		<u>(181)</u>	<u>(136)</u>	
Net income attributable to Charter shareholders	<u>\$ 766</u>	<u>\$ 314</u>		<u>\$ 1,162</u>	<u>\$ 567</u>	
<b>EARNINGS PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:</b>						
Basic	<u>\$ 3.72</u>	<u>\$ 1.41</u>		<u>\$ 5.62</u>	<u>\$ 2.54</u>	
Diluted	<u>\$ 3.63</u>	<u>\$ 1.39</u>		<u>\$ 5.48</u>	<u>\$ 2.50</u>	
Weighted average common shares outstanding, basic	<u>205,777,438</u>	<u>222,392,274</u>		<u>206,804,371</u>	<u>223,505,016</u>	
Weighted average common shares outstanding, diluted	<u>210,906,946</u>	<u>225,942,172</u>		<u>212,158,218</u>	<u>226,889,745</u>	

Adjusted EBITDA is a non-GAAP term. See page 8 of this addendum for the reconciliation of Adjusted EBITDA to net income attributable to Charter shareholders as defined by GAAP.

All percentages are calculated using whole numbers. Minor differences may exist due to rounding.

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(dollars in millions)

	<u>June 30,</u>	<u>December 31,</u>
	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>	(unaudited)	
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,097	\$ 3,483
Accounts receivable, net	1,994	2,227
Prepaid expenses and other current assets	674	761
Total current assets	<u>4,765</u>	<u>6,471</u>
 <b>RESTRICTED CASH</b>	 5	 66
 <b>INVESTMENT IN CABLE PROPERTIES:</b>		
Property, plant and equipment, net	34,074	34,591
Customer relationships, net	6,486	7,453
Franchises	67,322	67,322
Goodwill	29,554	29,554
Total investment in cable properties, net	<u>137,436</u>	<u>138,920</u>
 <b>OTHER NONCURRENT ASSETS</b>	 2,930	 2,731
Total assets	<u>\$ 145,136</u>	<u>\$ 148,188</u>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued liabilities	\$ 8,436	\$ 8,885
Current portion of long-term debt	706	3,500
Total current liabilities	<u>9,142</u>	<u>12,385</u>
 <b>LONG-TERM DEBT</b>	 77,663	 75,578
<b>DEFERRED INCOME TAXES</b>	17,789	17,711
<b>OTHER LONG-TERM LIABILITIES</b>	<u>4,141</u>	<u>3,703</u>
 <b>SHAREHOLDERS' EQUITY:</b>		
Controlling interest	29,356	31,445
Noncontrolling interests	7,045	7,366
Total shareholders' equity	<u>36,401</u>	<u>38,811</u>
Total liabilities and shareholders' equity	<u>\$ 145,136</u>	<u>\$ 148,188</u>

**Attachment 9 – Documentation of Match Funding**

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES  
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(dollars in millions)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Consolidated net income	\$ 876	\$ 386	\$ 1,343	\$ 703
Adjustments to reconcile consolidated net income to net cash flows from operating activities:				
Depreciation and amortization	2,428	2,500	4,925	5,050
Stock compensation expense	90	82	180	167
Noncash interest income, net	(9)	(17)	(21)	(72)
Other pension benefits, net	(11)	(9)	(21)	(18)
Loss on extinguishment of debt	36	—	63	—
(Gain) loss on financial instruments, net	(64)	119	254	82
Deferred income taxes	115	56	101	137
Other, net	3	53	(17)	151
Changes in operating assets and liabilities, net of effects from acquisitions and dispositions:				
Accounts receivable	97	(492)	233	(337)
Prepaid expenses and other assets	(60)	124	(164)	(176)
Accounts payable, accrued liabilities and other	28	(41)	(127)	(240)
Net cash flows from operating activities	<u>3,529</u>	<u>2,761</u>	<u>6,749</u>	<u>5,447</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchases of property, plant and equipment	(1,877)	(1,597)	(3,338)	(3,262)
Change in accrued expenses related to capital expenditures	214	(52)	(174)	(428)
Real estate investments through variable interest entities	(43)	(25)	(81)	(64)
Other, net	(45)	8	(8)	8
Net cash flows from investing activities	<u>(1,751)</u>	<u>(1,666)</u>	<u>(3,601)</u>	<u>(3,746)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Borrowings of long-term debt	2,983	3,830	7,322	10,714
Repayments of long-term debt	(4,303)	(4,551)	(7,892)	(10,123)
Payments for debt issuance costs	(21)	(7)	(62)	(32)
Issuance of equity	—	—	23	—
Purchase of treasury stock	(1,155)	(861)	(3,507)	(1,801)
Proceeds from exercise of stock options	28	37	121	81
Purchase of noncontrolling interest	(125)	(161)	(518)	(254)
Distributions to noncontrolling interest	(38)	(39)	(77)	(78)
Borrowings for real estate investments through variable interest entities	24	—	24	—
Distributions to variable interest entities noncontrolling interest	(4)	—	(4)	—
Other, net	(1)	(123)	(25)	(127)
Net cash flows from financing activities	<u>(2,612)</u>	<u>(1,875)</u>	<u>(4,595)</u>	<u>(1,620)</u>
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(834)	(780)	(1,447)	81
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	2,936	1,626	3,549	765
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period	<u>\$ 2,102</u>	<u>\$ 846</u>	<u>\$ 2,102</u>	<u>\$ 846</u>
CASH PAID FOR INTEREST	<u>\$ 935</u>	<u>\$ 1,051</u>	<u>\$ 1,985</u>	<u>\$ 2,017</u>
CASH PAID FOR TAXES	<u>\$ 31</u>	<u>\$ 39</u>	<u>\$ 50</u>	<u>\$ 43</u>

