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Broadband Acceleration Grant Project Proposal | January 2021

EXECUTIVE SUMMARY

The objective of this proposal is to demonstrate how SKT can significantly expand access to vital resources and services – including remote work, distance learning, telemedicine, banking, security, and online shopping – by providing reliable high-speed internet as well as local and long-distance telephone to unserved rural areas of Sedgwick and Sumner Counties.

If awarded a Kansas Broadband Acceleration Grant, SKT would design, implement, and help fund a fiber network for unserved areas of rural Peck and rural Haysville, located in Sedgwick and Sumner Counties. Within the boundaries of the proposed service areas, there is potential for 137 fiber to the premises connections at existing homes and businesses.

According to FCC data*, these locations have less than 25 Mbps service to their homes or businesses, limiting or eliminating opportunities for remote work and education, telemedicine, and online commerce transactions – which have exponentially risen in importance amid the pandemic and will only continue to be essential for the wellbeing of rural Kansans.

For the best long-term solution, SKT proposes buildout of fiber to the premises, allowing for speeds of up to 1 Gbps download and 100 Mbps upload. The superior fiber technology offers greater bandwidth capabilities and the most reliable connection to meet the needs of residents and businesses now and into the future.

ABOUT SKT

Based in Clearwater, Kan., SKT is a family-owned telecommunications company that has served rural Kansans for 80 years. SKT provides broadband, telephone, and security services at more than 10,000 customer touchpoints in over 20 rural Kansas communities. SKT's broadband technology includes fiber to the premises, cable modem, ADSL/VDSL, and fixed wireless. In the spring of 2018, SKT completed a fiber to the premises build in Clearwater, increasing speeds at more than 1,000 homes and businesses from up to 25/3 Mbps with cable modem to up to 1 Gbps/100 Mbps with fiber.

DESCRIPTIONS

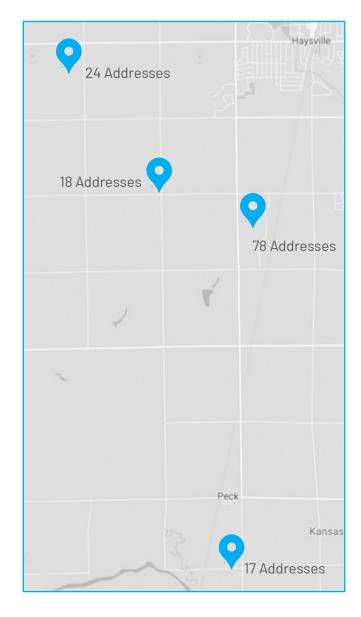
Proposed Service Areas

There are four proposed service areas – all unserved – in rural Haysville and rural Peck, Kan., with 134 residential locations, two businesses, and one nonprofit. Refer to the provided maps for details.



Haysville is in Sedgwick County and is a suburb of Wichita to the south. Peck is another seven miles to the southwest of Haysville. It is an unincorporated community that sits on the border of Sedgwick and Sumner Counties.

The majority of the proposed service locations are within Sedgwick County, which is the second most populated county in Kansas. Seventeen of the 137 addresses are within Sumner County, which is economically distressed according to Stats America data.



* FIBER

1 Gbps 100 Mbps 100 Upload

Anticipated Improvements

According to the FCC data*, the area is currently served by up to 20/5 Mbps fixed wireless or up to 18 Mbps ADSL (limited locations). SKT would build out fiber to the premises to these proposed service areas, with a max speed of 1 Gbps download and 100 Mbps upload.

Partners



EPI Communications Consultants

Project Planning & Engineering

Wichita Utilities LLC

Underground Construction

Statton Communications

Fiber Splicing

SKT Rural Sedgwick & Sumner Counties BAG Project Proposal

PROJECT GOALS & COMMUNITY NEED

Bridging the Digital Divide in Rural Sedgwick & Sumner Counties

IMPORTANT ONLINE RESOURCES UNAVAILABLE FOR UNSERVED AREAS



Telemedicine



Remote Work & Education



Security



Online Banking



E-Commerce Transactions



Entertainment

The goal of this project is to provide reliable highspeed internet service to unserved areas of rural Haysville and rural Peck, located in Sedgwick County and economically distressed Sumner County, which has a per capita income of 75.3% the national average according to Stat America. Data shows that the 24-month unemployment rates in Sedgwick and Sumner Counties are at or higher than the U.S.

The current fixed wireless and ADSL connections provide less than 25 Mbps and do not meet the needs of area homes and businesses. Fiber to the premises is far superior to other broadband technologies in both reliability and max speed. It also does not have the accessibility issues created by distance from the

equipment in the case of DSL or distance from the tower and physical barriers, such as trees, that limit a fixed wireless signal's reach and strength.

These rural homeowners are desperate for higher speeds and more reliable service to meet their needs for access to telemedicine, remote work and education, security, online banking, e-commerce transactions, entertainment, and more. Homeowners have expressed difficulty using one device for streaming without any other connected devices; using multiple devices at once is simply not possible. SKT's fiber internet service would easily support all their devices and online activities.

Unserved & Economically Distressed



< 25/3

Mbps SERVICE AVAILABLE IN PROPOSED AREAS



75.3%

SUMNER COUNTY PER CAPITA INCOME IS 75.3% OF U.S. AVG

INFRASTRUCTURE & ACCESS

Proposed Improvements

SKT would build out its fiber network, deploying fiber to the premises. There are 134 homes, two businesses, and one nonprofit organization in the proposed rural service areas.

INVESTMENT BENEFITS

Short & Long-Term

Most of the proposed service area is residential. Before the pandemic, the current internet options were insufficient for even the most basic household use. The pandemic has only exacerbated the issues and highlighted the need for improved service, creating an increased need for high-speed internet for remote work and education along with access to healthcare through telemedicine. In addition, homeowners would have access to the bandwidth to support increased security, such as video doorbells, video cameras, and other smart security devices. With public health officials recommending that people stay home as much as possible, entertainment, online shopping, and digital communication options are more important than ever. It is anticipated that these needs will continue beyond the resolution of the pandemic, and demand for bandwidth will remain high.

*FCC data provided in the 477 Map shows some locations are served by SKT with at least 25/3 Mbps; however, SKT's existing fiber network does not pass the addresses in the proposed service area that fall within these Census Blocks, and they are not served by SKT. Additional information has been provided with the application to show the end points of SKT's existing fiber network.