#### HALIFAX COUNTY

Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

**Application ID:** 75708142020203011 **Application Status:** In Progress - DHCD

Program Name: Virginia Telecommunications Initiative 2021

Organization Name: HALIFAX COUNTY

Organization Address: 134 S MAIN STREET

HALIFAX, VA 24558-0699

Profile Manager Name: Stephanie Jackson

Profile Manager Phone: (434) 830-3302

Profile Manager Email: SCJ@CO.HALIFAX.VA.US

Project Name: Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

Project Contact Name: Scott Simpson
Project Contact Phone: (434) 476-3300

Project Contact Email: srs@co.halifax.va.us

Project Location: P.O. Box 699

Halifax, VA, VA 24558-3213

Project Service Area: Halifax County

Total Requested Amount: \$350,373.00

Required Annual Audit Status: Pending Review

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#### **Budget Information:**

Cost/Activity Category	DHCD Request	Other Funding	Total
Telecommunications	\$350,373.00	\$947,304.00	\$1,297,677.00
Construction	\$350,373.00	\$920,318.00	\$1,270,691.00
Other: Network Equipment	\$0.00	\$26,986.00	\$26,986.00
Total:	\$350,373.00	\$947,304.00	\$1,297,677.00

#### **Budget Narrative:**

The proposed budget is based on the verified capital needs required for the passing of 287 residences and businesses in Halifax County. The proposed budget was created by examining the cost to build out a fiber broadband system in these selected project areas. Once the project cost was established, the project team worked collaboratively with Halifax County officials to acquire other sources of funding. The sources include an in-kind service contribution of \$947,304.00 from Mecklenburg Electric Cooperative and EMPOWER Broadband, Inc. The cost for the State for DHCD VATI grant funds are \$1,220.81 per passing.

#### **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:

These projects are located in the north central and southern portions of Halifax County; Halifax is in the heart of Southside Virginia along the border of North Carolina. Fiber deployment will utilize foundational backbone infrastructure and VATI funds will serve to expand off the already funded backbone to increase the number of individuals that currently do not have access to broadband internet. The fiber will be built along the Mecklenburg Electric Cooperative (MEC) electric infrastructure that follows along the following roads: Chestnut Rd., Terry Trail, Rose Trail, Aaron's Creek Rd. Rip Rap Rd. and North Fork Church Rd. The MEC backbone extends 20 miles with EMPOWER Broadband extending fiber-to-the-premises for those within 1,000 feet of both sides of the backbone extension.

This area was selected to maximize the advantage of being adjacent to MEC's Substation Fiber Backbone that is being constructed with matching funds through a 2018 TRRC Grant and a 2019 VATI grant award and is part of a larger nine (9) county joint-project to provide fiber-to-the-premises. Additionally, this route passes several rural residents and will provide broadband opportunities to 287 homes in Halifax County. Most important to this grant, this area is unserved and is not part of any other existing or proposed high-speed system build-out. Relatively low-speed mobile and high-latency satellite are currently available to all in this area; there is a small portion of this project area that has DSL, but after speaking with residents that live in the project area and checking addresses

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within the project area on the reported provider's websites, service in most cases is not available as recorded on the CIT's broadband map. If service is available, it does not meet the required 10/1 Mbps threshold that DHCD requires for an area to be qualified as served and is therefore unserved.

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:

Halifax County and its residents were substantially engaged in the Center for Innovative Technology (CIT) broadband survey; the results are documented in the Virginia Broadband Availability Map. The CIT broadband map also provided the current existing providers for each census block in the state of Virginia. Data was also collected from the Federal Communications Commission's (FCC) "Fixed Broadband Deployment" as an additional source to determine the current providers in the project areas. From that information, efforts were made by reaching out to those providers listed, Comcast and CenturyLink, by means of phone call, website chat and through the address entry field on their websites. By using these resources, as well as, by speaking directly to our MEC members, we discovered that the current providers listed in that area either did not provide any services in an area, or the service that is currently provided is in the 1.5-3Mbps range with very minimal overlap and, by DHCD and VATI definitions, is determined to be an unserved area. The included coverage map documents the need in this area and the outcry from members within the county overall. Teachers within a local school indicate that less than 50 percent of students have broadband at home, which is an encumbrance to education in today's technology-driven society.

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.

#### Answer:

Federal funding has not been provided to any of the proposed project areas by means of any of the following programs: ACAM, ReConnect and Community Connect. According to the Universal Service Administrative Co.'s Connect America Fund Broadband Map, CenturyLink was awarded CAF II funding for a small section of the proposed project area. These funds were awarded in 2016 and only provided broadband service of speeds 10Mbps/1Mbps. Of the few addresses that funding was awarded for, none located within the proposed project area meet the minimum requirement of 25Mbps/3Mbps to be considered a "served" residence. Both areas do include a small portion of census blocks that are currently eligible for Rural Digital Opportunity Fund (RDOF). However, the Federal Communications Commission (FCC) acknowledges on their site that this is only a preliminary map, at this time, and does not represent the final map of eligible blocks that will be included in Auction 904. It is also stated that all parties should not assume the support will be made available for the areas shown. It is for this reason, that that the areas should still be considered for VATI funding as RDOF funding has not been formally approved for these areas. All this information has been acquired from the official program's funding maps and can be found in Attachment 2.

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It is also important to note, that the Virgilina portion of this project has an adjacent area that was awarded VATI funding in the last round of funding to the applicant and co-applicant. This project will enable the areas that were not funded through last year's round, to receive funding to deliver high-speed broadband and "fill in the gap."

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:

Data was gathered from the CIT's Integrated Broadband Availability Map and Integrated Broadband Planning and Analysis Toolbox. The most recent FCC 477 data and the FCC Broadband Map. As of the time of the application submittal, there are only two providers, other than satellite, that have reported coverage within the proposed project areas. Upon further investigation by utilizing the company's address availability form on their website and by reaching out to those providers, it was discovered that the area listed as having cable (Chestnut Rd.) were unable to provide those services to residents in those areas. When staff members for the Center for Innovative Technologies (CIT) were contacted, EMPOWER Broadband staff was informed that these areas were reported in error as having those services. This information was further verified by reaching out to MEC members who live along the proposed project area who reported that the service provider had informed them that services were unavailable in these areas.

According to the FCC Broadband Map and the CIT Broadband Availability Map, some areas of the proposed project did have an existing provider, CenturyLink, who was represented as having some ADSL services overlapping a small portion of the proposed project area. By reaching out to the provider and speaking with members along the proposed route, it was discovered that overlap in a small portion of the proposed area had been reported in error as the provider's website confirmed that service was not available or did not meet the 25/3 Mbps requirement. It is also important to note that residents in that area reported that they had also been informed by the provider that services were not available at their location. It was discovered that these residents had been informed by the provider that they were not accepting new customers in this area due to a system that is overtaxed. The goal of the VATI grant is to provide broadband services to residents of Virginia; and even though there are providers who have claimed to serve small portions of this proposed project area, by their own admission, through their website and sources, are unable to provide service to those along this proposed project route when residents have inquired. Subsequently, the area must be regarded as unserved. However, even if every resident was able to sign up for services from the current service provider in that given area, it would consist of less than a two percent overlap with the most liberal of estimates.

- 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
  - 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.

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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:

According to maps from internal GIS systems, the area proposed has 287 MEC accounts located within 1,000 feet of the proposed fiber line, 8 of those being businesses. Converting this to actual population using an estimated 2.5 consumers per household, this grant area encompasses an estimated population of 718 rural residents. Other than the slight overlap mentioned above, which is within the limit set for by VATI guidelines, approximately 98% of these residences lack access to the 10/1 Mbps speed, with 100% of the homes lacking access to the 25mbps/3Mbps minimum. According to data received from the Halifax County Public School System, these proposed project areas will provide broadband access to approximately 100 students. An estimated 45% take rate within the first year is expected based on household income, level of education and the age of those along the proposed routes based off research data adopted by the Pew Research Institute and the feasibility study conducted by Pulse Broadband for the entire MEC service territory. This would mean that within the first year of project completion, 129 locations are expected to have broadband services provided.

Along the proposed route there are 2 churches, 8 stores / businesses with four of those being home-based businesses. Of the 287 passings of the projects combined, (87 for Chestnut Rd. and 200 for the Virgilina), 277 of the passings are residential with the remaining 10 as mentioned above. This information was gathered by speaking with representatives from Halifax County's Administrator's Office who issue business permits and by also speaking with residents that live in the project area. As far as community anchors, this project will include two churches, which are considered community anchors in these communities, as they provide several ministries that are widely used by those in and around the community, particularly low-income households. One of these churches is also developing a Christian school that will be open to those from the county as an additional education option for parents. One of the greatest challenges in selecting an area for broadband expansion is choosing one with many community anchors such as schools, libraries, community centers, etc. The areas within the service territory that have these institutions are in areas that are within the densely populated localities and, therefore, already have broadband services available. Due to the lack of broadband in the areas we serve and have selected, these institutions are not readily available; however, through the support of VATI funding, these areas will now have access to the tools that will allow community anchor institutions to be developed, grow and thrive. VATI, along with the applicant and co-applicant share the same goal to bring much needed broadband to rural Virginia; however, to overlook rural areas due to a lack of community anchors would be a great disservice, as broadband access and community anchors tend to go hand in hand. It would also be in opposition to Governor Northam's vision as written on page 5 of the Commonwealth Connect Plan, where "everyone has the infrastructure necessary to access the internet."

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. This application is for a fiber-to-the-premise construction project.

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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:

EMPOWER Broadband, Inc. is using the Calix implementation of Gigabit Passive Optical Network (GPON). GPON is a fiber-to-the-premises (FTTP) technology that implements point-to-multi-point architecture to serve residential and business customers and provide up to 1 Gbps service per subscriber. This technology utilizes fiber optic splitters to enable up to 64 customer locations to be served by a single optical line terminal (OLT) port. Below is an example of how the bandwidth is shared utilizing the preferred 1:32 fiber split:

Upstream: 37.5 Mbit/customer= (1.2 Gbps)/(32 customers)

Downstream: 75 Mbit/customer= (2.4 Gbps)/(32 customers)

Residential packages offered to residents along the proposed project route would be as follows:

50 Mbps/50 Mbps - \$69.95/month (optional VOIP telephone service at \$30/month)

100 Mbps/100 Mbps - \$119.95/month (optional VOIP telephone service at \$30/month)

300 Mbps/300 Mbps - \$199.95/month (optional VOIP telephone service at \$34.95/month)

1 GB - \$269.95/month (optional VOIP telephone service at \$30/month)

Business packages offered to enterprises along the proposed project route would be as follows:

50 Mbps/50 Mbps - \$89.95/month (optional VOIP telephone service at \$34.95/month)

100 Mbps/100 Mbps - \$139.95/month (optional VOIP telephone service at \$34.95/month)

All business packages larger than 100Mbps/100Mbps would require a consultation for a customized quote.

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

Last Mile Service Delivery will use Calix customer premise equipment. The fiber drop terminates to a Network Interface Device (NID) outside the premises. From there, single-mode fiber with Angled Physical Connectors (APC) is used to connect to a Calix 803G Optical Network Terminal (ONT) device inside the premises. The 803G in turn uses an Ethernet port with inside wiring of a standard Ethernet cable to connect the ONT to a Calix Model

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844e Gigacenter. The 844e provides wired and Wi-Fi connections inside the premise for internet service. The Gigacenter's Wi-Fi service uses both 2.4 Ghz and 5.0 Ghz bands. An optional wireless mesh device, the 804 Mesh Extender, can be used in large homes or businesses to extend the range of the wireless service. The 803G ONT also contains a voice port, which connects to an existing telephone NID via RJ-11 cable for the optional Voice over IP (VoIP) service. The ONT is powered from either a standard AC wall outlet, or also can be connected to an optional Lithium-ion battery back-up unit. The last mile network uses an overall tree and branch design for the access network. Each end customer has a fiber connection in the home or business. Layer2 switching connects the end user back to a Calix e7-2 access device which transmits light on the fiber with a GPON small form-factor plug (SFP). E7 C+ SFP's have a 32- way split capable of reaching 32km, which puts all accounts within range of the Crystal Hill and Omega substations serving the area and is also the location of the e7-2's and an edge router. Layer 2 segments are trunked up to the edge router and then one of the centralized aggregation routers. Aggregation routers have been installed in Chase City and Gasburg. Aggregation routers are connected to a redundant Internet Data Provider using multiple 10Gb connections across a Mid-Atlantic Broadband (MBC) open-access network. The diagram included shows the physical infrastructure and long-term plan, ultimately showing the location of all major network nodes, creating a highly redundant network. Each of the nine (9) larger highlighted substations contain a major network node with a Layer 3 router that is locally ringed together with 10Gb fiber uplinks.

#### 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:

This project is ready to enter the final design phase as planning and preliminary engineering are complete. Each segment of this project has been included in MEC's overall fiber network "tree and branch" design; this includes anticipation of substation network hardware, fiber splitting, and fiber loops. Additionally, through our knowledge of the area, each project area has been selected to maximize existing main line pole infrastructure and minimize make ready work. These areas have also been selected to reach further into these unserved areas by creating the next fiber class for MEC's fiber expansion. The first tier or class, Backbone, is substantially underway while this application focuses more on the deployment of Distribution Class (FTTH Mid-Mile) fiber along with the required Access Class fiber (last mile) and Drops.

All fiber cable will follow the electrical system and will be installed on or adjacent to existing distribution facilities within the existing right-of-way. This allows the use of MEC's Geographic Information System for the determination of required fiber length along with classification as Distribution, Access, or Drops to facilitate the determination of fiber count for each respective use. Typically, the MEC-EMPOWER system uses 144-count fiber for Backbone, 48- and 24- count fiber for Distribution, and 12- count for routes deemed as Access.

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Within 30 days of the notice of Grant award, MEC staff will complete the final fiber layout in each project area. This will include detailed GPON fiber splits, splice can location, and final material list to proceed with purchase orders. VDOT and railroad crossings have been identified and permit requests will be filed and substantially completed within this allocated time period. Residents benefiting from an awarded grant will be notified by letter of the pending deployment and the use of construction crews to complete the work.

MEC's Senior Field Engineering Technician will confirm the final design layout, checking clearances, splice can size, and splice can location to ensure future fiber deployment to other unserved homes and businesses. As a part of the confirmation process, MEC will assign contract staking engineers, with Booth & Associates LLC. Consulting Engineers, to visit each pole to confirm height and space for cable placement. Additionally, each pole will be checked to confirm selection of appropriate mounting hardware for the line angle and for review of modifications needed for cross arm or vertical pole construction.

As a result of the field review, technicians will identify all make ready work and associated poles requiring replacement. This final layout will be assigned to Davis H. Elliot or River City Construction crews to complete all make ready work followed by Distribution and Access Class fiber installation. Make ready and fiber installation activities are scheduled for 20 weeks.

Each 144-count fiber reel is 9,000 feet in length; such higher count fiber splicing will be performed by S&N Communications while Distribution class lower count cables will be spliced by MEC's fiber technicians. It is expected fiber splicing will require four – six weeks.

While construction crews perform make ready work and install fiber, Booth & Associate field technicians will visit each subscriber's location to plan for the Drop installation. MEC crews will then perform the Drop installation to the home. Next Generation Electronics will install the NID (Network Interface Device) and the Router/ONT. Drop and ONT installation is set for 20 weeks as it will be completed concurrently with Distribution and Access fiber construction deployment.

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:

Matching funds are being provided by MEC/EMPOWER in the form of construction of a fiber "Backbone." The backbone fiber infrastructure will provide connectivity for the MEC electrical grid and will have excess fiber to be used to serve drops and is estimated to cost \$947,304 (73%). The drops being built off said backbone are estimated at a cost \$350,373 (27%).

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

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proposed project.

#### Answer:

Several factors played a vital part into the selection of the proposed project areas that can be viewed as leverage. One of the biggest factors that went into the selection process was the pre-existing resources that have already been built in the area by MEC and its subsidiary EMPOWER Broadband. These project areas can be easily constructed off a pre-existing fiber backbone that is part of a 135-mile fiber backbone project funded in a partnership with MEC and the TRRC. These areas were not eligible in the original backbone project but could be served through this round of VATI funding and complete a portion of the county that would now be served and, in essence, "fill in the gap." Additional factors of leverage that factored into our decision to pursue additional construction in these areas was the direct result of Halifax County officials, both paid officials and elected representatives on the Board of Supervisors, reaching out to EMPOWER Broadband staff asking that we partner with them and pursue broadband expansion projects in the proposed areas. Unlike other providers they had prior experience with, who failed to build the services that were promised to the county, EMPOWER has followed through with the projects that had been discussed with county officials by constructing infrastructure and serving county residents with broadband services; thus, leading to a continued partnership.

An additional factor that played a large role in the selection of these areas for this grant proposal was the economical and efficient use of the crews that MEC and EMPOWER already have in place. The proposed project that is in the southern portion of Halifax County is an extension off the VATI awarded project from this past year. Crews will already be in place constructing the project previously awarded and will be able to expand the proposed project without having to obtain and relocate additional crews as the manpower and equipment will already be in the area and in place, expediting the completion of both projects. The proposed project in the northern portion of Halifax County is bookended by our fiber backbone that has already been constructed. Crews will be in the area, and as mentioned for the southern project area, will already be in place with the equipment and resources needed to complete the project and complete it in an expedited manner.

Furthermore, the residents in these areas have also added additional leverage, as those in the community have worked hard to share with their neighbors about the projects and we have written commitments from a large majority of those living along the route, who have agreed to take the service once the project has received VATI approval. EMPOWER utilizes a business principle where revenue generated from those receiving services is used to further expand broadband expansion in other areas. This community commitment means that revenue will be readily available to expand broadband services in other areas that have yet to receive funding of any type.

- 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

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cooperative extension office.

