Attachment B

Project name: Chambers County Community Broadband Project
Legal name of entity: Roanoke Telephone Company, Inc.
Mailing address: 236 East Capitol St, Jackson, MS 39201
Name and title of CEO: James Garner, Vice President of Operations
Grant Contact: Lisa Wigington, Vice President of Strategic Operations
Phone: 601-354-9070 Email: LisaW@TEC.com
Autonomous System Number: 17253
List Internet Exchange Membership: Digital Realty Atlanta and Equinix Chicago
PeeringDB entries: https://www.peeringdb.com/asn/17253

Project Budget

1. Explanation of Total Project Costs: The total infrastructure cost for the proposed Chambers County Community Broadband Project is $568,460.00 The infrastructure is proposed to be funded through the use of Alabama Broadband Accessibility Grant funds in in the amount of $193,221.00 and RTC cash match in the amount of $358,839.00 with an additional investment by RTC for middle mile of $16,400. RTC will fund continuing operating expenditures from internal working capital available funds. An itemized schedule of eligible project expenses is attached in the file marked Attachment B-1.

2. Financial Information and Sustainability:

a. The Chambers County Community Broadband Project is an upgrade and extension of RTC's existing broadband services and outside plant connectivity to reach the unserved and underserved locations in the northern portion of Chambers County, AL that cannot feasibly be reached without grant funding or other opportunities. RTC will fund continuing operating expenditures from internal working capital available funds and utilize economies of scale to maintain an overall company positive cash flow. A project budget and timeline used to complete a five-year projection starting with our audited 2019 financial statements is attached in Attachment B-1. Additionally, the 2018 and 2019 audited financial statements and the five-year financial projections are available upon request.

b. RTC will provide an 65% match in cash to build the project with a 35% grant award from the Alabama Broadband Accessibility Fund, as evidenced by the letter attached. RTC and TEC Services, Inc. are both wholly owned subsidiaries of TEC. RTC and its' sister companies participate in a consolidated cash management arrangement with Regions Bank. The account is listed under the name TEC Services, Inc. however, each affiliate company has access to and can write checks directly from this account up to its' share of the cash. A letter detailing and

confirming the amount available to RTC is attached in B-2 and a copy of the bank statement is available upon request. In addition to this 65% cash match, RTC will be paying for an additional .4 miles of construction from our current fiber to the PFSA with an estimated cost of $16,400.

3. Accomplishing Project Deliverables: TEC has been meeting the communication needs of the rural south since 1923. Roanoke Telephone Company, Inc. (RTC) is a wholly-owned subsidiary of TEC and has provided voice service since 1951 and internet service since 1995. Currently, RTC serves voice to 2,231 customers in its certificated area and internet service to 2,013 customers in Randolph and Chambers counties, AL and has made broadband available to over 98% of the approximately 160 square miles of the incumbent ILEC service area. Currently, RTC passes approximately 10,675 locations with broadband service in Randolph and Chambers counties in Alabama. With RTC's highly skilled and experienced customer care and technical staff of 11 employees located in Roanoke, AL, the company is positioned to give superior service to customers and has the tier two support from the TEC corporate office located in Jackson, MS for design and construction of fiber plant and maintenance of the network. TEC will engage an engineering firm to aid in the staking of the project and a construction contractor to build some of the fiber routes. The project will be managed by TEC employees. TEC will also offer 24X7 support for its broadband customers from a help desk service.

Product marketing, sales, customer care, installation and repair, provisioning, regulatory compliance, network monitoring and billing will all be provided by TEC and its employees.

TEC Management: Roanoke Telephone Company, Inc. (RTC) management team has a combined total of over 200 years of experience in the telecommunications industry. The team working to secure and proceed with this project consists of Mr. Joseph Fail, Mr. Joe Piro, Mr. James Garner, Mrs. Joey Garner, Ms. Lisa Wigington, Mr. Forrest Collier, Mr. John Cole and Mr. Michael Caypless as well other experienced managers and staff. The majority of these team members average over twenty years of experience working with RTC and its sister companies. This is basically the same core management team that was awarded the BIP project by RUS at National Telephone of Alabama, Inc. which was successfully completed on budget and on time.

