

Executive Summary

Spectrum Mid-America, LLC, by its Manager Charter Communications, Inc. (collectively Charter) requests a grant to construct a last-mile fiber-to-the-premises (FTTP), Ethernet passive optical network (EPON or FTTP) to provide service to households, businesses, and other community anchors in Leavenworth County lacking access to qualifying wireline broadband service (the Project). The proposed project area consists of a portion of the unincorporated area in Leavenworth County west of the cities of Lansing and Leavenworth, and including a small portion of each of those cities (the Project Area). The Project includes building approximately 45.1 miles of fiber optic network to connect an estimated 337 homes, 2 businesses, and 3 community anchor institutions.

The Project will use Charter's FTTP architecture, a standardized and mature model that is operated by Charter (through its Spectrum brand) across the country, engineered and managed to meet 1 Gbps downstream speeds, 500 Mbps upstream speeds, very low latency, and with the ability to scale to higher performance specifications in the future. Charter's FTTP deployment is relevant and suitable for remote learning and remote working, offering the bandwidth and latency service attributes that accommodate numerous members of a household or small business simultaneously using bandwidth-intensive applications, such as video conferencing, telemedicine, video streaming, gaming, virtual or augmented reality sessions, and numerous other applications.

Across our Kansas footprint, Charter already provides "Spectrum Internet" with standard 200/10 Mbps residential broadband service, "Spectrum Internet Ultra" at 400/20 Mbps, and our Spectrum Internet Gig product which provides speeds of up to 1000/35 Mbps. New customers in the Project Area will have access to our Spectrum Internet and Spectrum Internet Ultra speeds, and our "Internet Gig" service at speeds up to 1000/500 Mbps. Additional services that will be available to Charter Internet customers include, but are not limited to, anti-virus security protection and Advanced Home Wi-Fi. As an added benefit of its FTTP network, Charter will also be in a position to offer competitive video, wireline voice, and mobile services in the grant area. As the market demands faster speeds, Spectrum expects to meet the needs of our customers by continuing to upgrade our network.

Background

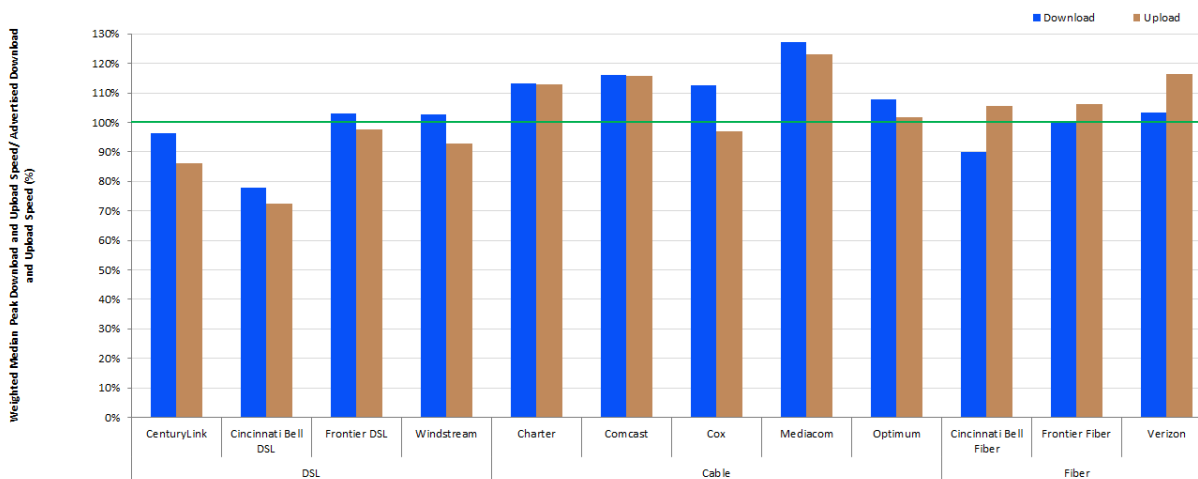
Charter, through its Spectrum brand of companies, is a leading connectivity company and cable operator providing superior broadband, voice, video, and mobile services under the brand name Spectrum to more than 32 million customers across 41 states. Together with its approximately 95,000 employees nationwide, and nearly 250 employees in Kansas, Charter is driving innovation and growing economies from coast to coast and in communities big and small. Charter has also announced that it will raise its minimum starting wage to \$20 an hour for all employees this year, and will be opening a new customer retention center in Overland Park – creating 510 new full-time jobs by the end of 2022.