#### Answer:

The feasibility conducted by Pulse broadband for the entire MEC area, based on National statistics from cooperative areas like ours with similar service offerings in a rural setting, estimates the take rate (number of homes expected to subscribe for services) for this area to be 45 percent within one-year of project completion. This expected take rate is also based off research conducted and adopted by the Pew Research Institute. Accordingly, from the 287 accounts passed, an estimated 129 that would take service, within the first year. We believe, however, after Broadband discussions with multiple subdivisions in our service area and the interest generated by our announcement, that the 45 percent take rate is both easily obtainable and a conservative estimate.

Once field engineering for the electrical make ready construction begins in the designated area, potential EMPOWER customers will be notified by direct mail that fiber internet services are forthcoming. Once fiber construction begins, potential customers will receive another direct mail letter, including pricing structures and a contract for early sign up. All members who sign up early will receive free installation, a \$100 value for bundled services (internet and fiber) or half-off for internet services only. Additionally, postcard reminders will be mailed three-weeks following the second direct mailer. Once installations begin, door hangers will be placed on all doors at those accounts not already signed up for service and, where allowed, yard signs will be displayed at the properties already receiving EMPOWER services.

In addition to the above direct marketing activities, EMPOWER will set up at local community functions to educate potential customers, as well as the public, and will distribute brochures and promotional items. Social Media platforms for both EMPOWER and MEC, as well as both websites and local printed materials (newspapers and magazines), will be used to notify potential customers.

Currently, Halifax County's public libraries currently utilize programs such as basic computer skills classes, promotion of online resources (i.e. videos) through social media pages and the use of e-books and audio books to promote digital literacy within the community. The Halifax County Cooperative Extension Office is also early into the development of their own digital literacy programs that will be available to county residents. Unfortunately, many of these efforts have been greatly hindered by the effects of COVID-19. To help bolster lack of resources; EMPOWER staff have already worked to create its own digital literacy tools that can help educate those in the community about the world that broadband access can provide. One of these programs is a simple, yet effective open house in which members of the community are invited to join us at one of our facilities, or a selected location within the community, where staff demonstrate the numerous ways that one can use the broadband services in their everyday lives. Attendees can also speak with staff about any issues/questions they may have about the many uses and improvements to their lives. Social media is also another platform in which staff are making great strides to increase digital literacy; brief, informative videos are being created that will highlight certain aspects of the construction process and the ways that the service can be put into use via VoIP services, television streaming, etc. Since the changes brought on by COVID-19, staff members are now creating a Virtual Town Hall meeting that will be open to the public to educate residents on the process involved in the actual construction of fiber-to-the-premise, but also use it as a tool to explain that broadband is more than just internet and can be used in numerous daily activities. Another program that is currently being developed is called "Sr. helping Seniors." This is a program that would utilize volunteers from the local high school senior class who would pair up with a senior citizen from the community in an open to the public program; during this time, the students would serve as a teacher to help explain how to use basic programs not only on a computer, but also devices such as firesticks, Roku, etc. that can be

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utilized by having access to broadband. Of course, our in-person programs will not be able to take place until the restrictions on gatherings have passed as a result of COVID-19. Virginia Tech also hosts Digital Literacy Symposiums with the most recent having participants exploring online identities through the many roles as students, educators, scholars and more. Resources such as this, though not directly associated with either the applicant nor co-applicant, can be easily promoted through the local Cooperative Extension Office to notify county residents.

Information regarding EMPOWER, its services and construction progress is also available at each district location or by telephone.

Please see Appendix – for a summarized version of EMPOWER's Marketing Plan and marketing materials to be utilized.

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:

The executive team at Mecklenburg Electric Cooperative is responsible for the management of the project. This team is well-positioned and prepared to implement, manage, operate, and sustain the services proposed. Members of the team are included in attachment: Halifax Co.\_MEC Management Team

Mecklenburg Electric Cooperative and Empower Broadband Inc. are currently administering a grant for the TRRC's R&D Last-Mile Broadband Project sponsored by Mecklenburg County. Mecklenburg Electric Cooperative was also a recipient of grant funds in partnership with Greensville County, whereby the county was the administrator of the grant. Mecklenburg Electric Cooperative has extensive experience in managing projects similar in scope to the project being proposed in this application. As a current provider of utility services, Mecklenburg Electric Cooperative is required to maintain detailed records and is expected to be held accountable for proper data management and project management on the electric side due to its being a current borrower in good standing with USDA's RUS (Rural Utilities Service). Mecklenburg Electric Cooperative will be enforcing similar accountability and due diligence with the DHCD grant program as well.

Name	Title	Project Role	Project Responsibilities
Mr. Scott Simpson	County Administrator, Halifax County	Project Liaison	Project Oversight and serves as a liaison with Halifax County

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John C. Lee, Jr.	President and CEO  Mecklenburg Electric Cooperative (MEC) and EMPOWER Broadband	Corporate management	Manager of Overall Project
Dwayne Long	Vice President of Information Technology, MEC and COO EMPOWER Broadband	Project Manager	Monitor overall progress of project
David Lipscomb	Vice President of Member and Energy Services, MEC	Project Marketing	Advance Project Marketing Program
Michelle Taylor	Vice President of Business Development, EMPOWER Broadband	Project Milestone Manager	Liaison for Task Advancement
Carol Ann Jones	Vice President of Finance and Accounting, MEC	Grant Accounting	Tracks grant expenses and prepares reports
Sherry Harris	Administrative Assistant, EMPOWER Broadband, INC.	Administrative	Performs administrative tasks as necessary
Brian Woods	Director of Engineering, MEC	Engineering Coordinator	Coordinates engineering plans of fiber infrastructure for project
Robert Lankford	Director of Operations, MEC	Construction Coordinator	Coordinates construction of fiber infrastructure for project

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#### HALIFAX COUNTY

Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

B. J. Seamans  Vice President Engineerin Operations	g and Construction	Oversees all engineering and construction duties for project
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#### 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:

The funds requested by both the applicant and co-applicant from VATI funds will be used for the costs of both aerial and underground construction of the proposed fiber system for a total amount of \$350,373. MEC and EMPOWER Broadband will provide an in-kind match of \$947,304 that will be used for the remaining construction costs, as well as, the following:

Outdoor Wall Mount Labor

**Outdoor Wall Mount Materials** 

Splicing Labor

**Splicing Materials** 

Staking Labor

ONT (router) labor

ONT (router) materials

E7-2 Package Chassis

Battery String Kit, Heater and Connectors

GPON SFP OIM. Class B+ 1490/1310nm

E7-2 8 Card PON Unit

These costs are listed in detail in the derivation of costs that is attached.

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#### HALIFAX COUNTY

Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

- 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) State Share for total project cost: \$350,373 / Total project cost: \$1,297,677
- b) 287 units passed / \$350,373 = \$1,220.81 per unit passed (State cost)
- c) Internet Speed: The maximum available speed is One Gigabit per second upload and download.

#### 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:

The proposed project areas included in this application constitute one part of a three-part application submittal across three counties: Halifax, Mecklenburg and Greensville. The areas in the project proposal are extensions off previously funded projects through both VATI and TRRC grant programs and will be vital in "filling the gap" of unserved areas not served by those previous projects. These project areas are also an expansion to a fiber backbone construction project consisting of 135 miles of fiber and includes portions of six Southside Virginia counties (Pittsylvania, Halifax, Charlotte, Mecklenburg, Brunswick and Greensville). The proposed project areas, along with the current backbone project, will provide a larger foundation to provide fiber-to-the-home in nine different counties in Virginia that MEC has members. Since receiving clearance from the State Corporation Commission (SCC) in 2019, over 125 miles of backbone fiber has been constructed and some 700 residents in those areas have already begun receiving broadband services. This project will also provide additional sites to be utilized as neighborhood hotspots, for areas that services have yet to be built. These hotspot sites would provide broadband access for county residents who currently lack access to high-speed broadband throughout the

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#### HALIFAX COUNTY

Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

community. This is a need that has been brought forth in the spotlight due to the current COVID-19 pandemic; numerous households have found themselves struggling to continue their work and education from home without access to broadband services. While it is acknowledged that this can not be a permanent fix, it will serve as a "extra" use of the VATI funds and provide much needed relief to numerous families outside the project area and the MEC/EMPOWER service territory.

Again, due to the extreme rural nature of the area that comprises Halifax County and MEC/EMPOWER's service territory, new community anchors have had an almost impossible task of being established due to the lack of broadband access and those anchors that were in existence in years past, have gone by the wayside because they were not able to continue functioning in today's technologically-driven world. However, the availability of high-speed broadband internet through this project area would bolster the opportunities for these communities, but also provide for the opportunity for valuable community anchors to establish themselves in the area and serve not only the communities they are in, but also neighboring communities.

As a subsidiary of Mecklenburg Electric Cooperative, EMPOWER Broadband enjoys a unique advantage in the development and construction of broadband infrastructure in that both parties share a close working relationship which allows access to electrical infrastructure, namely poles, in which fiber can be attached to expedite the buildout of fiber to those living in the areas.

In addition to the community hotspots mentioned above, EMPOWER is also an active participant in the USAC Lifeline program. Lifeline is a federal program that lowers the monthly cost of phone and internet for consumers, intended to make communications services more affordable for low-income consumers. Lifeline provides subscribers a discount on monthly telephone or internet service purchased from participating providers in the marketplace. EMPOWER staff have also discussed with Halifax County officials about implementing a program to provide services to families, with school age children, at a reduced price while students are actively attending school.

#### 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 XXXXXXX
- c. Attachment 15 XXXXXXX
- d. Attachment 16 XXXXXXX
- e. Attachment 17 XXXXXXX

#### Answer:

N/A

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#### HALIFAX COUNTY

Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

#### Attachments:

Map(s) of project area, including proposed infrastructure

HalifaxCoAttachment1ProjectAreaMap814202091240.pdf

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

HalifaxCoAttachment2DocumentationofFederalFundingArea814202091252.docx

Documentation that proposed project area is unserved based on VATI criteria

HalifaxCoAttachment3DocumentationUnservedAreaVATICriteria814202091305.docx

Passings Form (Please use template provided)

HalifaxCoAttachment4PassingsForm814202091318.pdf

Timeline/Project Management Plan

HalifaxCoAttachment6TimelineProjectManagementPlan814202094739.xlsx

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

HalifaxCoAttachment7MOUbetweenApplicantCoapplicant814202091353.pdf

**Funding Sources Table** 

HalifaxCoAttachment8FundingSourcesTable814202091406.docx

Documentation for match funding

Halifax CoAttachment 9 Document at ion of Match Funding 814202091422. pdf

Letters of Support

HalifaxCoAttachment10LettersofSupport8172020124023.pdf

Derivation of Cost (Project Budget)

HalifaxCoAttachment11DerivationofCosts8142020914398172020124141.pdf

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#### HALIFAX COUNTY

Halifax County/EMPOWER VATI 2021 (Chestnut. Rd./Virgilina)

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

Halifax CoAttach ment 12 Documentation of Supporting Cost Estimates 814202091507. pdf

Two most recent Form 477 submitted to FCC

HalifaxCoAttachment13Form477814202091521.pdf

Optional

HalifaxCoMECManagementTeam814202095356.docx

#### Optional

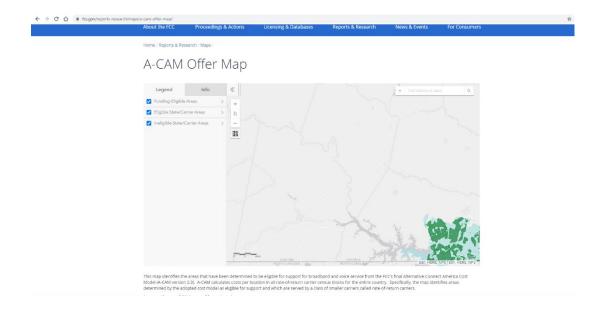
VATIMarketingPlanAugust2020814202095406.pdf

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Chestnut / Terry Trl / Rose Trl

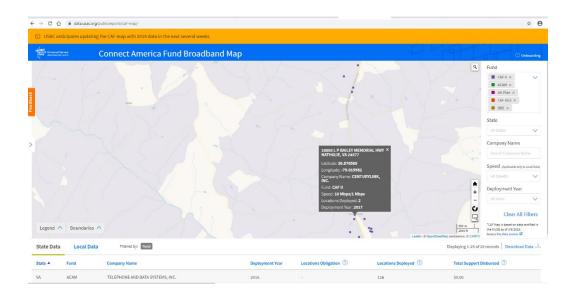
Omega - Virgilina

#### Halifax County – Attachment 2



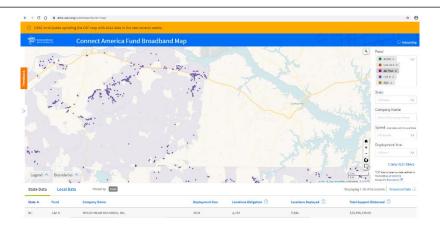
#### **Chestnut Rd.- Project**

The CAF broadband map below shows all speeds awarded CAF II, ACAM, AK Plan, CAF-BLS and RBE funds since the year 2000. The closest addresses awarded funds are the following addresses: 9255 and 10005 L.P. Bailey Mem. Hwy. These funds were awarded to CenturyLink, Inc. and were for 10Mbps/1 Mbps speeds. These residences are not included in this proposed project area and are eligible for service through MEC and EMPOWER's 2018 TRRC fiber backbone grant.



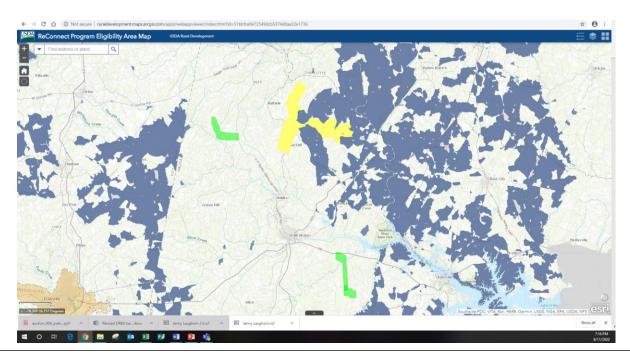
#### Halifax Co. Virgilina Project

The CAF broadband map below shows all speeds awarded CAF II, ACAM, AK Plan, CAF-BLS and RBE funds since the year 2000. A slight overlap of addresses were awarded CAF funds; these funds were awarded to CenturyLink, Inc. and were for 10Mbps/1 Mbps speeds in 2016. This residence is included in this proposed project area and according to the VATI definition of an "unserved" address is deemed unserved due to not having access to internet speeds of 25Mbps/3Mbps.



#### Halifax ReConnect Eligibility

The map below shows (in yellow) the areas in Halifax that are currently pending approval in the USDA ReConnect program. The areas that are being submitted for this grant project are shown in the green areas on the map. These areas are not included in any area currently under consideration for any ReConnect funds.

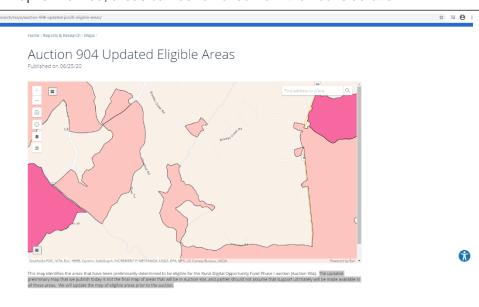


Halifax County RDOF Auction 904 Areas

The map below shows the Auction 904 Updated Eligible Area map for Halifax County. The map shows that part of the proposed project area is currently listed as an eligible area as of 6/25/20. However, no information is known as to whether any outside parties have any interest in bidding on these areas. It is also important to note that the Federal Communications Commission (FCC) states, "The updated preliminary map that we publish today is not the final map of areas that will be in Auction 904, and parties should not assume that support ultimately will be made available in all these areas. We will update the map of eligible areas prior to the auction."

With that statement being made by the FCC, it should be noted that these areas should still be considered for VATI funding. Though this area is listed as eligible at the current time, the FCC acknowledges that by the time the map is finalized, areas can be removed from their consideration.

← → C ☆ @ fccg



## Halifax County – Attachment 2

← → ♂ ☆ @ fcc.gov

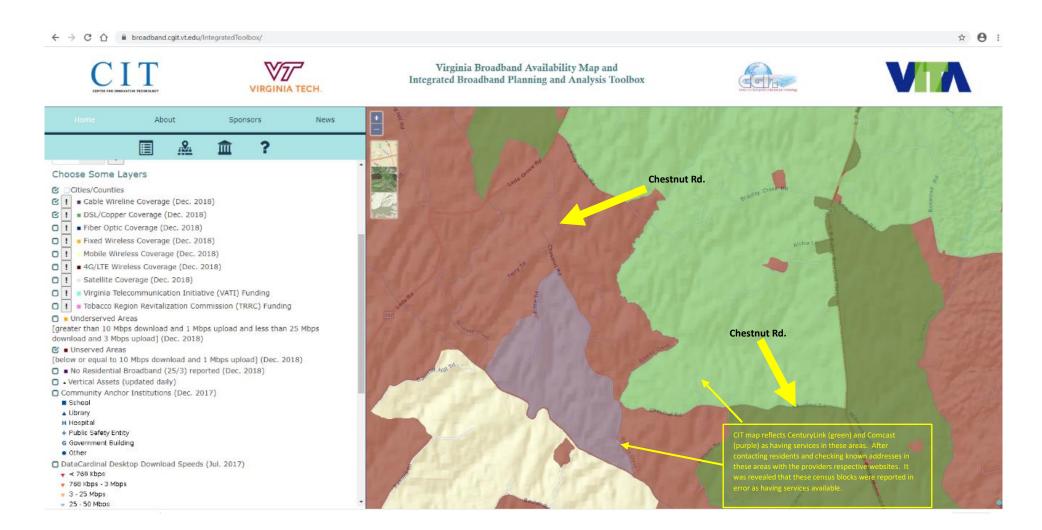
Home / Reports & Research / Maps /

Auction 904 Updated Eligible Areas

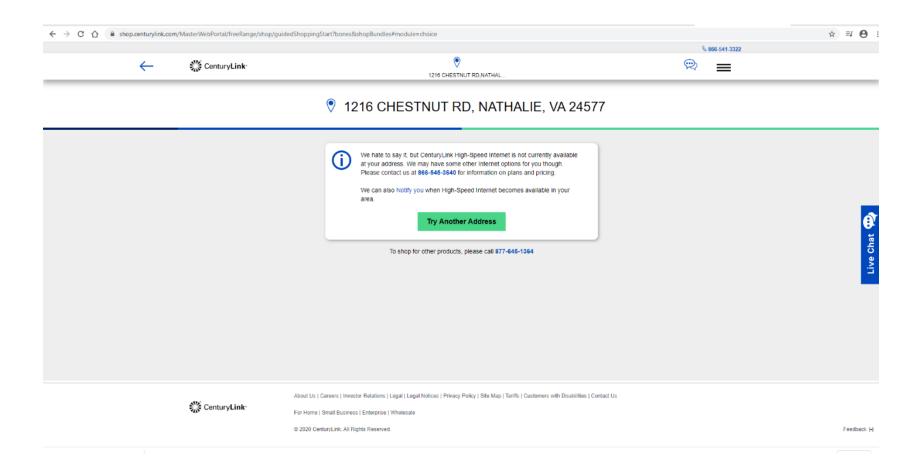
Published on 06/25/20

This map identifies the areas that have been preliminaryly determined to be eligible for the Rural Digital Copportunity Fund Phase I auction (Auction 904). The suddered preliminary map that we publish today in not the final maps of crees that will be in Auction 504, and parties should not assume that supports ultimately will be made available in all these areas. We will be employed the response to final exposure that supports ultimately will be made available in all these areas.