Mr. Garner is leading the effort to reach more rural customers in Randolph County. As Vice President of operations for TEC, Mr. Garner works with RTC and sister companies on a daily basis to ensure that all projects are complete and goals are fulfilled. He works closely with the management team of Lisa Wigington, Forrest Collier and John Cole to make sure the network is at full capacity to serve RTC customers. Mr. Garner, Ms. Wigington, Mr. Cole and Mr. Collier currently meet weekly to coordinate all outside plant and central office functions at RTC. The team plans to continue this type of planning session with the direct focus on the Chambers County Community Broadband Project if our application is approved.

Within the realm of the proposed funded service area, RTC plans to follow similar steps that currently are followed for new technology and product offerings. Under the leadership of Mr. Garner, the operations department introduces new technologies for RTC and sister companies. Ms. Wigington and Mrs. Garner review the offerings and suggest new product packages and pricing. Once the new products are approved by Mr. Garner, the experienced staff of Mr. Collier and local staff will assist with the implementation in Randolph County. All aspects of a new product are reviewed and discussed by the team working on this project. These aspects include cost, revenue, billing, network management, implementation, training, and marketing. Each team member has special talents that combine with others to insure every detail is covered thoroughly and diligently.

Engineering: TEC and Joseph D. Fail Engineering Company (JDFEC) have planned and executed hundreds of cable plant infrastructure construction projects over the years. Outside Plant (OSP) contractors will complete Rural Utilities Service (RUS) bidder qualification forms and be cleared by engineering to have experience with RUS standards of construction. All activity will be supervised by resident engineers and inspectors from Joseph D. Fail Engineering Company (JDFEC), a licensed engineer, a member of ACE, with over 50 years of experience with RUS projects. JDFEC has also reviewed the network diagram and system plan and approved the project.

Construction Contractor: After engineering completes the staking of the project, it will be sent to area contractors to bid. Based on timelines, bids and other factors, a contractor will be selected. At the completion of distribution construction, the contractor or TEC employees will set the pole mounted distributed splitters and TEC technicians will install the OLT in the serving remote. The service will be marketed during the fiber distribution construction and as the service is sold, local outside plant employees and the contractor will bury the drop fiber and OSP employees will install the CPE to turn up the customers. The estimated number of establishments to be served following the fiber distribution build is estimated based on the internet take rate average in rural America, which is 63% per the study released by Pew research' "Digital gap between rural and nonrural America persists", published May 19, 2017. Per the E911 addresses in the area, the establishments passed will be 152 and 63% take rate will calculate to be 96. Every household and business within the PFSA will be offered broadband service at the speed of download 50 Mbps and an upload of 5 Mbps or above when the system is complete within the two-year timeframe from award acceptance to completion. The fiber distribution build has been carefully planned to follow the county roads to cover all existing locations and a minimum of one handhole has been planned every mile with slack fiber to allow for future growth.

Adoption: TEC will be launching a social media marketing campaign, as well as direct mail pieces to the addresses in the PFSA and door to door visits to ensure every location in the PFSA is offered the service.

TEC has also partnered with local schools, the library and the chamber of commerce to provide live classroom training for internet safety for children and parents, as well as, access to and training on how to use the TEC Digital Literacy Portal provided by TEC at http://www.driveyourlearning.org/co/tec.html as part of TEC's Roadmap to Improve Digital Literacy training plan (see comprehensive plan - Attachment C-2).

Attached is Attachment B-1 with the construction build-out schedule and project milestones on a quarterly basis. Also included in the file is a detailed budget of all projected expenditures related to Chambers County Community Broadband Project.

4. Federal Funding. Roanoke Telephone Company, Inc. is one of about 200 rural rate-of-return carriers that have committed to building out broadband service at specific speeds to a particular number of locations, based on the alternative Connect America model (A-CAM). RTC's current build-out requirements call for upgrading service to homes that cannot get broadband today or can only get low-speed broadband. This project does not include any ACAM locations for which RTC is receiving funding.