**Attachment 9 – Documentation of Match Funding**  
**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED SUMMARY OF OPERATING STATISTICS**  
(in thousands, except per customer and penetration data)

	Approximate as of			
	June 30, 2020 (a)	March 31, 2020 (a)	December 31, 2019 (a)	June 30, 2019 (a)
<b>Footprint (b)</b>				
Estimated Passings	52,714	52,418	52,154	51,619
<b>Penetration Statistics (c)</b>				
Total Customer Relationship Penetration of Estimated Passings	57.8 %	56.7 %	56.1 %	55.5 %
<b>Customer Relationships (d)</b>				
Residential	28,496	27,745	27,277	26,755
Small and Medium Business	1,980	1,976	1,958	1,902
Total Customer Relationships	<u>30,476</u>	<u>29,721</u>	<u>29,235</u>	<u>28,657</u>
<b>Quarterly Net Additions (Losses)</b>				
Residential	751	468	240	164
Small and Medium Business	4	18	28	39
Total Customer Relationships	<u>755</u>	<u>486</u>	<u>268</u>	<u>203</u>
<b>Residential</b>				
<b>Primary Service Units ("PSUs")</b>				
Internet	26,313	25,471	24,908	24,244
Video	15,652	15,550	15,620	15,802
Voice	9,398	9,360	9,443	9,808
<b>Quarterly Net Additions (Losses)</b>				
Internet	842	563	313	221
Video	102	(70)	(105)	(150)
Voice	38	(83)	(152)	(207)
Single Play (e)	12,552	12,099	11,741	11,354
Double Play (e)	9,021	8,655	8,377	7,709
Triple Play (e)	6,923	6,991	7,159	7,692
Single Play Penetration (f)	44.0 %	43.6 %	43.0 %	42.4 %
Double Play Penetration (f)	31.7 %	31.2 %	30.7 %	28.8 %
Triple Play Penetration (f)	24.3 %	25.2 %	26.2 %	28.8 %
% Residential Non-Video Customer Relationships	45.1 %	44.0 %	42.7 %	40.9 %
Monthly Residential Revenue per Residential Customer (g)	\$ 110.82	\$ 112.73	\$ 113.79	\$ 112.20
<b>Small and Medium Business</b>				
<b>PSUs</b>				
Internet	1,783	1,775	1,756	1,701
Video	516	524	524	518
Voice	1,169	1,162	1,144	1,097
<b>Quarterly Net Additions (Losses)</b>				
Internet	8	19	26	37
Video	(8)	—	4	9
Voice	7	18	24	25
Monthly Small and Medium Business Revenue per Customer (h)	\$ 166.06	\$ 168.83	\$ 169.06	\$ 170.42
<b>Mobile Lines</b>				
Residential and Small and Medium Business Mobile Lines	1,697	1,372	1,082	518
Net Additions	325	290	288	208
<b>Enterprise PSUs (i)</b>				
Enterprise PSUs	270	269	267	258
Net Additions	1	2	3	5

## Attachment 9 – Documentation of Match Funding

- (a) We calculate the aging of customer accounts based on the monthly billing cycle for each account. On that basis, at June 30, 2020, March 31, 2020, December 31, 2019 and June 30, 2019, customers included approximately 124,500, 140,800, 154,200 and 152,900 customers, respectively, whose accounts were over 60 days past due, approximately 18,400, 12,500, 13,500 and 13,800 customers, respectively, whose accounts were over 90 days past due and approximately 10,400, 8,200, 10,000 and 15,800 customers, respectively, whose accounts were over 120 days past due. As detailed on page 6, our customer counts include those customers who connected as part of our Remote Education Offer and those customers who we have not disconnected in our normal timelines associated with our Keep Americans Connected Pledge.
- (b) Passings represent our estimate of the number of units, such as single family homes, apartment and condominium units and small and medium business and enterprise sites passed by our cable distribution network in the areas where we offer the service indicated. These estimates are based upon the information available at this time and are updated for all periods presented when new information becomes available. Passings in prior periods have been updated to reflect standardization of definitions and presentation among legacy companies.
- (c) Penetration represents residential and small and medium business customers as a percentage of estimated passings. Penetration excludes mobile-only customers.
- (d) Customer relationships include the number of customers that receive one or more levels of service, encompassing Internet, video and voice services, without regard to which service(s) such customers receive. Customers who reside in residential multiple dwelling units ("MDUs") and that are billed under bulk contracts are counted based on the number of billed units within each bulk MDU. Total customer relationships exclude enterprise and mobile-only customer relationships.
- (e) Single play, double play and triple play customers represent customers that subscribe to one, two or three of our cable service offerings, respectively, excluding mobile.
- (f) Single play, double play and triple play penetration represents the number of residential single play, double play and triple play cable customers, respectively, as a percentage of residential customer relationships, excluding mobile.
- (g) Monthly residential revenue per residential customer is calculated as total residential Internet, video and voice quarterly revenue divided by three divided by average residential customer relationships during the respective quarter. Monthly residential revenue per residential customers excludes mobile revenue and customers.
- (h) Monthly small and medium business revenue per small and medium business customer is calculated as total small and medium business quarterly revenue divided by three divided by average small and medium business customer relationships during the respective quarter. Monthly small and medium business revenue per small and medium customer excludes mobile revenue and customers.
- (i) Enterprise PSUs represents the aggregate number of fiber service offerings counting each separate service offering at each customer location as an individual PSU.