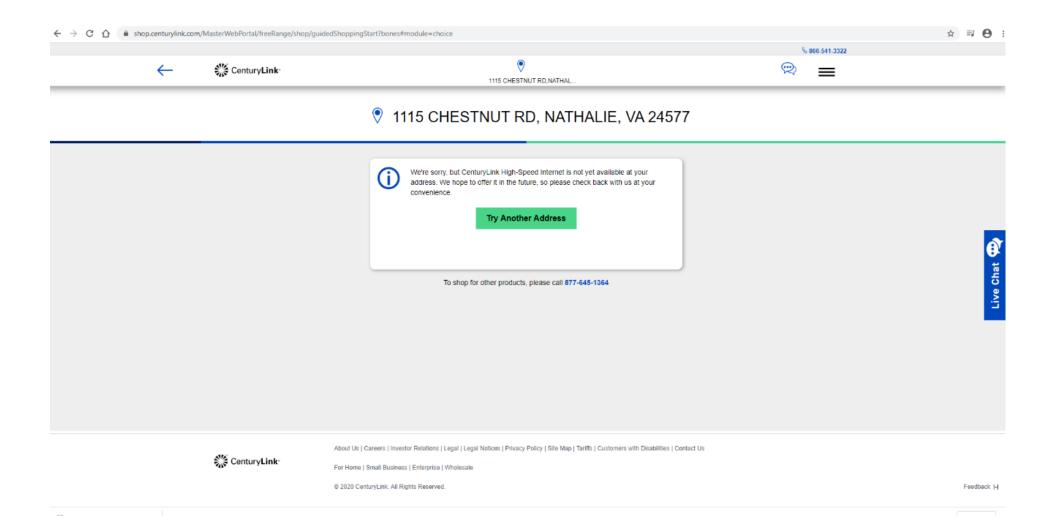
### Halifax Co. – Chestnut Rd.



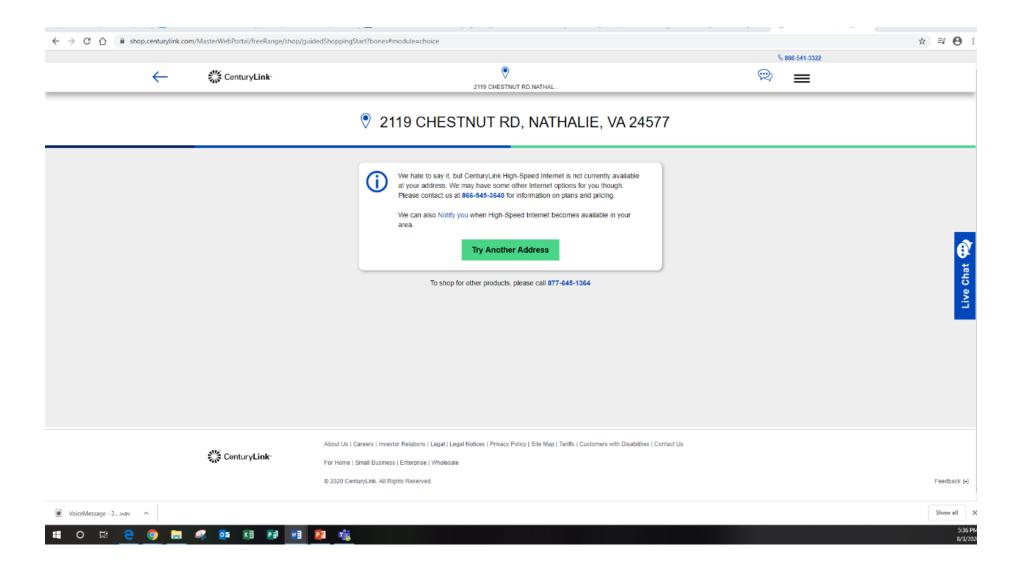
## Halifax Co. - Chestnut Rd.



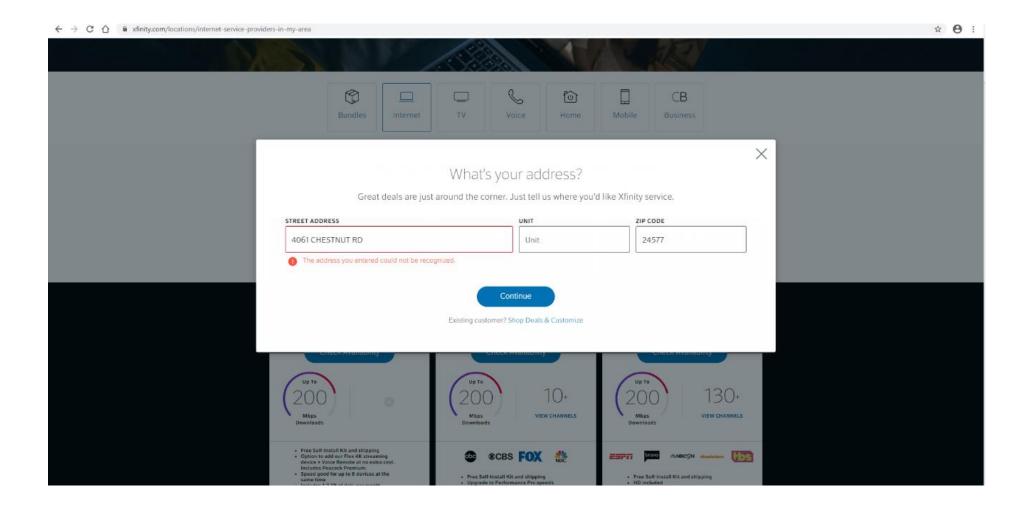
## Halifax Co. - Chestnut Rd.



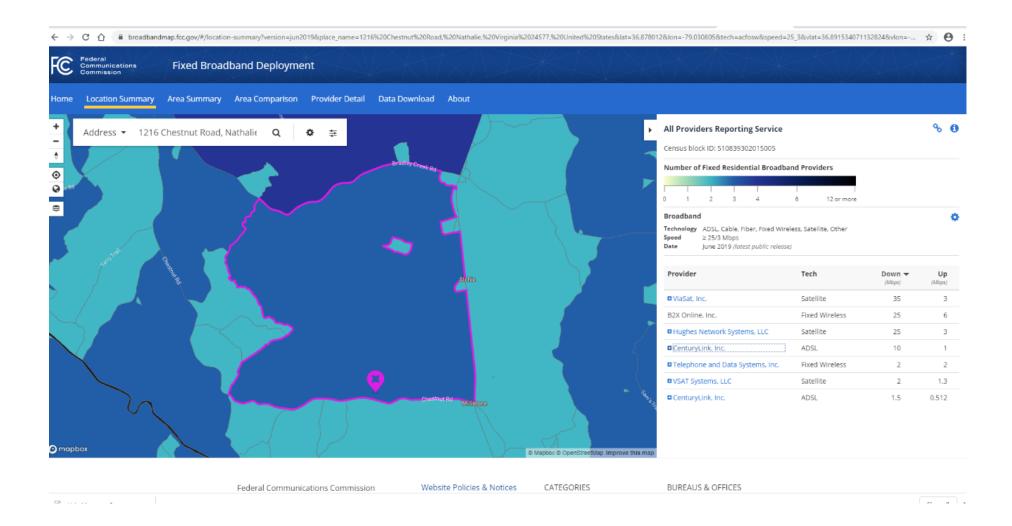
## Halifax Co. - Chestnut Rd.



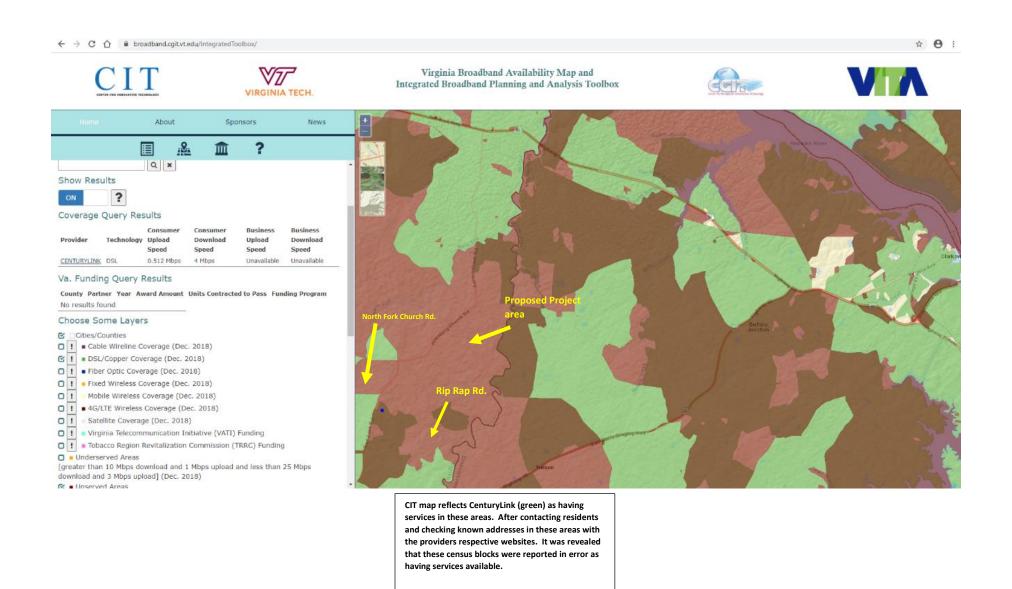
## Halifax Co. – Chestnut Rd.



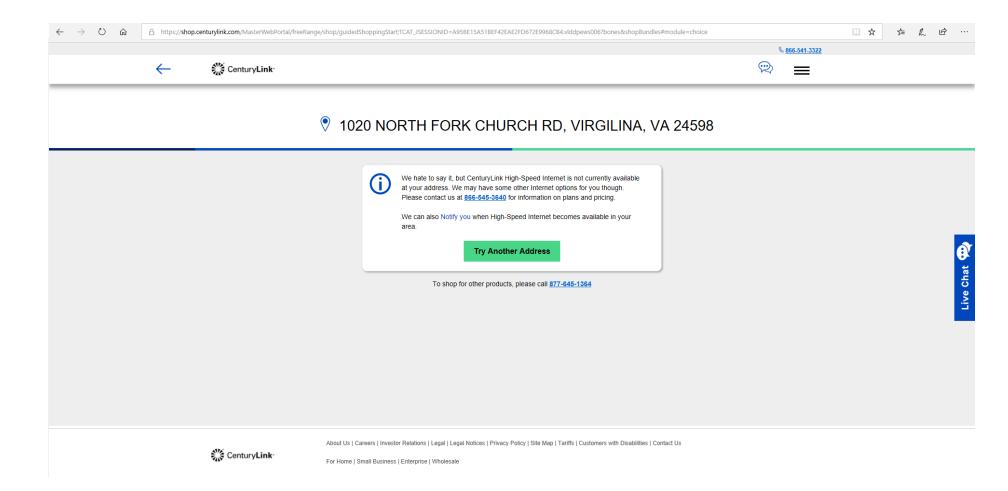
### Halifax Co. – Chestnut Rd.



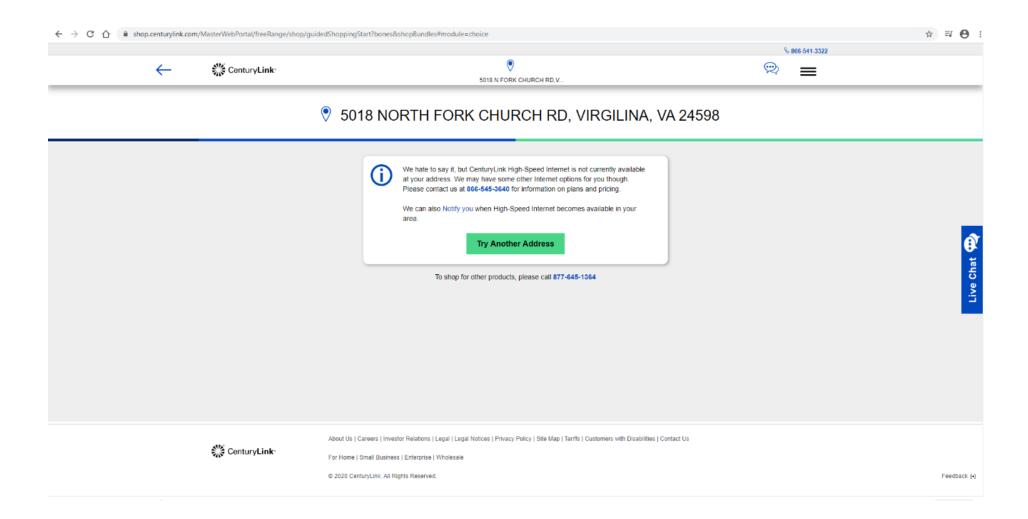
## Halifax Co. – Virgilina.



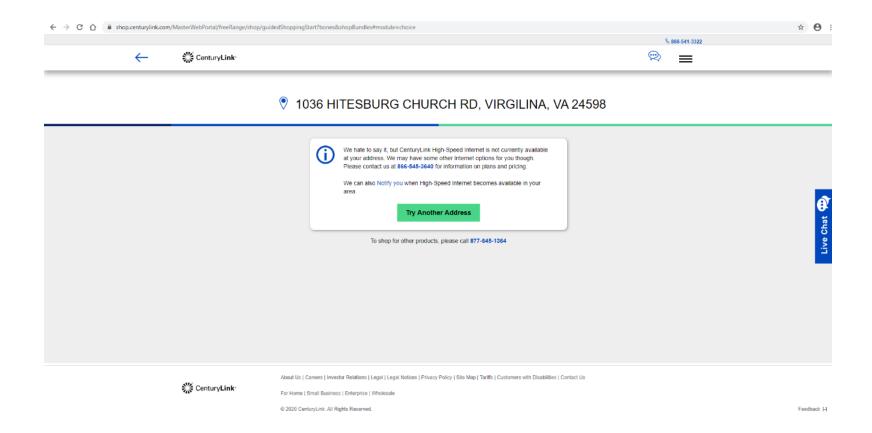
## Halifax Co. – Virgilina



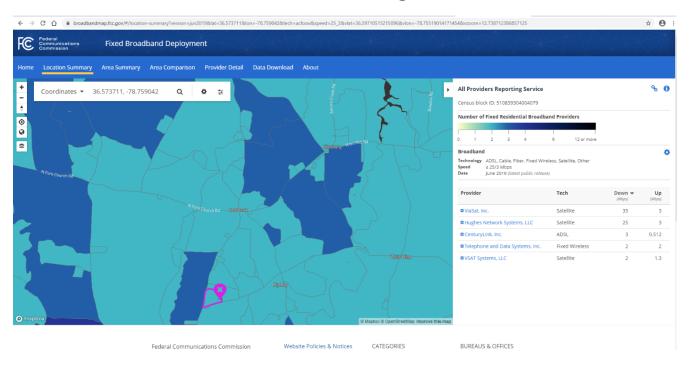
## Halifax Co. – Virgilina.