Charter (and its predecessor companies) have been providing broadband internet service in Kansas for decades and will be able to draw upon the experience and capabilities of its regional

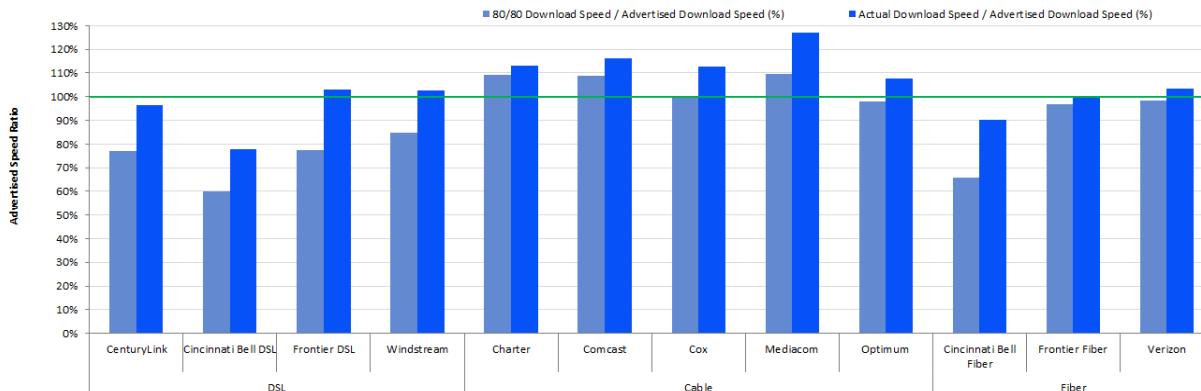
and local personnel. Charter provides Spectrum-branded service to approximately 132,000 customers in 25 Kansas communities in Johnson, Leavenworth and Wyandotte counties.

Charter is currently the second largest broadband provider in the United States. The company has achieved growth through innovation and acquisitions of cable properties, including its transactions with Time Warner Cable and Bright House Networks. U.S. News and World Report recently named Spectrum Internet as the **“Best Internet Service Provider for Rural Areas”** (<https://www.usnews.com/360-reviews/internet-providers/best-rural>). Charter’s commitment to service quality has resulted in Multichannel News naming its Spectrum brand as **Operator of the Year for 2020** (<https://www.nexttv.com/features/cover-story-charters-giffen-good>), CableFax naming us **“2021 MSO of the Year”** (<https://www.cablefax.com/event/2021-cablefax-top-ops>), and CNET naming Spectrum the **“Best Cable Internet Provider”** for 2022 (<https://www.cnet.com/home/internet/best-cable-internet/>). Charter’s unparalleled commitment to service quality was especially evident in response to the pandemic. Charter’s network continued to perform well despite higher levels of peak bandwidth usage. And Charter accomplished all this while making adjustments to how and where we worked in response to COVID protocols.

Charter is proud of the speeds it delivers over its network, and in the latest FCC “Measuring Broadband America” report, Charter’s Spectrum service was shown to consistently offer as good as or better than advertised download and upload speeds, both during peak times and as an overall average (Federal Communications Commission. “Eleventh Measuring Broadband America Fixed Broadband Report.” December 31, 2021). Spectrum exceeded 100% of our advertised upload and download speeds during peak times on all speeds measured as indicated in the chart below.



CHARTER COMMUNICATIONS – LEAVENWORTH COUNTY 2



Charter has invested nearly \$40 billion in infrastructure and technology over the last five years as part of its long-term commitment to expanding broadband access across urban, suburban and rural areas to connect more Americans. From 2018-2020 alone, Charter extended its network to reach an additional 2.5 million new homes and businesses, about a third in rural areas. Charter also recently announced a \$5 billion dollar investment to connect more than a million currently-unserved, mostly rural families and small businesses to reliable broadband service with speeds of up to 1 Gigabit per second, including adding significant resources to its construction department focused solely on adding approximately 115,000 miles of new network infrastructure to its more than 750,000 existing miles. This investment will be offset by approximately \$1 billion awarded to Charter in the Federal Communication Commission’s (FCC’s) Rural Digital Opportunity Fund (RDOF) program.