**Attachment 9 – Documentation of Match Funding**

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES  
UNAUDITED CUSTOMERS AND NET ADDITIONS ON COVID-19 OFFERS  
FOR THE QUARTER ENDED JUNE 30, 2020  
(in thousands)**

	<b>Remote Education Offer (a)</b>	<b>Keep Americans Connected (b)</b>	<b>Seasonal Plan (c)</b>	<b>Total</b>
<b>Residential</b>				
Customer Relationships	160	208	n/a	368
Internet PSUs	160	202	n/a	362
Video PSUs	58 (d)	148	n/a	206
Voice PSUs	46 (d)	90	n/a	136
Mobile Lines	10 (d)	8	n/a	18
<b>Quarterly Net Additions</b>				
Customer Relationships	41	207	n/a	248
Internet PSUs	41	201	n/a	242
Video PSUs	12 (d)	147	n/a	159
Voice PSUs	12 (d)	90	n/a	102
Mobile Lines	7 (d)	8	n/a	15
<b>Small and Medium Business</b>				
Customer Relationships	n/a	14	13	27
Internet PSUs	n/a	13	11	24
Video PSUs	n/a	6	13	19
Voice PSUs	n/a	11	8	19
Mobile Lines	n/a	—	—	—
<b>Quarterly Net Additions</b>				
Customer Relationships	n/a	14	8	22
Internet PSUs	n/a	13	7	20
Video PSUs	n/a	6	11	17
Voice PSUs	n/a	11	5	16
Mobile Lines	n/a	—	—	—
<b>Residential and Small and Medium Business</b>				
Customer Relationships	160	222	13	395
Internet PSUs	160	215	11	386
Video PSUs	58 (d)	154	13	225
Voice PSUs	46 (d)	101	8	155
Mobile Lines	10 (d)	8	—	18
<b>Quarterly Net Additions</b>				
Customer Relationships	41	221	8	270
Internet PSUs	41	214	7	262
Video PSUs	12 (d)	153	11	176
Voice PSUs	12 (d)	101	5	118
Mobile Lines	7 (d)	8	—	15
<b>Enterprise PSUs</b>				
Enterprise PSUs	n/a	1	9	10

## Attachment 9 – Documentation of Match Funding

- (a) The Remote Education Offer ("REO") represents residential customers receiving free Internet service by participating in Charter's free 60-day Internet offer available to households with K-12 and/or college students or educators who were not Spectrum Internet customers. This offer for new customers ended on June 30, 2020. These residential customers are generally eligible to purchase additional products and services (i.e. video, voice and mobile) at current promotional rates. Of the 448,000 Internet customers who were added as part of the REO through June 30, 2020 (of which 119,000 were added in March), 160,000 remained within their 60-day free period with 288,000 having rolled off the promotional period as of June 30, 2020. Nearly 90% of cumulative connects on the REO remained Internet customers as of July 27, 2020.
- (b) As part of our March 2020 pledge to the FCC which we extended through June 30, Keep Americans Connected ("KAC") represents customers who requested to not be disconnected from service due to COVID-19 related payment challenges and would have been disconnected under our normal collection policies during the pledge period. Approximately 600,000 residential customers and 100,000 SMB customers had requested protection from disconnection, of which at the peak of the program, 208,000 and 14,000, respectively, would have been disconnected under our normal collection policies. Approximately 30% of the KAC customer bills were current, and over 60% were making partial or full payments. In an effort to assist these COVID-19 impacted customers with overdue balances, Charter waived \$76 million of residential, \$6 million of SMB and \$3 million of mobile receivables, each of which were recorded as a reduction to revenue in the second quarter. These customers no longer have an overdue balance and will be subject to Charter's standard collection practices going forward.
- (c) Represents small and medium businesses and Enterprise hospitality customers who have requested a reduced level of service and now pay a reduced price for their service due to temporary business closure or because these customers have reduced their service offering to their own customers.
- (d) Customers who are receiving free Internet Service as part of the REO who have subscribed to products in addition to Spectrum Internet (i.e., video, voice, mobile) during the 60-day Free Internet Offer. Billings are not deferred for these additional services.

**Attachment 9 – Documentation of Match Funding**

**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES  
UNAUDITED RECONCILIATION OF NON-GAAP MEASURES TO GAAP MEASURES  
(dollars in millions)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income attributable to Charter shareholders	\$ 766	\$ 314	\$ 1,162	\$ 567
Plus: Net income attributable to noncontrolling interest	110	72	181	136
Interest expense, net	957	945	1,937	1,870
Income tax expense	166	84	195	203
Depreciation and amortization	2,428	2,500	4,925	5,050
Stock compensation expense	90	82	180	167
Loss on extinguishment of debt	36	—	63	—
(Gain) loss on financial instruments, net	(64)	119	254	82
Other pension benefits, net	(11)	(9)	(21)	(18)
Other, net	11	78	9	183
Adjusted EBITDA (a)	4,489	4,185	8,885	8,240
Less: Mobile revenue	(310)	(158)	(568)	(298)
Plus: Mobile costs and expenses	413	277	787	537
Cable Adjusted EBITDA	<u>\$ 4,592</u>	<u>\$ 4,304</u>	<u>\$ 9,104</u>	<u>\$ 8,479</u>
Net cash flows from operating activities	\$ 3,529	\$ 2,761	\$ 6,749	\$ 5,447
Less: Purchases of property, plant and equipment	(1,877)	(1,597)	(3,338)	(3,262)
Change in accrued expenses related to capital expenditures	214	(52)	(174)	(428)
Free cash flow	1,866	1,112	3,237	1,757
Plus: Mobile net cash outflows from operating activities	108	204	281	407
Purchases of mobile property, plant and equipment	125	93	212	181
Cable free cash flow	<u>\$ 2,099</u>	<u>\$ 1,409</u>	<u>\$ 3,730</u>	<u>\$ 2,345</u>

(a) See page 1 of this addendum for detail of the components included within Adjusted EBITDA.

The above schedule is presented in order to reconcile Adjusted EBITDA, cable Adjusted EBITDA, free cash flow and cable free cash flow, non-GAAP measures, to the most directly comparable GAAP measures in accordance with Section 401(b) of the Sarbanes-Oxley Act.