## Halifax Co. –Virgilina.



## Halifax Co. – Virgilina



# 2021 Virginia Telecommunication Initiative (VATI) Passing Form Halifax Co. – Virgilina

Type of Passings	Total Number in Project Area	Number with Speeds at 10/1 or below in Project Area
Residential	195	195
Businesses (non-home based)	3	3
Businesses (home-based)		
Community Anchors		
Non-residential	2	2
Total Number of Passings	200	200

**Note**: The Total Number of Passings <u>MUST</u> 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.

# 2021 Virginia Telecommunication Initiative (VATI) Passing Form Halifax Co. – Chestnut Rd.

Type of Passings	Total Number in Project Area	Number with Speeds at 10/1 or below in Project Area
Residential	82	
Businesses (non-home based)	1	
Businesses (home-based)	4	
Community Anchors	0	
Non-residential	0	
Total Number of Passings	87	

**Note**: The Total Number of Passings <u>MUST</u> 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.

IVI	EC-EMPOWER 2020 V.	ATTTIMEHHE				
Task Name	Assigned MEC Manager	Responsible Individual	Responsible Entity	Start Date	Finish Date	Duratio
Finalize VATI Bid award	M. Taylor	M. Taylor	· ·	12/15/2020	12/18/2020	1 Wee
Press Release of Award Notification to Local Newspaper	D. Lipscomb	D. Winn	MEC	12/15/2020	12/20/2020	1 Wee
Social Media Release	D. Lipscomb	P. Whirley	MEC	12/15/2020	12/20/2020	1 Wee
Treath Treath Treath	Finalize Engineering I			12/13/2020	12/20/2020	
Edit Basemap with final route fiber count, splice can location, splitter diagram	D. Long	D. Long	MEC	12/15/2020	12/22/2020	1 Wee
1 71 2			MEC	12/15/2020	12/22/2020	1 Wee
Finalize fiber count, splice can location, and splitter diagram	D. Long	D. Long	MEC			
Create permit application drawings, VDOT/Railroad	B. Woods	J. Blair		2/3/2021 1/13/2021	2/28/2021 2/28/2021	1 Mont
Engineering design assigned to Field Engineers for field review	J. Blair	B. Buckner	Booth & Associates	1/13/2021	2/28/2021	1.5 Month
Finalize network electronic equipment list and release RFP	D.Long	B. Soles	MEC/EMPOWER			
Award electronics vendor bid	D. Long	B. Soles	MEC/EMPOWER			
Generate and release Construction and Materials RFP package	B. Seamans	R. Lankford	MEC	3/16/2021	3/20/2021	5 Day
Social Media Project Progress Update	D. Lipscomb	P. Whirley	MEC	3/16/2021	3/20/2021	5 Day
Community Meetings (Virtual or In-Person): Greensville, Halifax, Mecklenburg Update & Digital Literacy	D. Lipscomb	D. Francis	MEC/EMPOWER	3/15/2021	3/22/2021	1 Wee
Award construction and materials bid	B. Seamans	R. Lankford	MEC	4/1/2021	4/1/2021	1 Da
Project Status Review	M. Taylor	M. Taylor	EMPOWER	12/15/2020	4/1/2021	4.5 Month
Fil	oer Design and Make Ready De	esign- Integration				
Complete Fiber Engineering Design Edits	B. Woods	J. Blair	MEC	1/13/2021	2/28/2021	1.5 Month
Make Ready Engineering	B. Seamans	J. Blair	MEC	1/13/2021	2/28/2021	1.5 Month
Details of poles collected using Work Studio	J. Blair	B. Buckner	Booth & Associates	1/13/2021	2/28/2021	1.5 Month
Details of poles confected using work Studio  Details of all underground fiber route using Work Studio	J. Blair	B. Buckner	Booth & Associates	1/13/2021	2/28/2021	1.5 Month
		B. Woods	MEC Associates	1/13/2021	2/28/2021	
Make ready engineering evaluated for fiber placement	B. Seamans					1.5 Month
Make ready engineering finalized by MEC Field Engineering	B. Woods	J. Blair	MEC	3/2/2021	3/6/2021	5 Day
Final Construction Dept. and Engineering Field Review	B. Seamans	R. Lankford	MEC	3/9/2021	3/13/2021	5 Day
Project Status Review	M. Taylor	M. Taylor	EMPOWER	1/13/2021	3/13/2021	3 Month
Det	ailed Design Complete/Make R	leady Construction				
Make Ready Construction Work Orders generated	J. Blair	B. Buckner	Booth & Associates	3/2/2021	3/6/2021	5 Day
Permit drawings and Applications filed	B. Woods	J. Blair	MEC	3/2/2021	3/6/2021	5 Day
Splice sheets generated	B. Woods	J. Belknap	MEC	5/1/2021	5/29/2021	1 Mont
Bill of materials finalized	B. Seamans	J. Blair	MEC	3/16/2021	3/20/2021	5 Days
Direct Mailer #1 to Premises on pending make ready construction	D. Lipscomb	P. Whirley	MEC	2/15/2021	2/22/2021	1 Weel
Make Ready Construction	B. Seamans	B. Woods	MEC	3/2/2021	5/30/2021	3 Month
Press Release of Award Notification to Local Newspaper	D. Lipscomb	D. Winn	MEC	4/15/2021	4/20/2021	1 Wee
Social Media Release	D. Lipscomb	P. Whirley	MEC	4/15/2021	4/20/2021	1 Wee
Community Meetings (Virtual or In-Person): Greensville, Halifax, Mecklenburg Update & Digital Literacy	D. Lipscomb	D. Francis	MEC/EMPOWER	5/15/2021	5/22/2021	1 Wee
Project Status Review	M. Taylor	M. Taylor	EMPOWER	3/2/2021	5/22/2021	3 Month
Project Status Review		,	EMPOWEK	3/2/2021	3/22/2021	3 Monu
	Construction of Outside P		1			
Overall Construction of Outside Plant (OSP)	R. Lankford	P. Sopko	DHE	6/1/2021	12/15/2021	6.5 Month
Stringing Block deployment to pull in Overhead ADSS Cable	R. Lankford	P. Sopko	DHE	6/1/2021	10/30/2021	5 Month
ADSS overhead cable deployment	R. Lankford	P. Sopko	DHE	6/15/2021	11/20/2021	5 Month
Underground cable deployment	R. Lankford	R. Lankford	MEC	6/15/2021	11/20/2021	5 Month
Community Meetings: Greensville, Halifax, Mecklenburg Update & Digital Literacy	D. Lipscomb	D. Francis	MEC/EMPOWER	7/15/2021	7/22/2021	1 Wee
Installation of downline Splice Cans and Splitters	J. Belknap	A. Gibson	N & S	8/3/2021	12/15/2021	4.5 Month
Direct Mailer #2 to Premises for early sign-up with \$50 or \$100 installation incentive	D. Lipscomb	P. Whirley	MEC	8/15/2021	8/22/2021	1 Wee
Site racks and equipment installed	B. Woods	J. Belknap	MEC	9/14/2021	9/25/2021	2 Week
Test Network Electronics	D. Long	B. Soles	MEC/EMPOWER	9/15/2021	9/26/2021	2 Week
Commission data network for ONT Connection	D. Long	B. Soles	MEC/EMPOWER	9/26/2021	10/2/2021	1 Wee
Installation of Access Class FTTH (Back Haul from Main Line to Drop)	B. Seamans	R. Lankford	MEC	8/3/2021	12/15/2021	4.5 Month
. A7			EMPOWER	6/1/2021	12/15/2021	
Project Status Review	M. Taylor	M. Taylor	EMPOWER	6/1/2021	12/15/2021	6.5 Month
D' . W 1 #2 0'	Drop, NID, ONT Insta		ri mourre		0	
Direct Mailer #3 Sign-up reminder	D. Lipscomb	P. Whirley	EMPOWER	9/7/2021	9/14/2021	1 Wee
Drop Installation	B. Seamans	R. Lankford	MEC	8/3/2021	12/15/2021	4.5 Month
Home installation of ONT and NID	J. Belknap	L. Fleshman	Next Generation Electronics	9/1/2021	12/15/2021	3.5 Month
Door to Door visits with door mailer for those remaining eligible	D. Lipscomb	P. Lawson	EMPOWER	9/1/2021	9/15/2021	1 Wee
Press Release of Award Notification to Local Newspaper	D. Lipscomb	D. Winn	MEC	8/15/2021	8/20/2021	1 Wee
Social Media Release	D. Lipscomb	P. Whirley	MEC	8/15/2021	8/20/2021	1 Wee
Community Meetings (Virtual or In-Person): Greensville, Halifax, Mecklenburg Update & Digital Literacy	D. Lipscomb	D. Francis	EMPOWER	9/15/2021	9/22/2021	1 Wee
Yard Sign Deployment at installed users	*				12/15/2021	
y ard Night Deniovment at installed users	D. Lipscomb	D. Francis	EMPOWER	9/1/2021	12/15/2021	3.5 Month



# HALIFAX COUNTY BOARD OF SUPERVISORS

1030 Mary Bethune Street, Suite LL1
P. O. Box 699
Halifax, VA 24558-0699
(434) 476-3300
Fax: (434) 476-3384
www.halifaxcountyya.gov

H. W. H. PANNELL – ED#3 CHAIRMAN GARLAND B. RICKETTS - ED#7 VICE CHAIRMAN

CALVIN "RICKY" SHORT - ED#1
JEFFREY D. FRANCISCO - ED#2
RONNIE DUFFEY - ED#4
DEAN THROCKMORTON - ED#5
STANLEY BRANDON - ED#6
W. BRYANT CLAIBORNE - ED#8

August 14, 2020

Tamarah Holmes, Ph.D Director, Office of Broadband Department of Housing and Community Development 600 East Main Street, Suite 300 Richmond, VA 23219

Dear Dr. Holmes:

Halifax County provides for an agreement between the parties for each individual project which duplicates the outcomes, terms, and conditions of the final approved DHCD/VATI project parameters; therefore, we do not have a specific agreement related to this application as of yet.

Attached you will find the MOU/Agreement related to a current VATI project between Empower and Halifax County as a very close example of what will materialize for this new project. An agreement for the project associated with this new application, once awarded, will be executed in the same fashion without delay.

Please contact me with any additional questions you may have.

Sincerely

Scott R. Simpson, PE, MPA County Administrator

#### ECONOMIC DEVELOPMENT GRANT AGREEMENT

THIS AGREEMENT ("Agreement") is entered as of this \_21\_ day of August, 2020, by and between HALIFAX COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the "County"), the INDUSTRIAL DEVELOPMENT AUTHORITY OF HALFIAX COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the "Authority"), and EMPOWER BROADBAND, INC., ("Empower"), a wholly owned subsidiary of the MECKLENBURG ELECTRIC COOPERATIVE, a Virginia consumer utility services cooperative each a "Party" and collectively the "Parties." For their Agreement, the Parties state:

#### Recitals:

WHEREAS, the County is a political subdivision of the Commonwealth of Virginia, authorized to provide funds to the Authority under Sections 15.2-953 and 15.2-1205 of the Code of Virginia, 1950, as amended, for the purposes of the Authority; and

WHEREAS, the Authority is a political subdivision of the Commonwealth of Virginia, authorized to make grants for the purposes of promoting industry, developing trade, and inducing manufacturing, industrial, governmental, nonprofit and commercial enterprises and institutions to locate, remain, or expand facilities in the Commonwealth, under Section 15.2-4905 of the Code of Virginia, 1950, as amended; and

WHEREAS, Empower is a Virginia corporation, authorized to provide broadband telecommunications services; and

WHEREAS, Empower has proposed to undertake efforts to expand broadband in Halifax County and intends to make an investment of not less than \$2,186,195 in cash and in-kind services to the Project (as defined below); and

WHEREAS, the County, in collaboration with Empower, submitted an application for grant funding to the Virginia Department of Housing and Community Development (DHCD) Virginia Telecommunications Initiative (VATI), to fund the expansion of telecommunications services to certain unserved and underserved residences and businesses in Halifax County, Virginia, for the purposes of economic development and expansion of the County's tax base; and

WHEREAS, DHCD has awarded to the County a VATI Grant in the amount of \$710,514, to be used for the Project (as defined below); and

WHEREAS, the County wishes to make certain funds available to the Authority, and the Authority wishes to make a grant to Empower, for the purposes of incentivizing Empower to expand its telecommunications facilities in Halifax County, increasing jobs and employment, facilitating teleworking as an alternative for County business and workers, and otherwise expanding and preserving the tax base of the County, including acting as a conduit for \$710,514 in VATI Grant funds; and

WHEREAS, the preservation of existing tax revenue and economic activity, the stimulation of additional tax revenue and economic activity, the creation of new jobs, and the retention of existing jobs, all of which will be occasioned by the completion of the Project (as defined below) constitute valid public purposes for the expenditure of public funds and are the animating purposes for this Grant.

#### Witnesseth:

NOW THEREFORE, in consideration of the foregoing premises, the mutual benefits, promises, and undertakings of the parties to this Agreement as set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

#### I. Definitions & Incorporations by Reference.

For the purposes of this Agreement, the following terms shall have the following definitions, unless the context or manifest purpose of this Agreement indicate otherwise:

Capital Investment means a capital expenditure by Empower as set forth in the Grant Agreement. The total Capital Investment shall be not less than \$2,896,709, consisting of \$2,186,195, in cash and in-kind services and \$710,514 in VATI Grant funds.

Performance Date means Performance dates established by the County/DHCD VATI Grant Agreement, as extended by VATI. Initially 15 months from date of VATI effective date.

*Project* means the buildout of a fiber broadband system in the Omega, Lower Liberty, Meadville, and Northwest Halifax/Bull Creek sections of the County, which buildout is anticipated to include the installation of 37 miles of broadband infrastructure and telecommunication services passing 679 residences and businesses, as described in the Grant Agreement and substantially as set forth in the Grant Application.

Targets means the Empower's obligation pursuant to this Agreement to make Capital Investments at the Facility of at least \$2,896,709(including grant funds) and achieving the objectives set out in Section II of this Agreement as of the Performance Date. Empower shall also, as of the Performance Date, provide documentation of (1) the number of actual passings, takes, and the take rate; (2) the speeds achieved by the Project; and (3) such other information as may be required by the County, the Authority, and/or DHCD.

This Agreement incorporates by reference the following documents, which may be referred to as follows:

*Grant Application* means the *Application to DHCD Submitted through CAMS*, Application ID 64508202019093437, dated September 4, 2019, and all exhibits thereto.

Grant Agreement means the agreement between DHCD and the County, dated August \_\_\_, 2020, for the Project, including without limitation the terms and conditions incorporated therein.

# II. Targets.

Empower will construct and operate the Project in the County and make a Capital Investment of not less than \$2,896,709 as of the Performance Date. The Project shall be substantially complete and in operation as of the Performance Date. The Project will result in at least 679 passes of unserved or underserved residences and businesses, hoping to achieve a take rate of 45%, or 305 addresses, in the first year. Minimum speeds provided at passings shall be not less than 50 mbps download, 50mbps upload. Plans including up to 1 gigabit per second symmetrical will be available. Empower will diligently use its best efforts for community outreach and marketing the services. The County and the Authority will use their best efforts, consistent with all provisions of law, to assist Empower in meeting these goals. The Parties

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understand, however, that the number of customers who choose to subscribe is beyond the Parties' control and is expressly not an item of consideration for this Grant.

#### III. Grant.

The County will provide the funds to the Authority for the purpose of making the Grant as set forth herein. The Authority shall make grants to Empower as set forth herein and the Grant Agreement. Empower will use the Grant proceeds as reimbursement of actual expenses incurred for the construction of the Project. The total amount of the Grant shall not be more than \$710,514.

Disbursements from Grant funds shall be made not more frequently than monthly upon Empower's submission to the Authority and the County of detailed invoices verifying expenditures of funds and delivery of goods, services, or construction work in furtherance of the Project. For each invoice, the Authority will issue a grant payment of 100% of each invoice, until it has reached the maximum cash match of \$710,514.

In the event the above grants are not made due to an event of non-appropriation or otherwise, Empower's obligations for performance under this Agreement subsequent to such event of non-appropriation or other failure on the part of the Authority and/or County shall be void and of no force and effect.

#### IV. Reporting.

Empower shall provide, at its own expense, detailed verification reasonably satisfactory to the County and the Authority of its progress on the Targets in aid of the County's reporting requirements to DHCD. Such progress reports will be provided monthly upon request. For the purposes of verifying the accuracy of reports, and for no other purpose, Empower hereby waives its protections under Section 58.1-3 of the Code of Virginia, 1950, as amended, and authorizes the Commissioner of the Revenue for Halifax County, Virginia, to provide verification to the County and the Authority from his records; provided, however, that such disclosure shall not waive the protections of § 58.1-3 as to any other person, nor authorize the County or the Authority to disclose such information to any other person other than DHCD. Further, Empower grants the County and the Authority the right to inspect any site at which work on the Project is or has been carried on during the term of this Agreement in order to verify work for which an invoice has been submitted.

DHCD, in furtherance of the VATI Grant, will conduct an Intermediate and Final Compliance Review. Empower must make all relevant records available upon DHCD's request. Empower shall retain financial records, supporting documents, statistical records, and all other records pertinent to the VATI Grant for a period of no less than five years from the date of submission of the final expenditure report. When applicable, all contractors and the County shall comply with the Virginia Public Procurement Act (§ 2.2-4300 et seq. of the Code of Virginia, 1950, as amended). DHCD also anticipates receiving the following reports from the County and Empower:

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a. Monthly progress reports, to be submitted not later than the 15<sup>th</sup> day of each month. The reports must document VATI Grant and non-Grant funds obligated and expended to date on the Project and the actions taken on key deliverables, including but not limited to construction status, numbers of passings of

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serviceable units, number of subscribers and speed package selected, as well as validation data to ensure that the Targets have been met and broadband speeds meet VATI requirements.

- b. Final project progress report, to be submitted not later than the Project Completion Performance Date, detailing total VATI Grant and non-Grant funds expended and the actions taken on key deliverables.
- c. Post-closeout report on subscribers at six (6) months and one (1) year from the Performance Date.

Empower will assist the County with providing the Project budget, remittance requests. detailed verification information, and other documents required by DHCD and uploading this information into CAMS.

Empower and County staff should meet on a regular basis, not less frequently than monthly, in order to discuss progress on the Project and ensure positive communications. The meeting may be carried out by telephone or video conference, or canceled if no significant matters are necessary for discussion in a particular month.

#### V. Notices.

Any notices required or permitted to be given under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of same in the United States by First-Class U.S. Mail, certified, postage prepaid, or by customary commercial overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by addressee):

If to Empower, to:

EMPOWER BROADBAND, INC. 11633 Highway 92 P.O. Box 325 Chase City, Virginia 23924

Attn: John C. Lee, Jr., President and CEO

If to the Authority, to:

INDUSTRIAL DEVELOPMENT AUTHORITY OF HALIFAX COUNTY, VIRGINIA 1100 Confroy Drive, Suite 1 South Boston, Virginia 24592

Attn: Brian Brown, Executive Director

If to the County, to:

HALIFAX COUNTY, VIRGINIA 1030 Mary Bethune Street, Suite LL1 With a copy to:

EMPOWER BROADBAND, INC. 11633 Highway 92 P.O. Box 325 Chase City, Virginia 23924 Attn: James Patrick Guy II, General Counsel

With a copy to:

AUTHORITY COUNSEL Glenn, Feldmann, Darby & Goodlatte 37 Campbell Avenue (ZIP 24011) P.O. Box 2887 Roanoke, Virginia, 24001

Attn: Harwell M. Darby, Jr.