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

As noted above, Charter currently offers a variety of speed packages, including broad availability of Internet Gig service (up to 1000/35 Mbps). With Spectrum Internet, customers can simultaneously stream videos, download music and more without sacrificing performance. Spectrum provides free modems and the fastest, most powerful in-home Wi-Fi to do more on more devices.

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

Current prices for Charter’s Spectrum Internet Assist¹ (SIA) our low-income broadband program, Spectrum Internet, and Spectrum Internet Ultra service tiers, and its planned pricing for the Spectrum Internet Gig service tier in the Project Area, are as follows (all rates, speeds and terms of service stated herein are subject to change):

Speed Tier ²	Downstream Mbps	Upstream Mbps	Standard Monthly Rate – without Promotional Pricing ³	Installation Fee
Spectrum Internet Assist	30	4	\$17.99	\$0.00 ⁵
Spectrum Internet	200	10	\$74.99	\$49.99
Spectrum Internet Ultra	400	20	\$94.99	\$49.99
Spectrum Internet Gig ⁶	1000	500	\$134.99	\$199.99

In addition to the standard, non-promotional rates itemized above, Charter may also offer promotional pricing, including bundled discounts. Charter’s current promotional offerings can be found at <https://www.spectrum.com/internet>. (All promotional offers are subject to change and may not be available in all areas or to all customers.) Spectrum’s terms of service will apply to all tiers of service.

Recognizing the importance of fast, reliable service for community institutions, Charter also offers 10 Gbps symmetrical speeds to large businesses, schools, libraries, hospitals, and other important community institutions through customized dedicated builds by its Spectrum Enterprise business organization. This Application does not include the costs of such customized builds; however, Spectrum’s network presence in potential project areas would better position the company to make such offers available.

Community Engagement

Beyond successfully building, operating, and maintaining industry-leading networks, Charter invests in local communities where our customers and employees live and work, rendering these communities stronger, safer, and better prepared for the future. We are committed to impacting lives based on community improvement goals that are realized through programs focused on strategic philanthropic investments, in-kind support, and employee engagement including Spectrum Community Investment Loan Fund, Spectrum Community Assist, Spectrum Digital Education, Spectrum Employee Community Grants and Spectrum Scholars.

Spectrum Community Investment Loan Fund (Loan Fund): To date, Charter’s has committed \$18 million to support small and minority-owned enterprises in economically underserved communities. By offering loans directly to local businesses or through Community Development Financial Institution (CDFIs), the Load Fund provides growth capital, creating new jobs and

¹ Spectrum’s Internet Assist program provides 30 Mbps broadband to qualified families with children on the National School Lunch Program or seniors 65 years of age or older receiving supplemental security income.
² Represented pricing is for residential wireline broadband service only. In addition to wireline broadband services, Charter will also offer video, voice, and mobile services in the Project Area.
³ Customers can add Wi-Fi for \$5.00 per month (Spectrum Internet Assist, Spectrum Internet & Spectrum Internet Ultra).
⁵ For self-installation only. Additional fees may apply for professional installation.
⁶ WiFi service included.

strengthening the economic infrastructure in both rural and urban areas. Through partnerships with the National Urban League, National Action Network and National Asian American Coalition, the Loan Fund directly invests in the communities where Charter's employees and customers live and work, and issues grants to provide technical assistance and small business education to local business owners. <https://corporate.spectrum.com/community-investment-loan-fund>

Spectrum Community Assist: A strategic philanthropic program that aims to improve the physical condition of community centers in communities throughout Charter's 41-state footprint, as well as to create or enhance job skills programs offered in these locations. <https://corporate.charter.com/community-assist>

Spectrum Digital Education: Supports digital literacy in communities across our 41-state footprint. Recipients use the funds for broadband technology programs and training, particularly in financially underserved rural and urban communities within Charter's service area. <https://corporate.charter.com/digital-education>