**Attachment 9 – Documentation of Match Funding**  
**CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES**  
**UNAUDITED CAPITAL EXPENDITURES**  
(dollars in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Customer premise equipment (a)	\$ 518	\$ 492	\$ 981	\$ 1,057
Scalable infrastructure (b)	385	223	555	520
Line extensions (c)	422	363	765	684
Upgrade/rebuild (d)	155	155	284	286
Support capital (e)	397	364	753	715
Total capital expenditures	1,877	1,597	3,338	3,262
Less: Mobile capital expenditures	(125)	(93)	(212)	(181)
Cable capital expenditures	\$ 1,752	\$ 1,504	\$ 3,126	\$ 3,081
Capital expenditures included in total related to:				
Commercial services	\$ 323	\$ 324	\$ 584	\$ 629

- (a) Customer premise equipment includes costs incurred at the customer residence to secure new customers and revenue generating units, including customer installation costs and customer premise equipment (e.g., set-top boxes and cable modems).
- (b) Scalable infrastructure includes costs, not related to customer premise equipment, to secure growth of new customers and revenue generating units, or provide service enhancements (e.g., headend equipment).
- (c) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
- (d) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including betterments.
- (e) Support capital includes costs associated with the replacement or enhancement of non-network assets due to technological and physical obsolescence (e.g., non-network equipment, land, buildings and vehicles).

# SENATE OF VIRGINIA



August 10, 2020

**L. LOUISE LUCAS**  
PRESIDENT PRO TEMPORE  
18TH SENATORIAL DISTRICT  
ALL OF GREENSVILLE AND SUSSEX COUNTIES;  
ALL OF THE CITY OF EMPORIA; PART OF BRUNSWICK,  
ISLE OF WIGHT, SOUTHAMPTON, AND SURRY COUNTIES;  
AND PART OF THE CITIES OF CHESAPEAKE, FRANKLIN,  
PORTSMOUTH, AND SUFFOLK  
POST OFFICE BOX 700  
PORTSMOUTH, VIRGINIA 23705-0700

COMMITTEE ASSIGNMENTS:  
EDUCATION AND HEALTH, CHAIR  
COMMERCE AND LABOR  
FINANCE AND APPROPRIATIONS  
JUDICIARY  
RULES

Mr. Erik Johnston  
Director of DHCD  
600 East Main Street, Suite 300  
Richmond, Virginia 23219

Dear Director Johnston,

I would like to fervently express my support for Southampton County's 2020 VATI grant fund application.

Southampton County resides in a very rural part of our Commonwealth where broadband access is extremely limited and in certain areas void of any access at all. While we endure the pandemic, COVID-19, a vast majority of Americans are teleworking, conducting or managing their business, or simply quarantining at home. Simply put, broadband access was but, now more than ever has become paramount to being a functioning member of society.

Furthermore, as the Chair of the Senate Committee on Education and Health, I cannot help but think of those students and teachers in K-12 as well as higher education who in due time will be heavily dependent upon broadband access to complete their various curriculums as they quarantine at home to prevent the further spread of COVID-19. I also serve as a member of the Senate Committee on Finance & Appropriations which has allowed me to become well versed with the VATI grant fund and its goals in which I absolutely support.

Director Johnston, thank you for your time and consideration of Southampton County's 2020 VATI grant fund application. It is my sincere hope that they are a recipient of these grant funds as they are just the type of locality that VATI seeks to help.

With every sincere sentiment of respect and very warm personal regards, I am,

A handwritten signature in cursive script that reads "L. Louise Lucas".

L. Louise Lucas  
Senate President Pro Tempore



COMMONWEALTH OF VIRGINIA  
HOUSE OF DELEGATES  
RICHMOND

ROSLYN C. TYLER  
25359 BLUE STAR HIGHWAY  
JARRATT, VIRGINIA 23867  
SEVENTY-FIFTH DISTRICT

COMMITTEE ASSIGNMENTS:  
EDUCATION (CHAIR)  
APPROPRIATIONS  
AGRICULTURE, CHESAPEAKE AND  
NATURAL RESOURCES

August 5, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

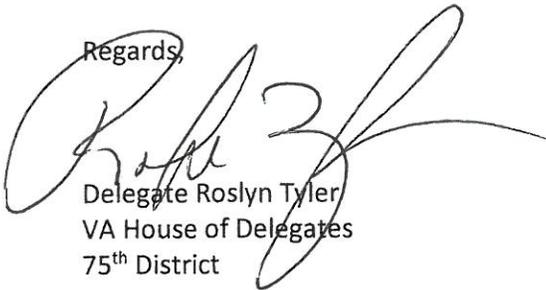
Dear Mr. Johnston,

To be competitive in this diverse and global economy and to prevent educational disparities in rural communities, highspeed broadband access and expansion is essential. Therefore, I am writing this letter in support of the Franklin-Southampton Economic Development, Inc., and Southampton County application for the Virginia Telecommunication Initiative (VATI) Grant.

The Governor of Virginia and the General Assembly has made broadband expansion/accessibility a priority and essential to enhance economic development, improve quality of life, and overall prosperity of all communities. Southside Virginia and rural areas are specifically underserved and will require assistance to build broadband infrastructure. The COVID-19 pandemic, unfortunately, has amplified the urgency for funding broadband expansion and making services affordable in socio-economic deprived districts and rural areas.

Therefore, funding the grant for VATI will promote businesses, improve education, enhance family services, and advance our communities to the new world of technology. Thank you for favorably considering to fund the VATI Grant for Southampton and Franklin. Should you need any additional information, please feel free to contact me.