With a copy to:

HALIFAX COUNTY ATTORNEY Guynn, Waddell, Carroll & Lockaby, P.C. Halifax, Virginia 24558 Attn: Scott R. Simpson, County Administrator 415 South College Ave. Salem, Virginia 24153 Attn: Jeremy E. Carroll

The addresses set forth in this section only may be amended by sending written notice to all other parties of a change of address, without need of signed amendment to this Agreement.

#### VI. Miscellaneous.

Indemnity. Empower agrees to indemnify and hold harmless the Authority, the County, and their officers, directors, and employees free and harmless for and from any and all claims, causes of action, damages or any liability of any type, including reasonable attorney's fees, on account of any claims by or any injury or damage to any persons or property directly resulting or arising in any way out of any actions, omissions or activities of Empower or its agents, employees or representatives arising out of or connected in any way to any of the matters involved in this Agreement or its performance, including without limitation the failure to complete the Project by the Performance Date or achieve any of the Targets in the required timeframe.

Integration. This Agreement, including the exhibits hereto, constitutes the full and complete agreement of the Parties respecting its subject matter, and any prior or contemporaneous agreements or understandings, written or oral, are hereby merged into and superseded by the provisions of this Agreement. This Agreement may only be amended or supplemented by a subsequent writing of equal dignity except where expressly set forth herein. This Agreement may not be assigned by a Party without the prior written consent of the other Parties.

No covenants of officials. No covenant, agreement or obligation contained in this Agreement shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of the Authority or the County in his or her individual capacity, and neither County officials nor the directors of the Authority nor any officer, employee or agent thereof executing this Agreement or any related instrument shall be liable personally on this Agreement or such instrument or be subject to any personal liability or accountability by reason of the execution and delivery thereof. No director, officer, employee or agent of the Authority or the County shall incur any personal liability with respect to any other action taken by him or her pursuant to this Agreement or the Industrial Development and Revenue Bond Act or any of the transactions contemplated hereby or thereby, provided he acts in good faith.

Not a pledge of full faith and credit. Any obligation of the County to pay, set aside, or otherwise appropriate funds for performance of this Agreement shall be construed to be subject to appropriation, and shall not be construed to be in derogation of Article VII § 10 of the Virginia Constitution. THE OBLIGATIONS OF THE AUTHORITY UNDER THIS AGREEMENT, AND THE OBLIGATIONS OF THE COUNTY RELATING TO PASSING THROUGH VATI GRANT FUNDS, ARE NOT GENERAL OBLIGATIONS OF THE AUTHORITY OR COUNTY BUT ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED BY THE AUTHORITY FROM THE COUNTY PURSUANT TO THIS AGREEMENT OR FROM THE COMMONWEALTH UNDER THE VATI GRANT. THE OBLIGATIONS OF THE AUTHORITY AND THE

COUNTY HEREUNDER SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY.

Rule of construction for dates. If any action is required to be performed, or if any notice, consent or other communication is given, on a day that is a Saturday or Sunday or a legal holiday in the Commonwealth of Virginia, such performance shall be deemed to be required, and such notice, consent or other communication shall be deemed to be given, on the first business day following such Saturday, Sunday or legal holiday. Unless otherwise specified herein, all references in this Agreement to a "day" or "days" shall refer to calendar days and not business days.

Choice of law. This Agreement shall be construed according to the laws of the Commonwealth of Virginia without regard to its principles of conflicts of laws. The Parties consent to exclusive venue and jurisdiction in the Circuit Court or General District Court, as appropriate, of Halifax County, Virginia.

Attorneys' fees. The Parties agree that, except as specifically provided in this Agreement, if any Party pursues legal action to enforce the terms of this Agreement, the American Rule shall apply and each Party shall bear its own attorneys' fees and expert costs and no fee shifting shall occur.

Drafter & Severability. This Agreement has been jointly drafted by the Parties, and is to be construed as jointly drafted and not be construed against any of the Parties as the drafter. This Agreement is severable, and if any provision is found to be invalid by any court of competent jurisdiction, the remainder shall survive. The section and paragraph headings in this Agreement are for convenience of reference only and do not modify or restrict any provisions hereof and shall not be used to construe any provisions of this Agreement except to clarify the intent of a section.

Covenant of Authority. All Parties warrant that the signatories below have full authority, and have undertaken such legal actions as may be necessary to ensure such authority, to bind the entities of which they are representatives to the full extent permitted by law. Empower agrees that, during the term of this Agreement, it shall not allow its corporate existence to lapse or its certificate of authority in the Commonwealth of Virginia to be revoked or cancelled at any time. This Agreement may be executed by facsimile, electronic or original signature of the parties and in counterparts which, assuming no modification or alteration, shall constitute an original and when taken together, shall constitute one and the same instrument. All Parties further warrant that they have full legal authority to carry out the actions contemplated by this Agreement, and that they are aware of no litigation pending or threatened that would draw such authority into question,

*Time of the Essence*. Time is of the essence of all obligations set forth herein for which a time is stated.

*Waiver.* The failure of any Party to this Agreement to insist upon strict compliance with any term herein shall not be construed to be a waiver of that requirement.

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Assignment of Agreement. Any obligation under this Agreement may only be assigned to a third party with the prior written consent of all Parties.

Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be construed to be an original and production of all of which shall not be necessary to prove the contents of this Agreement.

IN WITNESS WHEREOF, see the following signatures, of even date herewith.
HALIFAX COUNTY, VIRGINIA:
Sam S
Scott R. Simpson
County Administrator
INDUSTRIAL DEVELOPMENT AUTHORITY OF HALIFAX COUNTY VIRGINIA
Brian Brown
Executive Director
EMPOWER BROADBAND, INC.
John C. Lee, Jr., President and CEO
Approved as to form:
County Attorney

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#### 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	\$ 350,373	27	Pending
MEC/EMPOWER			SECURED
(private)	\$ 947,304	73	
	\$		
	\$		
	\$		
	\$		
	\$		
TOTAL	\$ 1,297,677	100 %	

#### **HEADQUARTERS**

P. O. Box 2451 Chase City, VA 23924

Phone: 434-372-6100/Fax: 434-372-6101

#### **CHASE CITY DISTRICT**

P. O. Box 2451 Chase City, VA 23924

Phone: 434-372-6200/Fax: 434-372-6201



# www.meckelec.org SAFETY FIRST!

#### **EMPORIA DISTRICT**

P. O. Box 427 Emporia, VA 23847

Phone: 434-634-6168/Fax: 434-348-7100

#### **GRETNA DISTRICT**

P. O. Box 617 Gretna, VA 24557

Phone: 434-656-1288/Fax: 434-656-9200

August 14, 2020

Tamarah Holmes, PhD.
Virginia Department of Housing and Community Development
ATTN: Virginia Telecommunications Initiative
600 East Main Street, Suite 300
Richmond, VA 23219

Dear Dr. Holmes,

This letter is to document Mecklenburg Electric Cooperative's (MEC) in-kind match for three Virginia Telecommunications Initiative Last Mile Grant Applications submitted by MEC and our affiliate EMPOWER Broadband, INC.

MEC and EMPOWER Broadband, INC. will provide funding to expand our fiber optic network; these investments are being presented for the in-kind match for each application, respectively. The project area, MEC's match, and the VATI request are listed below.

Project Area	MEC/EMPOWER Match	VATI Request
Halifax County	\$947,304	\$350,373
Greensville County	\$182,376	\$116,600
Mecklenburg County	\$1,048,556	\$449,381

The Cooperative has approved these expenditures as in-kind matching funds upon a successful grant award.

Respectfully,

John C. Lee, Jr. President and CEO

Mecklenburg Electric Cooperative

#### Confidential and Proprietary - Not for Public View



2201 Cooperative Way Herndon, Virginia 20171-3025 703-709-6700 | www.nrucfc.coop

A Touchstone Energy Cooperative

November 29, 2006

Mr. M. John Bowman President and CEO Mecklenburg Electric Cooperative 11633 Hwy 92 Chase City, VA 23924

Re: Line of Credit # VA031-P-5102

Dear Mr. Bowman:

Your cooperative has executed and returned all required CFC documents and supporting papers in connection with the Line of Credit designated above. These documents have been reviewed and found legally acceptable and satisfactory to CFC and thus constitute a binding agreement between CFC and your cooperative.

Enclosed, for your records, is a copy of the fully executed Line of Credit Agreement. Line of Credit funds may now be requisitioned in accordance with the terms of the Line of Credit Agreement.

We at CFC appreciate the opportunity to serve your system and look forward to our continued business relationship.

Sincerely,

David Olah

Associate Vice President

Donid or

Enclosure

## National Rural Utilities Cooperative Finance Corporation Perpetual Line of Credit Agreement ("Agreement")

Name of Borrower: Mecklenburg Electric Cooperative

Address: PO Box 2451, 11633 Hwy 92, Chase City, Virginia 23924

National Rural Utilities Cooperative Finance Corporation ("CFC"), a District of Columbia corporation, has approved Borrower for a revolving line of credit loan in an amount not to exceed Nine Million Two Hundred Thousand Dollars (\$9,200,000.00) (hereinafter referred to as the "CFC Commitment"). Borrower hereby agrees that the terms and conditions herein, plus any additional terms and conditions agreed to in writing by the parties, shall constitute a valid and binding agreement between Borrower and CFC. In consideration of their mutual promises hereunder and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CFC and Borrower agree to the following terms and conditions:

- 1. Revolving Credit and Term. CFC agrees to advance funds to the Borrower pursuant to the terms and conditions hereof (each such advance of funds is referred to herein as an "Advance"), provided, however, that the amount at any time outstanding under this line of credit shall not exceed the CFC Commitment. The Borrower may borrow, repay and reborrow funds at any time or from time to time for a period up to twelve (12) months from the effective date hereof. This Agreement shall thereafter automatically renew for subsequent periods of twelve (12) months each. Either party may terminate this Agreement at the end of any period by providing written notice to the other party at least ninety (90) days prior to the expiration of such period.
- **2. Requisitions.** Requests for Advances shall be in such written form as CFC may reasonably require from time to time.
- 3. Interest Rate and Payment. The Borrower unconditionally promises and agrees to pay, as and when due, interest on all amounts advanced hereunder from the date of each Advance and to repay all amounts advanced hereunder with interest on the date this Agreement terminates as provided herein. Interest shall be due and payable in accordance with CFC's regular billing cycles as may be in effect from time to time. CFC shall send a payment notice to the Borrower at least five days prior to the due date of any interest payment. All amounts shall be payable at CFC's main office at Woodland Park, 2201 Cooperative Way, Herndon, Virginia 20171-3025 or at such other location as designated by CFC from time to time. The interest rate on all Advances will be equal to the total rate per annum as may be fixed by CFC from time to time, which shall not exceed the Prevailing Bank Prime Rate (as defined herein), plus one percent per annum. Interest will be computed on the basis of a 365 day year for the actual number of days that any

Advance is outstanding. The effective date of an interest rate adjustment will be determined from time to time by CFC, provided that no such adjustment may be effective on a date other than the first or sixteenth day of any month, and any such adjustment shall remain in effect until any subsequent change in the interest rate occurs.

The "Prevailing Bank Prime Rate" is that bank prime rate published in the "Money Rates" column of the eastern edition of *The Wall Street Journal* on the publication day immediately preceding the day on which an adjustment in the interest rate hereof shall become effective. If *The Wall Street Journal* shall cease to be published, then the Prevailing Bank Prime Rate shall be determined by CFC by reference to another publication reporting bank prime rates in a similar manner.

4. Mandatory Prepayment. If (a) there is a change in the Borrower's corporate structure (including without limitation by merger, consolidation, conversion or acquisition), and (b) after giving effect to such change, Borrower (i) would not be eligible to receive a loan or commitment for a loan from the Rural Utilities Service or any successor agency, or (ii) would no longer engage in the furnishing of utility services to its members and patrons for their use as ultimate consumers, then upon the effective date of such change, the Borrower shall prepay the outstanding principal balance of all Obligations, together with any accrued but unpaid interest thereon, any unpaid costs or expenses provided for herein, and a prepayment premium prescribed by CFC pursuant to its policies of general application in effect from time to time.

"Obligations" shall mean any and all liabilities, obligations or indebtedness owing by the Borrower to CFC, of any kind or description, irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising.

- 5. CFC Accounts. CFC shall maintain in accordance with its usual practices an account or accounts evidencing the indebtedness of the Borrower resulting from each Advance and the amounts of principal and interest payable and paid hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts (whether stored on computer memory, microfilm, payment notices or otherwise) shall be presumptive evidence (absent manifest error) of the existence and amounts of the Borrower's transactions therein recorded.
- **6. Corporate and Regulatory Approvals.** Borrower represents and warrants that it has obtained any and all necessary corporate and regulatory approvals for Borrower to execute, deliver and perform its obligations under this Agreement.
- **Reports.** During the term of this Agreement, Borrower agrees (a) to provide CFC, within 120 days of the end of Borrower's fiscal year, its annual financial statements, prepared in accordance with generally accepted accounting principles ("GAAP") and audited by an independent certified public accountant, or otherwise in form and substance satisfactory to CFC, and (b) to provide CFC with any other reports or information which CFC may from time to time reasonably request.
- 8. Fees. If any amount outstanding and due hereunder shall not be paid when due, Borrower agrees to pay on demand CFC's reasonable costs of collection or enforcement

of this Agreement, or preparation therefor, including reasonable fees of counsel. If payment of any principal and/or interest due under the terms of this Agreement is not received at CFC's office in Herndon, Virginia, or such other location designated by CFC within 5 business days after the due date thereof, then Borrower shall pay to CFC, on demand, and in addition to all other amounts due under the terms of this Agreement, any late-payment and additional interest charges as may then be in effect pursuant to CFC's then current policies without setoff or counterclaim. For purposes of this Agreement, a "business day" means a day that both CFC and the financial institution it employs for funds remittance are open for business.

- 9. Limitation on Advances. While an Advance is outstanding, CFC reserves the right to limit further Advances if the sum of (a) all Advances outstanding, (b) the amount of any further Advance requested, and (c) the total amount of Borrower's other unsecured outstanding debt, would exceed the CFC Commitment. CFC may also, in its sole discretion decline to make any Advance during any period when the Borrower is in default hereunder.
- 10. Paydown Requirement. For each 12-month period while this Agreement is in effect, Borrower shall, for a period of at least five consecutive business days, pay down the entire outstanding principal balance on this line of credit ("Paydown"). Borrower shall make the initial Paydown within 360 days of the first Advance hereunder, and shall make each subsequent Paydown within 360 days of the date of the first Advance following each Paydown.
- 11. Credit Support. With CFC's prior written approval, this Agreement may be used as credit support for other financings.
- 12. Notices, Acceleration of Debt and Waivers. While an Advance is outstanding, Borrower agrees to notify CFC in writing of (a) any delinquency or default on any of its financial obligations, (b) any material adverse change in its financial or business condition, and (c) if any representation or warranty made in this Agreement is no longer true in any material respect. If any delinquency, default, or any other event as a result of which any holder of indebtedness may declare the same due and payable shall occur and continue uncorrected for more than any applicable grace period, or any representation or warranty herein shall no longer be true, or Borrower shall fail to perform or to comply with any term of this Agreement, or if the financial condition of Borrower shall have changed to the extent that such change, in the reasonable judgment of CFC, materially increases CFC's risk of repayment hereunder, then CFC may declare at any time all outstanding principal, interest and other amounts due hereunder immediately due and payable in full with accrued interest, without presentment or demand, and may withhold Advances. The Borrower waives the defense of usury and all rights to setoff, counterclaim, deduction or recoupment.
- 13. Survival of Representations and Warranties and Payment Obligations. Borrower agrees that its obligation to repay principal, interest and all other amounts due hereunder, and the representations and warranties made herein, shall survive termination of this Agreement. Borrower further agrees that such repayment obligations shall be automatically reinstated if and to the extent that for any reason any payment by or on

behalf of the Borrower is rescinded, set aside or must be otherwise restored, whether as a result of any proceeding in bankruptcy or reorganization or otherwise.