Spectrum Employee Community Grants: Allows Charter employees to nominate nonprofit organizations where they have volunteered at least one year. Because we live and work in these local communities, we are committed to making them stronger. <https://policy.charter.com/investing-communities-spectrum-employee-community-grants>

Spectrum Scholars: An educational program for eligible rising college juniors with financial need who identify as Asian/Pacific Islander, Black/African American, Hispanic/Latino or Native American. The annual program awards 20 college students \$20,000 each, half during their junior year and half during their senior year. <https://learnmore.scholarsapply.org/spectrumscholars/>

Description of the location (City(s), County(s), etc.), proposed service areas, partners involved and anticipated improvements

The Project Area consists of a portion of the unincorporated area in Leavenworth County west of the Cities of Lansing and Leavenworth, and including a small portion of each of those cities, where Charter will connect homes and businesses to its FTTP network as described in this application. Charter will construct the network using its own personnel and contractors, and does not anticipate requiring assistance from other partners to complete the construction process, but has received letters of support from the Presiding Commissioner, state legislators, the Leavenworth Lansing Area Chamber of Commerce, Leavenworth County Development Corporation, Leavenworth County Health Department, Northeast Kansas Library System, and school districts in Leavenworth County.

Goals of the project and community need to address including whether the proposed area is unserved or economically distressed or what the compelling need is, if served.

In developing the Project, Spectrum's primary objective was to bring fast, reliable, and affordable broadband service to the residents of the Project Area. As detailed in Charter's Project Justification, no wireline provider currently offers broadband service at or above 25/3 Mbps in the Project Area, and although fixed wireless providers offer service to the Project Area

or portions thereof, those existing fixed wireless options do not provide consistent and reliable service at speeds above 25/3 Mbps to all customers.

Bringing fast, reliable and affordable broadband service to the Project Area is particularly important because the Project Area constitutes an economically distressed area under the criteria specified in the program materials. Indeed, the annual per capita income in the Project Area is only \$37,478, which is approximately 63% of the national average of \$59,510.

Proposed infrastructure and access improvements planned, including the number of proposed connected premises and community anchor institutions, businesses, or other organizations and the recipients to be served by the project.

Spectrum's proposed FTTP network would connect an estimated 337 homes, 2 businesses, and 3 community anchor institutions to fast and affordable wireline broadband service, which they do not have access to today. Charter would connect these new "last-mile" passings to Charter's existing headend, backbone, and interconnection facilities, and will not require the construction of new buildings, towers, or other structures.

Charter will finalize a specific design for the Project Area after completing a field walkout, to complete a design that will connect all these locations by deploying broadband facilities into adjacent rights-of-way and performing standard installations (*i.e.*, standard aerial drops). Charter is not presently aware of any circumstances that would make this objective unworkable or commercially impractical with respect to any particular locations in the Project Area. (The objective of connecting all locations in this manner may be limited by constraints in individual cases, *e.g.*, where property owners do not allow necessary access, or where Charter cannot obtain access to necessary private easements or rights-of-way.)

The short and long-term investment benefit to the community and service area proposed.

The Project will have substantial short-term and long-term benefits on both the specific Project Area and Leavenworth County overall.

The Project will contribute to the economic and community development in the proposed service area by providing the residents of unincorporated Leavenworth County with the same high-speed, low latency broadband their neighbors living in Leavenworth and Lansing already enjoy, allowing them to engage in virtual learning, remote work, telemedicine and other similar applications. In addition, because Spectrum will offer a low-income broadband program and participate in the Affordable Connectivity Program through the federal government, low-income residents will not be left behind.

Future customers in the Project Area will receive the most robust and innovative products and services offered by the company. The FTTP network Spectrum is proposing to build in the Project Area will offer broadband speeds of up to 1000/500 Mbps to all newly served locations, with starting speeds beginning at 200/10 Mbps, and very low latency. In addition, the network will have the ability to scale to higher performance specifications in the future.

These newly served customer locations will also benefit from Charter's national pricing and packaging, meaning in addition to broadband, customers will have the ability to subscribe to

Spectrum Mobile, Spectrum TV and Spectrum Voice offerings, at the same prices as the company offers in competitive markets across the country for the same tiers of service. Spectrum will continue to apply its customer-friendly policies in the Project Area, which policies currently do not include data caps, modem fees or annual contracts.