Regards,



Delegate Roslyn Tyler  
VA House of Delegates  
75<sup>th</sup> District

# SOUTHAMPTON COUNTY

26022 Administration Center Drive  
P. O. Box 400  
Courtland, Virginia 23837



757-653-3015  
Fax: 757-653-0227

August 2, 2020

Mr. Erik Johnston, Director  
Virginia Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Dear Mr. Johnston:

I'm delighted to write this letter in support of the Franklin Southampton Economic Development, Inc.'s (FSEDI) and Southampton County's application for a Virginia Telecommunication Initiative (VATI) grant.

Earlier this year, the Southampton County Board of Supervisors requested FSEDI to spearhead our efforts to deliver broadband to unserved areas of our County. Broadband access is one of our top initiatives for economic vitality, positive quality of life, and reduction of socio-economic disparity in the County. Socio-economic inequality directly correlates to whether an individual has access to the internet at their home. Citizens should have the option of operating a home-based business, applying for meaningful work and participating in continuing education, all from the privacy of their own homes.

Our schools continue to struggle in determining whether it is safe for students to return to the classroom in the midst of the ongoing pandemic. One factor that lays heavy on that determination is the fact that many students do not have access to broadband. In addition, our agricultural community would benefit significantly in terms of increasing technological advancements in how their businesses operate.

Again, I strongly support this application for the VATI grant. Please do not hesitate to contact me with any questions.

With kind personal regards, I remain

Sincerely yours,

A handwritten signature in black ink, appearing to read "Michael W. Johnson".

Michael W. Johnson  
County Administrator

# SOUTHAMPTON COUNTY

26022 Administration Center Drive  
P. O. Box 400  
Courtland, Virginia 23837



757-653-3015  
Fax: 757-653-0227

August 3, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Dear Mr. Johnston:

On behalf of the Southampton Board of Supervisors, I'm writing this letter in support of the Franklin Southampton Economic Development, Inc.'s, and Southampton County's application for the Virginia Telecommunication Initiative (VATI) grant.

Earlier this year, our Board made broadband access a top initiative to stimulate economic vitality, enhance quality of life, and assuage socio-economic disparity. One of the leading causes of socio-economic disparity in Southampton County is the lack of internet access at home. In terms of economic development, citizens should have the option of operating a home-based business, applying for meaningful work, and participating in continuing education should they choose to do so.

In addition, schools struggle to determine whether it is safe for students to return to the classroom. One factor that heavily influences that determination is the fact that many students do not have access to broadband. In addition, our agriculture community would benefit significantly in terms of increasing technological advancements in how individual businesses operate. It is imperative that our entire County has access to broadband internet.

Again, I strongly support this application for the VATI grant. Please do not hesitate to contact me with any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alan W. Edwards, M.D.", is written over the typed name.

Alan W. Edwards, M.D.  
Chairman, Board of Supervisors



August 12, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Mr. Johnson,

I am writing this letter in support of the Franklin Southampton Economic Development, Inc., and Southampton County application for the Virginia Telecommunication Initiative (VATI) grant.

The City of Franklin works in strong partnership with Southampton County, both from economic development and quality of life standpoints. Many City residents work in the County businesses, and vice-versa. We have multiple shared-revenue areas in the County and City, making business conducted in those areas mutually beneficial. It is essential for Southampton County residents to be provided with reliable broadband access for those needing to study or work from home. Access to residential internet decreases the socio-economic disparity some citizens of Southampton County experience. Having access to broadband will both benefit Southampton County directly and the City of Franklin indirectly.

Again, I strongly support this VATI grant application. Please do not hesitate to contact me with any questions.

Regards,

A handwritten signature in black ink that reads "Amanda C. Jarratt". The signature is written in a cursive style with a large initial 'A'.

Amanda C. Jarratt  
City Manager  
City of Franklin  
207 W. Second Avenue  
Franklin, Virginia 23851  
(757) 562-8561  
[ajarratt@franklinva.com](mailto:ajarratt@franklinva.com)



601 N. Mechanic Street ♦ Suite 300 ♦ Franklin, VA 23851 ♦ 757-562-1958  
info@franklinsouthamptonva.com ♦ www.franklinsouthamptonva.com

August 3, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Mr. Johnson,

On behalf of the Franklin Southampton Economic Development, Inc. Board of Directors, I am writing this letter in support of the Franklin Southampton Economic Development, Inc., and Southampton County application for the Virginia Telecommunication Initiative (VATI) grant.

The mission of our organization is as follows: to diversify the economy, create high-quality jobs, and to provide a future for the families and youth of Franklin Southampton. One crucial quality of life component embedded within our mission statement is access to broadband. The ability to access the internet throughout the County not only supports socio-economic equity but also gives our residents the ability to operate home-based businesses, apply for meaningful work, and offer a platform for workforce training opportunities. In addition, the County relies heavily on both the forestry and agriculture industry sectors, and access to broadband will help further technology initiatives in these critical business sectors. All the above scenarios will positively affect the economic vitality of our community. It is imperative that all our residents be given the availability and opportunity to access broadband.

Again, I strongly support this VATI grant application. Please do not hesitate to contact me with any questions.

Regards,

Jay Brenchick  
President and CEO



601 N. Mechanic Street | Suite 301 | Franklin, VA 23851  
757-562-8594

August 13, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Mr. Johnson,

On behalf of the Smart Beginnings, Western Tidewater I am writing this letter in support of the Franklin Southampton Economic Development, Inc., and Southampton County application for the Virginia Telecommunication Initiative (VATI) grant.

Smart Beginnings Western Tidewater (SBWT) was founded in 2008 as a multi-jurisdictional nonprofit supported by the Virginia Early Childhood Foundation as part of the statewide Smart Beginnings Initiative. SBWT serves as a convener for a community network representing various agencies and organizations that impact local early childhood development.

An element of socio-economic disparity can be measured by whether or not an individual has access to the internet at their home. Citizen's with broadband access are better able to provide for their families, stay informed, and receive regular communications from SBWT.