- **14. Representations and Warranties.** Borrower represents and warrants that as of the date of its application for this line of credit, and on the date of each Advance hereunder:
  - a) the Borrower is not in default of any of its financial obligations;
  - b) there has been no material adverse change in the Borrower's business or financial condition from that set forth in its most recent audited financial statements:
  - c) no litigation is pending or, to the best of Borrower's knowledge, threatened against the Borrower which, if adversely determined, would have a material adverse effect on the Borrower's ability to perform under this Agreement;
  - d) the information contained in Borrower's audited financial statements, its other financial reports and information otherwise submitted in connection with this Agreement is complete and accurate, and said financial statements and financial reports fairly represent the financial condition of the Borrower as of the dates reflected thereon:
  - e) the execution, delivery and performance of this Agreement has been duly authorized by the Borrower, which authorization has not been rescinded or modified;
  - f) all Advances hereunder will be used only for proper corporate purposes;
- **15. Conditions of Lending.** As a condition to CFC making Advances hereunder, each of the following conditions shall be satisfied at the time of each Advance:
  - a) CFC shall have received the Borrower's most recent annual financial statements, prepared in accordance with GAAP and audited by an independent certified public accountant, or otherwise in form and substance satisfactory to CFC;
  - b) all representations and warranties set forth herein shall be true and correct; and
  - c) the Borrower shall have obtained any and all necessary corporate, regulatory and governmental approvals for the Borrower to execute, deliver and perform its obligations under this Agreement.
- 16. GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL.
  - (a) THE PERFORMANCE AND CONSTRUCTION OF THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF VIRGINIA.
  - (b) BORROWER HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES COURTS LOCATED IN VIRGINIA AND OF ANY STATE COURT SO LOCATED FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. BORROWER IRREVOCABLY

WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE ESTABLISHING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

- (c) EACH OF THE BORROWER AND CFC HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.
- 17. Severability. If any term, provision or condition, or any part thereof, of this Agreement shall for any reason be found or held invalid or unenforceable by any court or governmental agency of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of such term, provision or condition nor any other term, provision or condition, and this Agreement shall survive and be construed as if such invalid or unenforceable term, provision or condition had not been contained herein.
- 18. Setoff. Upon the occurrence and during the continuance of any default, CFC is hereby authorized at any time and from time to time without prior notice to the Borrower to exercise rights of setoff or recoupment and apply any and all amounts held, or hereafter held, by CFC or owed to the Borrower or for the credit or account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing hereunder. CFC agrees to notify the Borrower promptly after any such setoff or recoupment and the application thereof, provided that the failure to give such notice shall not affect the validity of such setoff, recoupment or application. The rights of CFC under this section are in addition to any other rights and remedies (including other rights of setoff or recoupment) which CFC may have.
- **19.** Additional Terms and Conditions. Additional terms and conditions as set forth herein or attached hereto are an integral part of this Agreement.
- **Termination and Cancellation of Existing Agreement.** Borrower agrees that its existing line(s) of credit No(s). VA031-R-5101 with CFC, and any agreement(s) relating thereto shall be terminated and any outstanding principal, interest and other amounts outstanding thereunder shall be transferred to the line of credit established pursuant to this Agreement and deemed an Advance hereunder.
- 21. Miscellaneous. (a) This Agreement contains the entire agreement of the parties hereto with respect to the matters covered and the transactions contemplated hereby, and no other agreement, statement or promise made in connection with this line of credit by any party hereto, or by any employee, officer, agent or attorney of any party hereto which is not contained herein shall be valid and binding. (b) Any amendment to this Agreement must be in writing signed by both parties. (c) No failure or delay by CFC in exercising any right or remedy hereunder shall operate as a waiver or preclude the future exercise thereof or of any other right or remedy. (d) If any payment is due from Borrower on a day which CFC is not open for business, then such payment shall be made on the next succeeding day on which CFC is open for business.

22. Notices. All notices, requests and other communications provided for herein including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement shall be given or made in writing (including, without limitation, by telecopy) and delivered to the intended recipient at the "Address for Notices" specified below; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when personally delivered or, in the case of a telecopied or mailed notice, upon receipt, in each case given or addressed as provided for herein. The Address for Notices of the respective parties are as follows:

#### CFC:

National Rural Utilities
Cooperative Finance Corporation
2201 Cooperative Way
Herndon, Virginia 20171-3025
Attention: Senior Vice President - Member Services
Fax: (703) 709-6776

The Borrower:
Mecklenburg Electric Cooperative
PO Box 2451, 11633 Hwy 92
Chase City, VA 23924

Attention: President and Chief Executive Officer

Fax: (434) 372-6101

#### 23. Additional Terms and Conditions.

- (a) Prior to and as a condition of making the initial Advance, CFC shall have been furnished with an opinion of counsel for Borrower addressing such legal matters as CFC shall reasonably require.
- (b) CFC hereby agrees to reserve \$90,000.00 hereunder to back potential obligations of Borrower to the Virginia Department of Transportation ("VDOT"). To access the reserved funds, Borrower will need to submit documentation in form and substance acceptable to CFC that confirms that proceeds of Advances from the reserved portion are to be used solely to make payment on its obligations to VDOT. Such documentation will include, but not be limited to the appropriate notification from VDOT that Borrower owes payment to VDOT which payment has not been made within a specified timeframe, that such non-payment default has not been cured within any applicable grace period and that VDOT has demanded payment to cure such default.

The reservation in availability will remain in place until Borrower submits a written request in form and substance satisfactory to CFC, confirming that it is no longer necessary for the reservation to remain in effect.

# Confidential and Proprietary - Not for Public View

MECKLENBURG	ELECTRIC COOPERATIVE	
Signed By:(	Chairman of the Board	
Date Signed:	November 15, 2006	
NATIONAL RURA	AL UTILITIES COOPERATIVE FI	NANCE CORPORATION
	Secretary-Treasurer D W OLAH	Loan Number: VA031-P-5102
(To be filled in by	CFC) The effective date of this	Agreement is: 11/29/06

#### COMMONWEALTH OF VIRGINIA



# HOUSE OF DELEGATES RICHMOND

COMMITTEE ASSIGNMENTS:
HEALTH, WELFARE AND INSTITUTIONS
AGRICULTURE, CHESAPEAKE AND NATURAL
RESOURCES
COMMUNICATIONS, TECHNOLOGY AND
INNOVATION

August 15, 2020

Department of Housing & Community Development C/O VATI Grant Administrator 600 East Main Street, Suite 300 Richmond, VA 23219

To Whom It May Concern:

I am writing in full support of the Virginia Telecommunications Initiative (VATI) grant application for Halifax County, Mecklenburg Electric Cooperative and EMPOWER Broadband. As a member of the House of Delegates who represents and lives in the 60<sup>th</sup> District, I am confident in Mecklenburg Electric Cooperative's ability to enhance broadband service for Halifax County.

Halifax County is severely underserved with broadband capability. This impacts many areas which includes limitations on economic development, tourism, medical resources, personal growth and, most importantly, educational opportunities. With this grant, Mecklenburg Electric Cooperative and EMPOWER Broadband will enhance our broadband connectivity, providing internet service to our underserved rural communities.

I greatly appreciate your full consideration in Mecklenburg Electric Cooperative's grant application. Not only will this help with sustaining the future of advanced broadband services in Mecklenburg Electric Cooperative's service area, but also promoting economic stability for Halifax County.

Sincerely,

James E. Edmunds II

# SENATE OF VIRGINIA

FRANK M. RUFF, JR.

151: SENATORIAL DISTRICT
ALL OF CHARLOTTE, LUNENBURG, MECKLENBURG,
AND NOTTOWAY COUNTIES: PART OF BRUNSWICK,
CAMPBELL, DINVIDDIE, HALIFAX, PITTSYLVANIA.
AND PRINCE GEORGE COUNTIES;
AND PART OF THE CITY OF DANVILLE
POST OFFICE BOX 332
CLARKSVILLE, VIRGINIA 23927



COMMITTEE ASSIGNMENTS:

GENERAL LAWS AND TECHNOLOGY, CHAIR
AGRICULTURE, CONSERVATION AND
NATURAL RESOURCES
FINANCE
PRIVILEGES AND ELECTIONS

August 17, 2020

Department of Housing and Community Development 600 East Main Street, Suite 300 Richmond, VA 23219

Dear Representatives of the Virginia Department of Housing and Community Development:

I write this letter in full support of Empower's application for a VATI Grant to build fiber-to-the-home in Halifax County.

Halifax County is a mostly rural area in Southside Virginia which is greatly underserved with broadband access. Now, more than ever, broadband availability is a necessity with COVID-19 making the ability to work from home and virtual learning for education a priority. This grant would enable Empower to provide fiber-to-the home to approximately 190 locations within the Bracey area.

Your serious consideration of this application is greatly appreciated and very much needed. Not only will this help with sustaining the future of advance broadband services in the proposed grant area, but also will promote the future economic stability of our community.

Sincerely.

Frak MA

Frank M. Ruff, Jr. 15<sup>th</sup> District

Senate of Virginia



August 10, 2020

Department of Housing and Community Development 600 East Main Street, Suite 300 Richmond, VA 23219

Dear Representatives of the Department of Housing and Community Development:

The Southside Planning District Commission fully supports the Halifax County-Empower Broadband VATI grant application to build direct fiber-to-the-home in areas of Halifax County that are receiving internet with less than 10/1 Mbps. We understand that this grant would include approximately 190 locations to be served with fiber-to-the-home.

We encourage a positive review of this application as these partners continue to work towards ensuring that no one is without this critically important infrastructure.

Sincerely,

Deborah B. Gosney **Executive Director** 



PO Box 399 South Boston, Virginia 24592 (434) 572-3085 www.halifaxchamber.net

August 13, 2020

Department of Housing & Community Development C/O VATI Grant Administrator 600 East Main Street, Suite 300 Richmond, VA 23219

Dear Virginia Department of Housing and Community Development:

On behalf of the Halifax County Chamber of Commerce Board of Directors, I am writing to express our support of the Virginia Telecommunications Initiative (VATI) grant application for Halifax County, Mecklenburg Electric Cooperative and EMPOWER Broadband. MEC has a long and successful history of providing services in the areas they serve in Virginia for over 75 years and has a strong reputation for customer service and community commitment. We are confident in Mecklenburg Electric Cooperative's capabilities for enhancing broadband service for my neighbors in Halifax County.

The lack of broadband access in Halifax County is a significant barrier in our community. Due to COVID-19, Halifax County Public Schools will begin the school year with full distance learning. It is possible that some students will not attend school for the foreseeable future. This is concerning for families with insufficient or no internet access. This also impacts our health care system as we are relying heavily on telemedicine. As an unserved rural area with limited internet services, we face many challenges including limited medical resources and distance between patients, physicians, specialists and facilities. With this grant, Mecklenburg Electric Cooperative and EMPOWER Broadband will enhance our broadband connectivity with a fiber network design. This fiber build will enable us to overcome some geographical distances, empower us through information, and bring the world to us through a simple stroke of a keyboard. Therefore, it is extremely important that VATI grant funding be obtained to provision for much needed broadband service to our area.

We strongly urge the Department of Housing and Community Development to fund this VATI grant application, not only will this help with sustaining the future of advanced broadband services in Mecklenburg Electric Cooperative's proposed service area, but also promoting the future economic stability of our community.

Sincerely,

Mitzi T. McCormick President and CEO

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1030 Mary Bethune Street, Suite 100 P. O. Box 1849 Halifax, Virginia 24558

(434) 476-2171 Fax (434) 476-1858 www.halifax.k12.va.us Dr. Mark Y. Lineburg Superintendent of Schools

> (434) 476-3120 Fax (434) 476-3121 mineburg@halfax k12va.us

August 17, 2020

Department of Housing & Community Development C/O VATI Grant Administrator 600 East Main Street, Suite 300 Richmond, VA 23219

Dear Virginia Department of Housing and Community Development:

I am writing this letter on behalf of Mecklenburg Electric Cooperative (MEC). As a resident of Halifax County, Virginia, and Superintendent of Halifax County Public Schools, I would like to express my full support of the Virginia Telecommunications Initiative (VATI) grant application for Halifax County, Mecklenburg Electric Cooperative and EMPOWER Broadband. MEC has a long and successful history of providing services in the areas they serve in Virginia for over 75 years and has a strong reputation for customer service and community commitment. I am confident in Mecklenburg Electric Cooperative's capabilities for enhancing broadband service for my neighbors in Halifax County.

With this grant, Mecklenburg Electric Cooperative and EMPOWER Broadband will enhance our broadband connectivity with a fiber network design. This fiber build will enable us to overcome some geographical distances, empower us through information, and bring the world to us through a simple stroke of a keyboard. As an unserved rural area with limited Internet services, we face many challenges including limited medical resources and distance between patients, physicians, specialists and facilities. Because of the rural nature of our area, our students do not receive equitable broadband resources as other students in more urban learning centers. We are lacking the research, distance learning, video and other tools that advanced broadband can bring to our students. Therefore, it is extremely important that VATI grant funding be obtained to provision for much needed broadband service to our area.

I strongly urge the Department of Housing and Community Development to fund this VATI grant application, not only will this help with sustaining the future of advanced broadband services in Mecklenburg Electric Cooperative's proposed service area, but also promoting the future economic stability of our community.

Sincerely,

Mark Y. Lineburg, Ed.D. Superintendent of Schools



Dr. Betty Adams EXECUTIVE DIRECTOR

bettyadams@svhec.org 4 3 4 . 5 7 2 . 5 5 5 1 August 13, 2020

Department of Housing & Community Development C/O VATI Grant Administrator 600 East Main Street, Suite 300 Richmond, VA 23219

Dear Virginia Department of Housing and Community Development:

I am writing this letter on behalf of Mecklenburg Electric Cooperative (MEC). As a resident of Halifax County, Virginia, and Executive Director of the Southern Virginia Higher Education Center, located in Halifax County, I would like to express my full support of the Virginia Telecommunications Initiative (VATI) grant application for Halifax County, Mecklenburg Electric Cooperative and EMPOWER Broadband. MEC has a long and successful history of providing services in the areas they serve in Virginia for over 75 years and has a strong reputation for customer service and community commitment. I am confident in Mecklenburg Electric Cooperative's capabilities for enhancing broadband service for my neighbors in Halifax County.

With this grant, Mecklenburg Electric Cooperative and EMPOWER Broadband will enhance our broadband connectivity with a fiber network design. This fiber build will enable us to overcome some geographical distances, empower us through information, and bring the world to us through a simple stroke of a keyboard. As an unserved rural area with limited Internet services, we face many challenges including limited medical resources and distance between patients, physicians, specialists and facilities. Because of the rural nature of our area, our students do not receive equitable broadband resources as other students in more urban learning centers. We are lacking the research, distance learning, video and other tools that advanced broadband can bring to our students. Therefore, it is extremely important that VATI grant funding be obtained to provision for much needed broadband service to our area.

I strongly urge the Department of Housing and Community Development to fund this VATI grant application, not only will this help with sustaining the future of advanced broadband services in Mecklenburg Electric Cooperative's proposed service area, but also promoting the future economic stability of our community.

Sincerely,

Betty H. Adams, Ed.D, MBA

**Executive Director** 

Southern Virginia Higher Education Center

Hatty & adum

### CDBG Derivation of Cost

### Halifax Co. Attachment #11 - Derivation of Costs

Product	Total	VATI	Non-VATI	Source of Estimate	Date
EXAMPLE					
Construction					
200 LF of fiber @\$150/LF	\$30,000	\$15,000	\$15,000	Company A	9/5/2016
Tower	\$100,000	\$80,000	\$20,000	Company B	9/5/2016
Engineering	\$20,000	\$0	\$20,000	ABC Engineering Firm	9/5/2016

Product		Total		VATI	No	on-VATI	Source of Estimate	Date
<b>Drop Installation Cost</b>	\$	-	\$	-	\$	-		
Outdoor Wall Mount Labor	\$	7,095	\$	-	\$	7,095	MEC based on 2019-20 projects	8/10/2020
Outdoor Wall Mount Materials	\$	3,203	\$	-	\$	3,203	MEC based on 2019-20 projects	8/10/2020
Splicing Labor	\$	7,995	\$	-	\$	7,995	MEC based on 2019-20 projects	8/10/2020
Cultain - Massaista	\$	44	\$	-	\$	44	MEC based on 2019-20 projects	8/10/2020
Splicing Materials	Φ.	5.012	φ		φ	5.012	MEC I I 2010 20	0/10/2020
Staking Labor	\$	5,912	\$	-	\$	5,912	MEC based on 2019-20 projects	8/10/2020
ONT (router) labor	\$	45,150	\$	-	\$	45,150	MEC based on 2019-20 projects	8/10/2020
ONT (router) materials	\$	32,705	\$	-	\$	32,705	MEC based on 2019-20 projects	8/10/2020
Network Equipment								
E7-2 Package Chassis	\$	1,393	\$	-	\$	1,393	MEC based on 2019-20 projects	8/10/2020
Battery String Kit, Heater and Connectors	\$	-	\$	-	\$	-	MEC based on 2019-20 projects	8/10/2020
GPON SFP OIM, Class B+ 1490/1310nm	\$	6,000	\$	-	\$	6,000	MEC based on 2019-20 projects	8/10/2020
E7-2 8 Card PON Unit	\$	19,593	\$	-	\$	19,593	MEC based on 2019-20 projects	8/10/2020
Aerial Construction Costs	\$	-	\$	-	\$	-		
Aerial Construction Labor	\$	588,571	\$	176,571	\$	411,999	MEC based on 2019-20 projects	8/10/2020
Aerial Materials	\$	288,006	\$	86,402	\$	201,604	MEC based on 2019-20 projects	8/10/2020
<b>Underground Construction Costs</b>	\$	-	\$	-	\$	-		
Underground Construction Labor	\$	37,577	\$	11,273	\$	26,304	MEC based on 2019-20 projects	8/10/2020
Underground Materials	\$	23,340	\$	7,002	\$	16,338	MEC based on 2019-20 projects	8/10/2020

# CDBG Derivation of Cost

Access Construction Costs (Back Haul & Drop)	\$ -	\$ -	\$ -		
Access Construction Labor	\$ 155,902	\$ 46,771	\$ 109,131	MEC based on 2019-20 projects	8/10/2020
Access Materials	\$ 75,235	\$ 22,354	\$ 52,881	MEC based on 2019-20 projects	8/10/2020
TOTAL	\$ 1,297,721	\$ 350,373	\$ 947,348		

Project Name	Chestnut Rd.				
EMPOWER /MEC	Consumers	87			
Single Project Cost Template	Take Rate	45.000%			
	Total		<b>KEY IN RED</b>		
EMPOWER	Connects	39.00	NUMBERS		
DESCRIPTION	LABOR	MATERIAL	QUANTITY	DESCRIPTION	AMOUNT
Outdoor wall mount	\$55.00	\$24.83	39.00	Connects	\$3,113.37
Splicing (2)	\$61.98	\$0.34	39.00	Connects	\$2,430.48
Staking	\$45.83		39.00	Connects	\$1,787.37
ONT (router)	\$350.00	\$253.53	39.00	Connects	\$23,537.67
E7-2 Package Chassis		\$696.50	1	Each	\$696.50
Battery String Kit, Heater and Connectors.		\$7,100.00	0	Each	\$0.00
GPON SFP OIM, Class B+ 1490/1310nm		\$600.00	ന	Each	\$1,800.00
E7-2 8 Card PON unit		\$9,796.50	1	Each	\$9,796.50
ODC-1000E E7-2 Cabinet Package		\$10,762.50	0	Each	\$0.00
E7-2 Package Chassis		\$696.50	0	Each	\$0.00
GPON SFP OIM, Class B+ 1490/1310nm		\$600.00	0	Each	\$0.00
E7-2 8 Card PON unit		\$9,796.50	0	Each	\$0.00
Total EMPOWER	\$512.81	\$40,327.20			\$43,161.89