Charter has also engaged in several initiatives and established numerous business practices that benefit consumers in need and demonstrate our commitment to the community. As described below, Charter has established several programs to provide low-cost internet service particularly for students and remote learning, has assisted customers struggling to pay their bills for service. Similar to support that Spectrum has provided throughout the COVID-19 pandemic, to further assist in closing the digital divide, Spectrum is participating in the \$14.2 billion federal Affordable Connectivity Program (ACP) to help connect eligible households with high-speed internet. Broadband internet access is more important than ever and the ACP offers a tremendous opportunity to help low-income families stay connected, providing eligible households a discount of up to \$30 per month toward broadband service and up to \$75 per month for households on Tribal lands. Additional information is available at <https://www.spectrum.com/cp/emergency-broadband-get-qualified>.

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

Public/Private Joint Efforts:

Bulk Opportunities

Charter now also offers bulk rate opportunities for counties, municipalities, housing authorities, or other local entities to identify homes in underserved areas and provide them with a heavily discounted bulk rate for Spectrum's Internet service offering. If project partner participants are interested in exploring bulk rate discount programs, Charter is happy to further discuss this at the appropriate time.

Spectrum Community Solutions, Charter's brand dedicated to addressing broadband and other connectivity needs in multifamily housing settings, offers industry-leading wired and wireless broadband and video services to residents of single-family gated communities, homeowners' associations, apartments, affordable housing, off-campus student housing, senior residences, RV parks and marinas throughout Spectrum's service area. Spectrum Community Solutions has a specialized customer service team with four U.S. call centers and representatives available around the clock to assist residents directly, as well as a dedicated hotline for property managers.

K-12 Program

To help address the lack of Internet connectivity faced by some student households, through the Stay Connected K-12 program, Charter is working directly with schools and school districts across its footprint to assist them in offering high-speed, cable broadband Internet access to students, educators, and staff in their homes. Charter is currently connecting thousands of students and educators through this program across the Country. This product offering helps ensure that learning, teaching, and working are uninterrupted by giving schools and school districts the flexibility to add students to the program when needed, and provides much-needed in-home connectivity at speeds up to 50 Mbps/5 Mbps. To date, Charter has established such relationships with school districts in 19 states, including Alabama, California, Colorado, Connecticut, Florida, Georgia, Idaho, Indiana, Kentucky, Maine, Massachusetts, Minnesota, Missouri, New York, Ohio, Oregon, Texas, Washington, and Wisconsin.

<https://enterprise.spectrum.com/services/industries/k-12/stay-connected.html>

Other Products, Programs and Services

Spectrum Mobile: All Spectrum Internet customers will have access to Spectrum Mobile, the nation's fastest growing mobile service. Offering the fastest overall speeds, Spectrum Mobile delivers reliable mobile service and with 5G, Spectrum Mobile offers the next generation of wireless technology for an even better mobile experience for today and tomorrow. Our customers can stream 4K movies, quickly download large files, play multi-player video games on the go and video chat with friends and family in HD, all with savings of up to 40% compared to other single line unlimited plans. <https://www.spectrum.com/mobile>

Spectrum TV: Spectrum provides an all-digital network that offers hundreds of high-definition channels and thousands of video on-demand titles, as well as an impressive lineup of culturally diverse programming that reflects the needs and interests of our customers. Spectrum TV continues to keep families entertained. With the Spectrum TV App all of this incredible entertainment can be enjoyed when and how our customers want.

<https://www.spectrum.com/cable-tv>

Spectrum Voice: Spectrum Voice is the second largest landline provider in the United States. We provide wireline voice communications services using voice over Internet protocol (VoIP) technology to transmit digital voice signals over our network. Our voice services include unlimited local and long distance calling to the United States, Canada, Mexico, and Puerto Rico, voicemail, call waiting, caller ID, call forwarding and other features and offer international calling either by minute, or through packages of minutes per month. In early 2021, we launched Call Guard, a new advanced caller ID and robocall blocking solution, for our residential and small business voice customers. Call Guard reduces customer frustration and improves security by blocking malicious calls while ensuring our customers continue to receive the legitimate automated calls they need from schools and health care providers.

<https://www.spectrum.com/home-phone>