In terms of economic development, citizens should have the option of operating a home-based business, applying for meaningful work, and participating in continuing education. In addition, schools struggle to determine if it is safe for students to return to the classroom. One factor that lays heavy on that determination is the fact that many students do not have access to broadband.

I strongly support this application for the VATI grant. Please do not hesitate to contact me with any questions.

Regards,

A handwritten signature in black ink, appearing to read "Lorraine Greene Whitehead", with a long, sweeping flourish extending to the right.

Lorraine Greene Whitehead  
Executive Director  
Smart Beginnings Western Tidewater

August 12, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Mr. Johnson,

I am writing this letter in support of the Isle of Wight Economic Development, Inc., and Isle of Wight County application for the Virginia Telecommunication Initiative (VATI) grant.

The Commonwealth of Virginia has made broadband access a top initiative to improve economic vitality, quality of life, and socio-economic conditions for our underserved areas of the Commonwealth. An element of socio-economic disparity can be measured by whether or not an individual has access to the internet at their home. In terms of economic development, citizens should have the option of operating a home-based business, applying for meaningful work, and participating in continuing education.

Schools struggle to determine if it is safe for students to return to the classroom. One factor that lays heavy on that determination is the fact that many students do not have access to broadband. In addition, our agriculture community would benefit significantly in terms of increasing technological advancements in how individual businesses operate.

I have attempted several different avenues to obtain reliable internet access at our home to no avail. They are simply not offered in our area. Our only options are to utilize hotspots which are not reliable making it very difficult especially in these times where children's education heavily relies on having acceptable internet connections. In short our children's education and future hinges on obtaining reliable internet access.

I strongly support this application for the VATI grant. Please do not hesitate to contact me with any questions.

Sincerely,  
Melanie D. Brinkley  
22265 Hunter's Run Lane  
Zuni, Va 23898  
(757)613-1680

August 12, 2020

Mr. Erik Johnston, Director  
Department of Housing and Community Development  
600 East Main Street, Suite 300  
Richmond, VA 23219

Mr. Johnson,

I am writing this letter in support of the Franklin Southampton Economic Development, Inc., and Southampton County application for the Virginia Telecommunication Initiative (VATI) grant.

My family has managed to work with the current options for many years while we watch higher speed internet options flourish in the bigger cities. Our only true option right now is Verizon wireless/mifi for internet. Other options cost around \$80 a month and provide the same speed internet we currently have. It is fine for the first couple of days, then steadily goes downhill. With everyone in our community using Verizon cellphones and mifi, the network is overwhelmed and speeds are drastically reduced. The infrastructure cannot support the amount of people on it.

When the pandemic started, my work sent me home with an additional mifi. My son and daughter had one to share provided by the school. They were limited to a handful of gigabytes of data per day. An 8 hour workday for me averaged about 11 gigabytes per day. Far more than they were allotted. My son was a senior in high school and 3 out of 4 of his classes were already online. We had to take turns working because we could not keep a connection if all three of us were working at the same time. My son was scheduled to take an AP exam at 3PM on a Friday. He had contacted his school to make arrangements to use their wifi. He arrived at the school thirty minutes before his exam started to discover no one was there. They didn't realize when they scheduled him that it was a Friday afternoon and no one would be at the school. He had no other option but to take his exam while sitting in his truck on an 80 degree day. That is unacceptable for any student, but I imagine a student without my sons drive would not have taken his exam.

With school starting virtually in a couple weeks, I know we will be struggling again. Our only real struggle is a lack of internet and that is stressful. I can't imagine how hard it will be for families with other negative impacts trying to make this work. I imagine our dropout rates will increase right along with teenage pregnancy and crime rates because school will be hard for many. An unfortunate statistic that does not have to happen.

I realize we are three weeks from school starting and it is nearly impossible to get anything sufficient in place right now; however, I believe this will become part of the "new normal". More parents will work from home. More students will learn from home. Snow days will no longer be a big impact because students will simply work from home on those days. Immune-compromised students will be able to work from home.

Not only will this impact school related issues, this opens up opportunities for jobs to hire people to work from home. Before COVID-19, many businesses were finding ways to make working from home a viable solution. Businesses are able to hire applicants from out of their area without requiring them to move. Individuals will also have the ability to operate a home-based business if they have sufficient internet.

Technology has increased and will continue to increase every day. This impacts businesses from agriculture to air-travel. Unfortunately, we are barely past a dial up connection in our area which puts us years behind other communities. Our children are at a disadvantage in learning which will decrease their maximum potential. The children who leave this area likely will not come back to an area that isn't able to keep up with technology.

I have contacted local delegates, the Virginia Bankers Association, and the American Bankers Association in an effort to find ways to bring internet to our area. Obviously, the cost is the greatest issue. I will continue to find ways help bring internet to the area and ways for my employer, a community bank, to also make this possible. I believe a collaboration with other businesses and communities will make this possible.

I strongly support this application for the VATI grant. Please do not hesitate to contact me with any questions.