				Back Haul to	
				House Feet	
				350	1st Pole Feet
				350	2nd Pole Feet
				350	3rd Pole Feet
				0	4th Pole Feet
Mecklenburg Electric Cooperative	Main Line		KEY IN RED	0	Drop
Main Line and Back Haul for EMPOWER	Total Miles	5.64	NUMBERS	1,050.00	
DESCRIPTION	LABOR	MATERIAL	QUANTITY	DESCRIPTION	AMOUNT
Aerial Construction (93% of Total Miles)	\$31,658.90	\$15,491.69	5.245	Miles	\$247,314.27
Underground Construction (7% of Total Miles)	\$26,840.99	\$16,671.21	0.395	Miles	\$17,178.62
Equipment		\$0.00	0.0	Each	\$0.00
Back Haul and Drop Construction	\$1.49978	\$0.72376	40,950	Feet	\$91,053.96
Total Construction	\$58,501.39	\$32,163.62			\$355,546.85
Total EMPOWER Projects Cost Estimates as of	1-Jul-19				\$43,161.89
Total MEC Projects Cost Estimates as of	1-Jul-19				\$355,546.85
Total Projects Cost Estimates as of	1-Jul-19				\$398,708.74

Project Name	Virgilina				
EMPOWER/MEC	Consumers	200			
Single Project Cost Template	Take Rate	45.000%			
	Total		<b>KEY IN RED</b>		
EMPOWER	Connects	90.00	NUMBERS		
DESCRIPTION	LABOR	MATERIAL	QUANTITY	DESCRIPTION	AMOUNT
Outdoor wall mount	\$55.00	\$24.83	90.00	Connects	\$7,184.70
Splicing (2)	\$61.98	\$0.34	90.00	Connects	\$5,608.80
Staking	\$45.83		90.00	Connects	\$4,124.70
ONT (router)	\$350.00	\$253,53	90.00	Connects	\$54,317.70
E7-2 Package Chassis		05'969\$	1	Each	\$696.50
Battery String Kit, Heater and Connectors		\$7,100.00	0	Each	\$0.00
GPON SFP OIM, Class B+ 1490/1310nm		\$600.00	7	Each	\$4,200.00
E7-2 8 Card PON unit		\$9,796.50	1	Each	\$9,796.50
ODC-1000E E7-2 Cabinet Package		\$10,762.50	0	Each	\$0.00
E7-2 Package Chassis		\$696.50	0	Each	\$0.00
GPON SFP OIM, Class B+ 1490/1310nm		\$600.00	0	Each	\$0.00
E7-2 8 Card PON unit		\$9,796.50	0	Each	\$0.00
Total EMPOWER	\$512.81	\$40,327.20			\$85,928.90

				Back Haul to	
				House Feet	
			l. —	350	1st Pole Feet
				350	2nd Pole Feet
				0	3rd Pole Feet
				0	4th Pole Feet
Mecklenburg Electric Cooperative	Main Line		KEY IN RED	0	Drop
Main Line and Back Haul for EMPOWER	Total Miles	14.35	NUMBERS	700.00	
DESCRIPTION	LABOR	MATERIAL	QUANTITY	DESCRIPTION	AMOUNT
Aerial Construction (93% of Total Miles)	\$31,658.90	\$15,491.69	13.346	Miles	\$629,248.20
Underground Construction (7% of Total Miles)	\$26,840.99	\$16,671.21	1.005	Miles	\$43,708.00
Equipment		\$0.00	0.0	Each	\$0.00
Back Haul and Drop Construction	\$1.49978	\$0.72376	63,000	Feet	\$140,083.02
Total Construction	\$58,501.39	\$32,163.62			\$813,039.22
Total EMPOWER Projects Cost Estimates as of	1-Jul-19				\$85,928.90
Total MEC Projects Cost Estimates as of	1-Jul-19				\$813,039.22
Total Projects Cost Estimates as of	1-Jul-19				\$898,968.12



# (RETAIN FOR YOUR RECORDS) Form 477 Filing Summary

FRN: 0027843333 Data as of: Jun 30, 2019 Operations: Non-ILEC Submission Status: Original - Submitted Last Updated: Aug 19, 2019 10:43:38

# Filer Identification

Section	Question	Response
Filer Information	Company Name	EMPOWER Broadband
	Holding Company Name	Mecklenburg Electric Cooperative
	SAC ID	199022
	499 ID	832934
Data Contact Information	Data Contact Name	Dwayne L Long
	Data Contact Phone Number	(434) 373-6125
	Data Contact E-mail	dlong@meckelec.org
Emergency Operations Contact Information	Emergency Operations Name	Dwayne L Long
	Emergency Operations Phone Number	(434) 372-6125
	Ernergency Operations E-mail	dlong@meckelec.org
Certifying Official Contact Information	Certifying Official Name	John Lee
	Certifying Official Phone Number	(434) 372-6111
	Certifying Official E-mail	jlee@meckelec.org

### **Data Submitted**

d	Form Section	File Name	Date & Time	Number of Rows
	Fixed Broadband Deployment	EmpowerBBdeploy63019.csv	Aug 19, 2019 10:37:16	75
	Fixed Broadband Subscription	EMPOWERBBSpeeds063019.csv	Aug 19, 2019 10:38:28	3

# **Fixed Broadband Deployment**

#### Census Block Counts by State, DBA Name and Technology

State	DBA Name	Technology	Blocks
Virginia	EMPOWER Broadband	Optical Carrier/Fiber to the End User	75
Total			75

Fixed
Broadband
Subscription

Fixed Broadband Subscriptions by State, Technology and End-user Type

Subscri	ntione

State

Technology

**Census Tracts** 

**Business / Govt** Consumer

Total

				Subscriptions	
State	Technology	Census Tracts	Consumer	Business / Govt	Total
Virginia	Optical Carrier/Fiber to the End User	3	23	2	25
Total		3	23	2	25

# Fixed Broadband Subscriptions by Bandwidths and End-user Type

Downstream Bandwidth (in Mbps)	Upstream Bandwidth (in Mbps)	Consumer	Business / Govt	Total
50.000	50.000	22	2	24
100.000	100.000	1	0	1
Total		23	2	25

# Fixed Broadband Subscriptions by Technology, Bandwidths and End-user Type

Technology	Downstream Bandwidth (in Mbps)	Upstream Bandwidth (in Mbps)	Consumer	Business / Govt	Total
Optical Carrier/Fiber to the End User	50.000	50.000	22	2	24
0301	100.000	100.000	<b>1</b>	0	1
Total			23	2	25



# (RETAIN FOR YOUR RECORDS) Form 477 Filing Summary

FRN: 0027843333 Data as of: Jun 30, 2020 Operations: Non-ILEC Submission Status: Revised - Submitted Last Updated: Aug 14, 2020 08:37:41

# Filer Identification

Section	Question	Response
Filer Information	Company Name	Empower Broadband
	Holding Company Name	Mecklenburg Electric Cooperative
	SAC ID	199022
	499 ID	832934
Data Contact Information	Data Contact Name	Dwayne L Long
	Data Contact Phone Number	(434) 372-6125
	Data Contact E-mail	dlong@meckelec.org
Emergency Operations Contact Information	Emergency Operations Name	Dwayne L Long
	Emergency Operations Phone Number	(434) 372-6125
	Emergency Operations E-mail	dlong@meckelec.org
Certifying Official Contact Information	Certifying Official Name	John Lee
	Certifying Official Phone Number	(434) 372-6244
	Certifying Official E-mail	jlee@meckelec.org

## **Data Submitted**

Form Section	File Name	Date & Time	Number of Rows
Fixed Broadband Deployment	EmpowerBBdeploy63020.csv	Aug 14, 2020 08:36:29	75
Fixed Broadband Subscription	EmpowerBBSpeeds063020.csv	Aug 14, 2020 08:36:29	19
Fixed Voice Subscription	EmpowerFixedVoiceSubs063020.csv	Aug 14, 2020 08:36:29	4

# Fixed Broadband Deployment

#### Census Block Counts by State, DBA Name and Technology

State	DBA Name	Technology	Blocks
Virginia	EMPOWER Broadband	Optical Carrier/Fiber to the End User	75
Total			75

# Fixed Broadband Subscription

			Subscriptions		
State	Technology	Census Tracts	Consumer	Business / Govt	Total
Virginia	Asymmetric xDSL	ä	1	0	1
	Optical Carrier/Fiber to the End User	18	119	30	149
Total		19	120	30	150

### Fixed Broadband Subscriptions by Bandwidths and End-user Type

Downstream Bandwidth (in Mbps)	Upstream Bandwidth (in Mbps)	Consumer	Business / Govt	Total
5.000	5.000	1	0	1
10.000	10.000	0	i	1
50.000	50.000	107	16	123
100.000	100.000	11	11	22
300.000	300.000	ä	0	1
1000.000	1000.000	0	2	2
Total		120	30	150

### Fixed Broadband Subscriptions by Technology, Bandwidths and End-user Type

Technology	Downstream Bandwidth (in Mbps)	Upstream Bandwidth (in Mbps)	Consumer	Business / Govt	Tota
Asymmetric xDSL	5.000	5.000	ä	0	1
Optical Carrier/Fiber to the End User	10.000	10.000	0	1	1
	50.000	50.000	107	16	123
	100.000	100.000	11	11	22
	300.000	300.000	3	0	1
	1000.000	1000.000	0	2	2
Total			120	30	150

# Fixed Voice Subscription

# VGE Lines and VoIP Subscriptions by State and End-user Type

State	Total VGE Lines	Consumer VGE Lines	Total VoIP Subscriptions	Consumer VoIP Subscriptions
Virginia	0	0	9	7
Total	0	0	9	7

# Fixed Voice Subscription (iVoIP)

### Over-the-top VoIP Subscriptions by State and End-user Type

State	Total	Consumer	Business / Govt
Virginia	0	0	0
Total	0	0	0

### All other VoIP Subscriptions by State, End-user Type, Bundle and Last-mile Medium

		by End-user Type		by Bundle		by Last-mile Medium			
State	Total	Consumer	Business / Government	Sold w/ Internet	Sold w/o Internet	FTTP	Coax	Fixed Wireless	Copper
Virginia	9	7	2	9	0	9	0	0	0
Total	9	7	2	9	0	9	0	0	0

Name	Title	Project Role	Project Responsibilities
Mr. Scott Simpson	County Administrator,	Project Liaison	Project Oversight and
	Halifax County		serves as a liaison with
			Halifax County
John C. Lee, Jr.	President and CEO	Corporate management	Manager of Overall Project
	Mecklenburg Electric		
	Cooperative (MEC) and		
	EMPOWER Broadband		
Dwayne Long	Vice President of	Project Manager	Monitor overall progress of
	Information Technology,		project
	MEC and COO		
	EMPOWER Broadband		
David Lipscomb	Vice President of Member	Project Marketing	Advance Project Marketing
	and Energy Services, MEC		Program
Michelle Taylor	Vice President of Business	Project Milestone Manager	Liaison for Task
	Development, EMPOWER		Advancement
	Broadband		
Carol Ann Jones	Vice President of Finance	Grant Accounting	Tracks grant expenses and
	and Accounting, MEC		prepares reports
Sherry Harris	Administrative Assistant,	Administrative	Performs administrative
	EMPOWER Broadband,		tasks as necessary
	INC.		
Brian Woods	Director of Engineering,	Engineering Coordinator	Coordinates engineering
	MEC		plans of fiber infrastructure
			for project
Robert Lankford	Director of Operations,	Construction Coordinator	Coordinates construction of
	MEC		fiber infrastructure for
			project
B. J. Seamans	Vice President of	Engineering & Construction	Oversees all engineering
	Engineering and	Manager	and construction duties for
	Operations, MEC		project

## MARKETING PLAN



### 2020 VATI GRANT

EMPOWER BROADBAND, INC. 11633 Hwy 92 West, Chase City, VA 23924

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### I. Executive Summary

EMPOWER Broadband, Inc. (EMPOWER) is a wholly-owned subsidiary of Mecklenburg Electric Cooperative (MEC) created to bridge the digital divide in rural Southside Virginia by bringing ultra-high-speed fiber-to-the-premise (FTTP) to those unserved and underserved regions across MEC's service territory and its surrounding communities.

### II. Marketing Plan Summary

### 1. The Business

Name: EMPOWER Broadband, Inc.

Structure: Wholly-owned subsidiary of Mecklenburg Electric Cooperative

Location: 11633 Hwy 92 West, Chase City, VA 23924

Incorporated: 2019

Owner: Mecklenburg Electric Cooperative

Experience: MEC was established in 1938, by the members, for the members, at a time when rural Southside Virginia did not have access to electricity. For over 80 years, MEC has provided power to the rural citizens across portions of nine southern Virginia counties and five northern North Carolina counties. MEC understands the needs of rural citizens and how to operate a successful business with limited funds and lower density per mile. MEC has the infrastructure in place to hang fiber and a workforce that can capably design and implement fiber deployment. The MEC team has significant experience in line construction – having already strung portions of fiber to the offices and substations. Additionally, MEC's IT team has experience in network and fiber-to-the-premise broadband.

*Products/Services:* EMPOWER provides middle-mile capacity, retail high-speed internet service, as well as voice over IP telephony, high-speed data services, and advanced cloud-based solutions, to over 4,000 accounts in the cooperative's service territory in Southside Virginia and northern North Carolina

### 2. The Future

**Vision Statement:** 

To further enhance the quality of life for the members and communities served by Mecklenburg Electric Cooperative by providing fiber-to-the-premise.

EMPOWER's initial goal has been, to complete the deployment of the fiber backbone reaching 135 miles across MEC's service territory – connecting 14 substations, the three

district offices (Emporia, Chase City and Gretna) and the headquarters' office together within 36 months to provide needed smart grid technology for MEC's distribution system and to extend FTTP to MEC members, or citizens that live within 1,000 foot of the backbone by utilizing MEC employees installing the backbone and initiating a foundation for the EMPOWER subsidiary.

Additionally, MEC continues planning fiber deployment to its remaining substations, as well as unserved and underserved routes extending from that backbone, while EMPOWER seeks to secure funding for additional FTTP customers along and adjacent to those routes.

EMPOWER's long-term goal is to extend fiber throughout MEC's service territory.

### 3. The Market

EMPOWER's target market begins with the members of MEC. There are nearly 3,000 members within the initial 1,000-foot backbone project. At an estimated 45.3% take rate, EMPOWER anticipates a minimum of 1,359 FTTP customers by March 2021. Including additional fiber projects already scheduled and/or completed, 3,270 FTTP customers are expected by 2022.

Currently, EMPOWER has the potential to serve a minimum of 30,158 homes, farms, and businesses across six counties, including those specifically outlined in this grant proposal, where MEC currently provides electric utility services.

- City of Emporia 189 homes passed
- Mecklenburg County 414 homes passed
- Halifax County 1153 homes passed

EMPOWER Broadband will utilize cost-saving measures by soliciting only prospective customers throughout the build. Items such as direct-mailers, brochures, yard signs, rack cards and door hangers will be purchased and used to contact members as fiber is being installed along those lines within 1,000 feet of their home. Additionally, this targeted approach directly and specifically engages those homes within the initial 1,000 foot.

### 4. The Finances

Mecklenburg Electric Cooperative is spending \$2.6 million dollars to build the fiber optic backbone across its utility infrastructure to connect its substations and district offices – creating a fiber ring. The cost to supply high-speed fiber optic cables to the entire MEC service area is estimated at \$85 million.

Additional funds have, and will continue to be, pursued with grant funding from organizations, such as the Virginia Tobacco Region Revitalization Commission (VTRRC),

The Virginia Telecommunication Initiative (VATI), and the Federal Communications Commission's (FCC) Connect America Funds (CAF), which will be used to fund FTTP installations of EMPOWER Broadband accounts.

### III. Business Overview

EMPOWER Broadband, Inc. provides middle-mile capacity, retail high-speed internet service, as well as voice over IP telephony, high-speed data services, and advanced cloud-based solutions, to over 4,000 accounts in the cooperative's service territory in Southside Virginia and northern North Carolina.

In April 2019, EMPOWER Broadband, Inc. joined forces with Buggs Island Telephone Cooperative, located in Bracey, Virginia, acquiring both its current telephone and broadband customers, who are mutual Mecklenburg Electric Cooperative members. All broadband and telephone customers are now served by EMPOWER Broadband, Inc.

### IV. The Future

### 1. Vision Statement:

To enhance Mecklenburg Electric Cooperative's grid with a communications network – with a redundant fiber optic backbone at its core – to enable metering, smart grid, distributed generation, and direct connectivity for smart home appliances.

To further enhance the quality of life for the members and communities served by Mecklenburg Electric Cooperative by providing fiber-to-the-premise.

### 2. Mission Statement:

To bridge the digital divide for MEC members and the surrounding communities by providing high-speed broadband to create jobs, attract new businesses, improve education and healthcare, and boost the local economy.

- Create Jobs/Attract Business By providing the local community with the necessary internet speeds to attract businesses to the area, job opportunities will increase.
- ➤ Education By providing students, teachers and administration with the necessary internet speeds, both teaching and learning will be transformed.
- ➤ Healthcare By helping bring physicians state-of-the-art equipment to the rural healthcare facilities of Southside Virginia with FTTP that will deliver world class

- opportunities for remote patient care in the home, and with bandwidth that will support video diagnosis and communication or data downloads from advanced medical equipment.
- Economic Development By having high-speed internet, rural Southside Virginia will become a hub for industry and growth.

### 3. Goals:

### Short Term

To complete the deployment of a fiber backbone reaching 135 miles across MEC's service territory – connecting its substations, the three district offices (Emporia, Chase City and Gretna) and the headquarters' office within 36 months (March 2021) by utilizing MEC's employees to provide needed smart grid technology for MEC's distribution system.