Sincerely,

Jamie Johnson  
(757) 371-4137

17860 Black Creek Rd.  
Zuni, VA 23898



# Attachment 12 - Documentation of Supporting Cost Estimates

Type	Resource	Mfg	Series	Model	Part No.	Total per node	Total for project	Cost per unit	Total
AMPLIFIER	870_NEW	C-COR	FEEDER	FM331TLC			8		
AMPLIFIER	870_NEW	C-COR	FEEDER	FM331ALC			3		
AMPLIFIER	870_NEW	C-COR	TRUNK	FMT901			3		
AMPLIFIER	870_NEW	C-COR	TRUNK	FMB901			1		
AMPLIFIER	870_NEW	C-COR	C-COR_NODES	OM4100			1		
COAXCABLE	870_NEW	COMMSCOPE	P3	875P3			7732		
COAXCABLE	870_NEW	COMMSCOPE	P3	625P3			11774		
COAXCABLE	870_NEW	COMMSCOPE	COMMSCOPE_UPGRADE_0	NB_CO_P3_A_625			1098		
COAXCABLE	870_NEW	COMMSCOPE	COMMSCOPE_UPGRADE_0	NB_CO_P3_U_625			428		
COAXCABLE	870_NEW	COMMSCOPE	COMMSCOPE_UPGRADE_0	OL_CO_P3_A_875			359		
COAXCABLE	870_NEW	COMMSCOPE	COMMSCOPE_UPGRADE_0	OL_CO_P3_A_625			1458		
COAXCABLE	870_NEW	COMMSCOPE	COMMSCOPE_UPGRADE_0	RB_CO_P3_A_625			273		
COAXCABLE	870_NEW	COMMSCOPE	COMMSCOPE_UPGRADE_0	DR_CO_P3_A_625			371		
CONNECT	870_NEW	PPC		500P3			116		
CONNECT	870_NEW	CO		625P3			30		
CONNECT	870_NEW	PPC		750P3			24		
CONNECT	870_NEW	CO		875P3			2		
CONNECT		UKNMFG		HSE-HSE			19		
CONNECT		UKNMFG		HSE-TRM			16		
EQUAL	870_NEW	CCOR	MEQ42		2		6		
EQUAL	870_NEW	CCOR	MEQ42		3		6		
EQUAL	870_NEW	CCOR	MEQ42		4		2		
EQUAL	870_NEW	CCOR	MEQ42		5		1		
EQUAL	870_NEW	C-COR	SEQ-862		0		1		
EQUAL	870_NEW	C-COR	SEQ-862		3		1		
EQUAL	870_NEW	C-COR	SEQ-862		6		1		
EQUAL	870_NEW	C-COR	SEQ-862		7		1		
EQUAL	870_NEW	C-COR	SEQ-862		8		4		
EQUAL	870_NEW	C-COR	SEQ-862		9		4		
EQUAL	870_NEW	C-COR	SEQ-862		10		2		
EQUAL	870_NEW	C-COR	SCS-862	C2			1		
PADS	870_NEW	C-COR	NPB		4		1		
PADS	870_NEW	C-COR	NPB		5		5		
PADS	870_NEW	C-COR	NPB		6		3		
PADS	870_NEW	C-COR	NPB		7		1		
PADS	870_NEW	C-COR	NPB		8		3		
PADS	870_NEW	C-COR	NPB		9		4		
PADS	870_NEW	C-COR	NPB		10		8		
PADS	870_NEW	C-COR	NPB		11		2		
PADS	870_NEW	C-COR	NPB		12		1		
PADS	870_NEW	C-COR	NPB		13		2		
POWERINSERTER	870_NEW	ANTRONIX	TRUNK	MGP1H-2000			1		
COAXSPLITTER2WAY	870_NEW	ANTRONIX	FEEDER	MGDCH-2108F			6		
COAXSPLITTER2WAY	870_NEW	ANTRONIX	FEEDER	MGLSH-2F			2		
COAXSPLITTER2WAY	870_NEW	CCOR	FPLUGINS	DC-8			1		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2223			20		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2220			7		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2217			6		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2214			9		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2211			7		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2208			2		
TAP	870_NEW	ANTRONIX	MGT 2200	MGT 2204			3		
TAP	870_NEW	ANTRONIX	MGT 2400	MGT 2423			2		
TAP	870_NEW	ANTRONIX	MGT 2400	MGT 2420			2		
TAP	870_NEW	ANTRONIX	MGT 2400	MGT 2414			4		
TAP	870_NEW	ANTRONIX	MGT 2400	MGT 2411			2		
TAP	870_NEW	ANTRONIX	MGT 2400	MGT 2408			1		
TAP	870_NEW	ANTRONIX	MGT 2800	MGT 2821			2		
Conduit	870_NEW	Various	2" Conduit	Count			18480		Partial fiber tie in as well in total
Fiber	870_NEW	Various	144 count fiber	Fiber			9240		Partial fiber tie in as well in total
Fiber splice case	870_NEW	Various	D fiber splice case	Fiber tray			6		Partial fiber tie in as well in total
PEDS	870_NEW	Various	Ped 09IN x20IN LtGR B1Brkt Hasp w/Self Lock (TAP/SPLITTER PED	PED			27		
WIRE		Various	Lashing Wire	.038 lashing wire			32		Partial fiber tie in as well in total
		Alpha	PS UPS XM3 1350 90V OUT 15A 120VIN 36VDC HP SAG	PS Module			1		
		Alpha	Enclosure PS 6 Batt UPE-6-240/120-20-BTB-UMB-LAP-BCK XM2/3	PS Housing			1		
		Alpha	Precast Pad				1		
		Alpha	Gel Cell Batteries				6		

\$ 250,930.01

(RETAIN FOR YOUR RECORDS)  
Form 477 Filing Summary

FRN: 0025646373 | Data as of: Dec 31, 2019 | Operations: Non-ILEC | Submission Status: Revised - Submitted | Last Updated: Apr 29, 2020 17:23:24

### Filer Identification

Section	Question	Response
<b>Filer Information</b>	Company Name	Charter Communications, Inc.
	Holding Company Name	Charter Communications
	SAC ID	
	499 ID	
<b>Data Contact Information</b>	Data Contact Name	Denise J. Williams
	Data Contact Phone Number	(214) 526-8397
	Data Contact E-mail	denise.williams3@charter.com
<b>Emergency Operations Contact Information</b>	Emergency Operations Name	Charter Network Operations Center
	Emergency Operations Phone Number	(866) 248-7662
	Emergency Operations E-mail	dlnoc@charter.com
<b>Certifying Official Contact Information</b>	Certifying Official Name	Suzanne Curtis
	Certifying Official Phone Number	(203) 905-7819
	Certifying Official E-mail	suzanne.curtis@charter.com

### Data Submitted

Form Section	File Name	Date & Time	Number of Rows
Fixed Broadband Deployment	CH_477_DEPLOYMENT_04_29_2020_AMENDED_10.csv	Apr 29, 2020 13:51:37	239042
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_9.csv	Apr 29, 2020 13:51:37	239043
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_8.csv	Apr 29, 2020 13:51:36	239042
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_7.csv	Apr 29, 2020 13:51:36	239043
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_6.csv	Apr 29, 2020 13:51:36	239043
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_5.csv	Apr 29, 2020 13:51:35	239042
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_4.csv	Apr 29, 2020 13:51:35	239043
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_3.csv	Apr 29, 2020 13:51:35	239042
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_2.csv	Apr 29, 2020 13:51:34	239043
	CH_477_DEPLOYMENT_04_29_2020_AMENDED_1.csv	Apr 29, 2020 13:51:34	239043
Fixed Broadband Subscription	201912_TotalCompany477Internet.txt	Apr 29, 2020 13:18:40	381623



(RETAIN FOR YOUR RECORDS)  
Form 477 Filing Summary

FRN: 0025646373 | Data as of: Jun 30, 2019 | Operations: Non-ILEC | Submission Status: Revised - Submitted | Last Updated: May 4, 2020 16:13:12

**Filer Identification**

Section	Question	Response
<b>Filer Information</b>	Company Name	Charter Communications, Inc.
	Holding Company Name	Charter Communications
	SAC ID	
	499 ID	
<b>Data Contact Information</b>	Data Contact Name	Denise J. Williams
	Data Contact Phone Number	(214) 526-8397
	Data Contact E-mail	denise.williams3@charter.com
<b>Emergency Operations Contact Information</b>	Emergency Operations Name	Charter Network Operations Center
	Emergency Operations Phone Number	(866) 248-7662
	Emergency Operations E-mail	dlnoc@charter.com
<b>Certifying Official Contact Information</b>	Certifying Official Name	Suzanne Curtis
	Certifying Official Phone Number	(230) 905-7819
	Certifying Official E-mail	suzanne.curtis@charter.com

**Data Submitted**

Form Section	File Name	Date & Time	Number of Rows
Fixed Broadband Deployment	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE2_06_2019_9.csv	May 4, 2020 15:41:44	237582
	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE3_06_2019_10.csv	May 4, 2020 15:27:14	237582
	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE_06_2019_3.csv	May 4, 2020 14:24:45	237584
	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE_06_2019_4.csv	May 4, 2020 14:24:45	237584
	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE_06_2019_5.csv	May 4, 2020 14:24:45	237584
	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE_06_2019_1.csv	May 4, 2020 14:24:45	237584
	CH_COMBINED_477_DEPLOYMENT_DATA_FILING_UPDATE_06_2019_7.csv	May 4, 2020 14:24:45	237584

## Attachment 14 – Internet Assist Eligibility Form English



### High-speed Internet at an affordable price

At Spectrum, we believe everyone should have access to reliable, high-speed Internet service. Through the **Spectrum Internet Assist** program, qualified households can receive:

- 30 Mbps Internet speed (wireless speeds may vary)
- Free Internet Modem
- Free Security Suite
- No Data Caps
- Parental Controls
- No Contracts



#### **STEP 1: GATHER ALL YOUR DOCUMENTATION FOR ELIGIBILITY**

**To qualify for Spectrum Internet Assist, a member of your household must be a recipient of one of the following programs:**

- The National School Lunch Program (NSLP); free or reduced cost lunch
- The Community Eligibility Provision (CEP) of the NSLP
- Supplemental Security Income ( $\geq$  ages 65 only)

Note: The following programs do not meet eligibility requirements: Social Security Disability (SSD), Social Security Disability Insurance (SSDI) and Social Security Retirement and Survivor Benefits.

#### **STEP 2: COMPLETE THE FORM BELOW**

#### **STEP 3: MAIL YOUR FORM AND REQUIRED DOCUMENTATION TO:**

**Spectrum Internet Assist Program – OCS**  
**4145 S. Falkenburg Road, Riverview, Florida 33578**

Or you may scan and email this form and required documentation to:  
**MAILFORSIA@charter.com**

Note: All documents must be included as email attachments. Acceptable files types for attachments include PDF, Word documents (.doc), JPEG and PNG.

Cont. on page 2

Please ensure that all required paperwork is enclosed and that all documents are official, legible and complete.

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Date	Spectrum Account Number (if already have an account)	
First Name	Middle Name	Last Name
Home Address		
City	State	Zip Code
Phone Number (Home)	Phone Number (Mobile)	

SPECTRUM INTERNET ASSIST: Limited time offer; subject to change; not transferable. Availability of offer based on eligibility and service address that has been pre-qualified. Offer valid to qualified residential customers who (i) have not subscribed to Charter Communications' Internet services within 30 days prior to requesting services under this offer, (ii) have no outstanding debt for any of Charter Communications' services that was incurred within 1 year prior to requesting services under this offer and (iii) have no outstanding debt to Charter Communications that was incurred for services provided under this offer and that are subject to Charter Communications' ordinary debt collection procedures. Equipment, taxes, fees and surcharges may be extra and subject to change during and after the term; installation and additional services are extra. Speed based on wired connection. Available Internet speeds may vary by address. Download speeds are up to 30 Mbps and upload speeds are up to 4 Mbps. WiFi: Equipment, activation and installation fees may apply. Services not available in all areas. Restrictions apply. ©2019 Charter Communications.