To extend fiber-to-the-premise to MEC members, or citizens who live within 1,000 foot of the backbone, as well as other funded routes along the backbone, by utilizing MEC employees to install the backbone and initiate a foundation for the EMPOWER Broadband subsidiary. Additionally, contract deployment crews have been added to complete construction within the established schedule and strategic plan.

### Long Term

EMPOWER Broadband, Inc. will extend fiber throughout MEC's service territory and/or local communities based on a take-rate approach.

### V. The Market

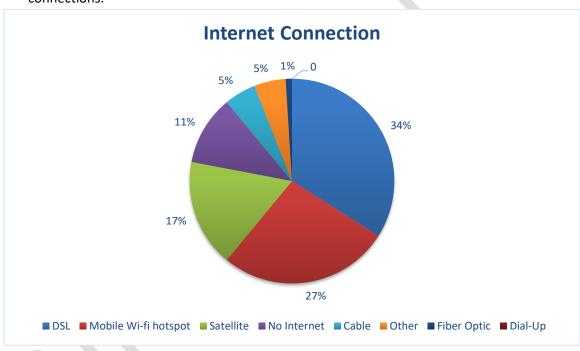
### 1. Unique Selling Position

Established in 1938, Mecklenburg Electric Cooperative is a not-for-profit, memberowned electric cooperative formed by the community for the sole purpose of providing electricity to the rural citizens of Southside Virginia. Over time, MEC has built a reputation of trust, commitment and service excellence among its membership. Today, the members of MEC are unable to acquire affordable, dependable, and sufficient high-speed internet services. MEC is uniquely situated in the unserved and underserved areas of Southside Virginia where high-speed internet is overpriced, unreliable and, in most cases, simply unavailable. Already having the infrastructure in place to easily add fiber cables, a skilled and capable workforce, an established potential customer base, and an established reputation

for excellent service and commitment, EMPOWER is perfectly situated to provide retail internet services throughout the service territory of MEC.

### 2. Market Research

Currently, over 60 cooperatives across the nation have, or are in the process, of providing their rural members with high-speed fiber-optic internet. According to MEC's most recent Residential Energy Survey conducted by Olson, 83% of MEC members use their PC/Laptop to connect to the internet with the following internet connections:



Internet service from satellite and dial-up services are too slow, latency laden, and unreliable for modern applications while DSL is well oversubscribed. With only one percent of our members having access to fiber-optic internet service, it is imperative that MEC share with its membership high-speed internet using the fiber-optic cables installed along its system.

### 3. Target Market

### Members of MEC

MEC has nearly 3,000 members within the initial 1,000-foot backbone buildout. At an estimated 45.3% take rate, EMPOWER forecasts 1,359 customers within the first 36 months of operation.

Following the initial backbone phase, MEC has the potential to serve a minimum of 30,158 accounts across the following six counties, which MEC currently serves:

- \* Pittsylvania 6,559
- \* Halifax 5,950
- \* Charlotte 1,169
- \* Mecklenburg 10,130
- \* Brunswick 3,749
- \* Greensville 2,601

It should be further noted that this backbone will create the infrastructure to deliver a tree and branch approach for deploying fiber services to more unserved homes deeper into rural Southside Virginia.

Accordingly, MEC/EMPOWER has already secured funding and begun additional construction in the following areas:

Brunswick County – An additional 68.82 miles are being built to serve 844 households near Gasburg, Valentines and Wyche, Virginia. This is a six-year work plan beginning in 2020.

Halifax County – A one-year work plan has begun to feed 679 homes across various portions of Halifax; including Lower Liberty, Meadville, Northwest Halifax and Virgilina, which will add an additional 37.23 miles of fiber facilities.

Mecklenburg County – Approximately one mile of line has been run to include the new Mecklenburg County Junior and Senior High Schools, which are currently under construction. This line passes an additional 10 homes that have all been connected to fiber.

Pittsylvania County – An additional 9.2 miles of line will be constructed from Mt. Airy to Grit in 2021 and will pass 174 more homes.

With the acquisition of Buggs Island Telephone, EMPOWER also acquired additional fiber assets in portions of Mecklenburg and Brunswick Counties, including Holly Grove, Long Branch, Joyceville, Great Creek and Morristown Subdivisions.

Projected future projects include facilities passing:

96 consumers in Greensville County with an additional 3.18 miles of main line fiber.

<sup>\*</sup>Totals as of June 2020

414 consumers within Tanglewood Subdivision in Mecklenburg County totaling 22.33 miles of consumer access fiber.

1,250 consumers throughout portions of Halifax County with an additional 77.52 miles of main line.

### Communities in close proximity to MEC lines

Although the initial priority of EMPOWER Broadband is to provide high-speed internet access to the members of MEC, community interest/need will be the driving factor of broadband cable placement and access following the initial backbone build.

For example, we have worked with Mid-Atlantic Broadband to provide services to a call center in the town of Lawrenceville, Virginia and we'll continue to work with local townships that are not directly served by MEC to ensure economic development for our rural communities.

### 4. Marketing Strategy

Marketing Activity	Person Responsible	Date of expected completion
Introduction Letter (services coming) Direct Mail to eligible members	Member & Energy Services Team	Mail once make-ready construction begins at location
Letter to include services and contract Direct Mail to eligible members	Member & Energy Services Team	Mail when make- ready work is complete
Postcards	Member & Energy Services Team	Mailed 3 weeks after contract letter
Door Hangers/Door to Door	Member & Energy Services Team	Used during installation phase
Yard Signs	Member & Energy Services Team	Displayed at property where services are connected
Rack Cards	Member & Energy Services Team	Complete
Brochures	Member & Energy Services Team	Complete
Website	Member & Energy Services Team	Complete
Giveaway Items	Member & Energy Services Team	Complete

Branding Materials (shirts, tent, table cover, display stand)	Member & Energy Services Team	Complete

### VI. The Finances

### 1. Price

Residential pricing structures are as follows:



### Commercial pricing structures are as follows:



### 2. Expected Sales

Per EMPOWER's VTRRC grant funding guidelines, MEC will provide FTTP services to a minimum of 1,300 customers by March 2021. With all additional building projects expected between 2020 to 2022, at an expected take rate of 45.3%, an anticipated 3,270 FTTP customer connections are projected.

EMPOWER's market research indicates the average take rate of 45.3% for these initial installations along the backbone route, as well as additional routes outlined in these proposed VATI grant areas, are both obtainable and reasonable.

### 3. Monitoring/Measurement Activities

EMPOWER Broadband will monitor early customer sign-ups per phase of fiber cable installed. If forecasts are not met with above marketing material, EMPOWER will take more aggressive measures to reach potential customers, i.e. door-to-door visits, phone calls, etc.

### 4. Crisis Management

During the event of unexpected and disruptive events, such as the ones experienced with COVID-19, both Mecklenburg Electric Cooperative and EMPOWER Broadband, Inc., will take the necessary precautions to ensure the safety of its employees, customers and the public -- first and foremost. With that said, we understand that dependable, high-speed internet access is needed more than ever for our community to thrive. Our crews, as well as contract crews, have continued to work around the clock and will continue to do so as long as government restrictions permit. Keeping in mind that utilities are "essential businesses," we must continue to perform daily work to ensure our members and customers have access to electricity and communications mediums during any crisis.

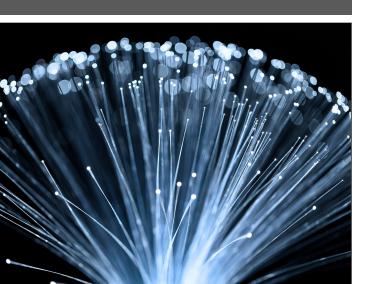
The following COVID-19 precautions are currently in place for Mecklenburg Electric Cooperative and EMPOWER Broadband, Inc.:

- **NO ONE** except for MEC/EMPOWER employees and directors is allowed in any of the cooperative's facilities, including family members.
- If anyone in an employee's home is sick or running a temperature, the direct supervisor must be notified, and the employee stays home until the person who is sick has been at least 24 hours without a fever.
- All employees must maintain the 6-foot social distancing standard and not congregate in close quarters.

- There is no gathering of more than 10 employees and only then if absolutely necessary. We recognize that outside employees work in the general vicinity of each other; and even then, employees must distance whenever possible.
- Avoid physical contact with co-workers.
- Cleaning services have been doubled at our facilities with emphasis on disinfectant wipe downs on door knobs, push-bars and other areas that get heavy hand contact.
- All business travel requiring airlines is prohibited. Personal travel is strongly discouraged. Supervisor must be notified of all travel outside of region.
- Bottles of disinfecting hand cleaner are available throughout each district office.
   Employees are encouraged to use frequently.
- There is limited interoffice travel and interaction among the districts and the EMPOWER Headquarters in Bracey.
- Lobbies are closed to all traffic and will remain closed until further notice.
- Employees are encouraged to bring their lunches and limit interaction with others at restaurants or food service establishments during lunch.
- Outside employees are to limit any interaction with others while in the field. If approached by a member/customer or other individual, employee will politely let them know that they must keep a safe distance and that they can contact the office by phone for assistance.
- Outside employees will avoid coming into the buildings whenever possible.
- Home fiber installs will continue at the discretion of the independent contractor. The contractor will pick up the equipment needed outside the back door, and return all paperwork using outside drop box.
- EMPOWER technicians are dispatched from home for new phone and internet installs and trouble calls and will pick up equipment in the same manner as the independent contractor.
- All deliveries to offices are delivered to outside dock and/or porch. No entry!
- Any employee with a dry cough, high fever, shortness of breath, or any other COVID-19 symptoms, is to stay at home until symptoms have ceased 24 hours have lapsed without a fever.

# HOW FAST WILL THE INTERNET SERVICE OFFERED BY EMPOWER BROADBAND REALLY BE?

- The basic package will offer 50
   Mbps download / 50 Mbps upload.
- Speeds will provide simultaneous video to at least five separate devices with no buffering.
- A four-minute song can be downloaded in 6/10's of a second.
- A 45-minute TV show can be downloaded in 30 seconds.
- For the most demanding user,
   EMPOWER Broadband's fiber will be capable of delivering speeds up to 1 Gig.





### **CONTACT US**

+1 434-372-6244 EMPOWER@meckelec.org www.meckelec.org

11633 Hwy 92 W Chase City, VA 23924



### What is FTTP?

EMPOWER Broadband, a wholly-owned subsidiary of Mecklenburg Electric Cooperative (MEC), will deploy fiber optic cable to homes and businesses; the connection from the fiber backbone to individual buildings is referred to as "Fiberto-the-Premises (FTTP)."

# What is the EMPOWER Broadband pilot project?

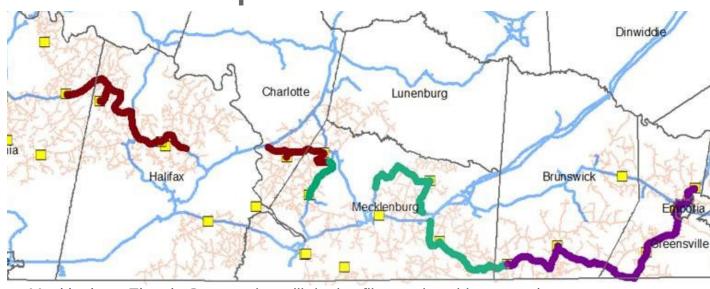
MEC's EMPOWER Broadband pilot project will utilize \$2.6 million in Tobacco Region Revitalization Commission grant funds to deploy fiber to connect consumers within 1,000 feet of a 135-mile fiber backbone crossing portions of Brunswick, Charlotte, Greensville, Halifax, Mecklenburg, and Pittsylvania counties.

# Will my home be within 1,000 feet of the backbone line?

We are currently engineering the exact route the backbone line will traverse; a map showing the most current proposed path is attached. Additional information will be forthcoming at www.meckelec.org.

# When will EMPOWER Broadband be available to every MEC member?

The deployment schedule is largely dependent on the availability of funds. EMPOWER Broadband will continue to aggressively seek grant funds to extend services across the MEC system and beyond. **Proposed Backbone Route** 



Mecklenburg Electric Cooperative will deploy fiber optic cable across its system to connect its substations and district offices.

# Why fiber as opposed to wireless or other technologies?

- √ An all-fiber network provides our communities with communications capabilities, educational and training opportunities, and economic development infrastructure resources that rival the best in the world and it can be upgraded without laying new fiber.
- ✓ Wireless internet solutions offer the advantage of quick deployment and a marginally lower cost; however, wireless is challenged in scalability, reliability, and security. Trees, buildings, and weather impact wireless service. Wireless internet can be compared to the reliability of your cell phone. Wireless may be good for mobility, but it does not offer competitive speeds or the unmatched reliability of wired connections.
- √ A fiber network provides the foundation for all wireless solutions.

# When will construction begin and who will do the work?

Fiber construction has started from our central location in the Chase City Headquarters office to Highway 360. Lines will continue to be built both east and west. The installation of fiber directly connecting to homes and businesses will begin as early as August. The retail fiber deployment will be performed by contractors under the direction of MEC personnel. This method of deployment allows MEC crews to continue critical electric system construction and maintenance while also expediting the installation of FTTP.

# How much will this service cost?

The 50 Mbps package will cost between \$65 and \$75 per month for a residential consumer, which also includes a WIFI enabled router. For less than \$100 per month, EMPOWER will also offer a bundle package to include home telephone service.

# MORE THAN JUST INTERNET ACCESS A WORLD OF OPPORTUNITIES

- **Telephone**
- Television

  - **Education** Security
    - May require additional subscriptions





# **COMING SOON!**

Healthcare

**Gaming** 

Your home is along our FIBER route and will be eligible to receive EMPOWER's super-fast internet service! Watch your mailbox for more exciting details.

EMPOWER Broadband, Inc.

434-372-6244 ~ empowermec.net ~ empower@meckelec.org





DATE

**ADDRESS** 

Dear Resident.

This letter is to inform you that Mecklenburg Electric Cooperative's (MEC) fiber optic cable network has been installed within 1,000 feet of your home and you are eligible to receive high-speed internet and phone service from EMPOWER Broadband. Now you too can watch that new show on Netflix that everyone is talking about, and your kids or grandkids can do homework over the internet!

For months we've been touting MEC's fiber "backbone" as we sought approval from the Virginia State Corporation Commission (SCC) for our EMPOWER Broadband Fiber-To-The-Home subsidiary! On January 30, 2019, we cleared the final hurdle as the SCC granted the needed approvals.

### **GOOD NEWS!**

For years, Mecklenburg Electric Cooperative has built and maintained its own complex communications network... our expertise is second to none! We'll use that expertise to build a robust fiber optic network to accommodate the growing need to transfer data between substations and offices. That need will be met through the deployment of fiber optic cable. This fiber "backbone" offers a great opportunity for those who live within 1,000 feet of the backbone to receive ultra-high-speed fiber broadband.

### THE BEST NEWS!!

The days of settling for slow internet are over! You asked, and we listened. EMPOWER Broadband, a subsidiary of MEC, will bring you -- not just fast -- but THE FASTEST and most reliable internet available anywhere with the same great customer service you have come to expect from your electric cooperative!

### Go Ahead...Get EXCITED!

Let's get started! Sign and return the attached 2-year Residential Service Contract for broadband internet by April 12 and we'll begin designing the fiber connection to your home. Act now and receive a limited-time offer for free installation! Bundle internet with a 2-year home telephone service contract and we'll waive the \$100 broadband installation and the \$30 phone activation fees.

Choose EMPOWER Broadband as your service provider today... it's backed by a team you know and trust and who has served Southside Virginia capably and responsibly since 1938. With residential speeds starting at 50 Megabits per second and **unlimited** data usage for \$69.95 a month, you don't have to settle for less anymore!

Sincerely.

David Lipscomb

VP Member & Energy Services

### **OPEN A WORLD OF OPPORTUNITY**

with the fastest, most reliable internet available anywhere.

**NO DATA CAPS** 

**EMPOWER** 

BROADBAND

Powered by MEC

NO THROTTLING

**NO LIMITS!** 

START AT JUST

PER MONTH



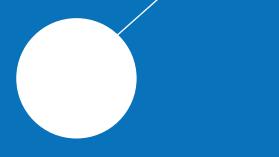
COMPLETE THE RESIDENTIAL SERVICE CONTRACT
FOR INTERNET SERVICE ONLY
BY APRIL 12

**SAVE \$50.00** 

Bundle EMPOWER BROADBAND'S INTERNET AND HOME-TELEPHONE SERVICE BY APRIL 12

**SAVE \$100.00** 

EMPOWER Broadband, Inc.
434-372-6244 ~ empowermec.net ~ empower@meckelec.org





# Sorry We Missed You!



High-Speed Fiber Internet is Available to You

# LIMITED TIME FOR SPECIAL DISCOUNTS

COMPLETE THE
RESIDENTIAL SERVICE CONTRACT
FOR INTERNET SERVICE
BY APRIL 15

SAVE \$50 ON INSTALLATION

OR

BUNDLE
INTERNET AND
HOME-PHONE SERVICE
BY APRIL 15

**SAVE \$100** 

ON FREE INSTALLATION

434-372-6244 www.empowermec.net

# **YOU ARE INVITED**

Want to learn more about how EMPOWER can help you ACCESS THE WORLD?

Come by our office on Wednesday, April 10 anytime between 3:00 p.m. – 7:00 p.m. for refreshments and a quick demonstration on how 50 Mbps can open up a world of opportunity for you and your family and SAVE YOU MONEY!

Mecklenburg Electric Cooperative 11633 Hwy 92 Chase City, VA 23924

### **MORE THAN JUST INTERNET**

Come by and see the amazing opportunities available to your home!

- Telephone
- Television
- Education
- Healthcare
- Gaming
- Security

May require additional subscriptions





BROADBAND
Powered by MEC

# SERVED BY EMPOWER

# BROADBAND

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www.empowermec.net (434) 372-6244





Empowering Southside Virginia... one fiber at time!

# **EMPOWER**

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