

**South Carolina 2022 ARPA Grant
Program
Application SFRF 1.0**



Section 1.1 - Applicant Information

Legal Entity/Organization Name	Connect Holding II LLC
Parent Organization	Connect Parent Corporation
Entity Type (e.g. Corporation, non-profit, cooperative, governmental entity)	Corporation
Primary Contact Name	Pamela Sherwood
Title	Senior Regulatory, Broadband Infrastructure and Compliance Counsel
Mailing Address City, State, Zip	1120 South Tryon Street, Suite 700, Charlotte, NC, 28203
Phone Number	704-314-2249
Email	pamela.sherwood@brightspeed.com
FCC Registration Number (FRN):	31304405
Data Universal Numbering System (DUNS) Number	118577017
Registered in the System for Award Management (SAM)	Yes
SAM Number	JWYXBY1U3ML3
SC State Vendor Number	7000030743

Section 1.2 - Project Name/Number

Project Number (Format XXX-XX)	BRI-03
Project Name	Brightspeed 03 - South-West cluster

Section 1.3 - Broadband Service Provider Context

Date of Applicant's Initial FCC Form 477 Submission	June 30, 2009
Date of Applicant's Most Recent FCC Form 477 Submission	June 30, 2022
Applicant has experience delivering broadband service via fiber and/or hybrid fiber-coax infrastructure (YES/NO)	Yes

Section 1.4 - Broadband Infrastructure Information

Indicate the type(s) of broadband infrastructure technology to be deployed in the project service area.
 Projects must provide a minimum of 100/20 Mbps scalable to 100/100 Mbps. Applicant must explain in detail why the proposed project cannot provide 100/100 Mbps.

Fiber to the Premises Minimum Sustainable Download/Upload Speeds 100/100 Mbps

Section 1.5 - Proposed Broadband Pricing Tiers

Rates less than \$10/month (YES/NO)	No
If yes to \$10 month plan what are the upload/download speeds	
Rates between \$10 - \$14.99 (YES/NO)	No
If yes to \$10-\$14.99 month plan what are the upload/download speeds	
Rates between \$15 - \$19.99 (YES/NO)	No
If yes to \$15-\$19.99 month plan what are the upload/download speeds	
Rates between \$20 - \$24.99 (YES/NO)	No
If yes to \$20-\$24.99 month plan what are the upload/download speeds	
Rates between \$25 - \$34.99 (YES/NO)	No
If yes to \$25-\$34.99 month plan what are the upload/download speeds	
Do the above speed tiers include unlimited data? (YES/NO)	Select one
Is a Consumer-based Contract Required? (YES/NO)	No
Is the pricing fixed? (YES/NO)	Yes
What's the duration of the pricing? (In Months)	Select one

Section 1.6 - Project Timeline
(Maximum Timeline Allotted is 24 months)

Project Start Date	January 1, 2023
Project Construction Activity Begins	October 1, 2023
Project Construction Activity Complete	December 31, 2024
Customer Premises	2747
<i>Installations Begin</i>	June 30, 2024
<i>Installations End</i>	December 31, 2024
Overall Project Completion Date	December 31, 2024
Will the project be completed within 24 months of official Notice to Proceed (NTP)?	Yes

Section 1.7 - Project Service Area Information

Estimated Miles of Fiber to be Installed	157
Estimated Percentage Underground	25%
Estimated Percentage Aerial	75%
Number of Counties to be Impacted	3
County Names	Beaufort, Hampton, Jasper
Total Number of Census Blocks with Concentrations of K-12	222
Total number of Census Blocks in DDA's	20
Total number of Census Blocks NOT in DDA or K-12 Concentration	205
Total Number of unserved 2020 Census Blocks part of Proposed Project	437
Total number of housing units served	4,336
Total number of businesses served	226
Total number of other Public Facilities e.g. community centers, fire stations served	17
Total Structures Served	4,579
Average Cost Per Structure Served	\$ 2,806
Does the applicant plan to serve every structure in the proposed project service area?	Yes

If no, provide an explanation for why the Project will not Pass all Homes in the proposed project service area

N/A

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Section 2.2 - Funding Details

Description	Comment	Amount
South Carolina ARPA Broadband Grant Program Funds requested		\$ 8,352,786.15
Applicant-Provided Funding		\$ 4,497,654.08
Third-Party Funding Source (if applicable)		\$ -
Total Project Cost		\$ 12,850,440.23
Percentage Funds Requested from SC Broadband Office		65%
Percentage Funds from Applicant Match		35%
Percentage Funds from Third Party Funding Source		0%

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Section 3.1 Confirmations

Applicant participates in the Affordable Connective Program (ACP) and will participate in the ACP for the life of ACP for the Project Service Area.

Agree

Applicant will provide at least one low-cost option without data usage caps and at speeds sufficient for households with multiple users.

Agree

The Project will comply with the requirements set forth in ARPA, South Carolina Act No. ____ of 2022, and other federal, state, and local laws, including environmental and permitting laws and regulations.

Agree

The Applicant will not use ARPA funds to procure or obtain certain telecom and video surveillance services or equipment as outlined in 2 CFR 200.216 and 2 CFR 200.471.

Agree

Applicant will not use ARPA funds to modernize cybersecurity for existing and new broadband networks.

Agree

Applicant will not procure telecommunications equipment or services from China.

Agree

The Project includes pre-project development uses or costs

Agree

If Yes to above, the pre-development uses or costs will be (1) tied to an eligible broadband project or reasonably expected to lead to such a project; and (2) obligated within the period between March 3, 2021, and December 31, 2024 and expended to cover such obligations by December 31, 2026.

Agree

Applicant will require its employees, contractors, and subcontractors to comply with the applicable requirements in the South Carolina Underground Facility Damage Prevention Act pursuant to Title 58, Chapter 36 of the South Carolina Code of Laws, as amended.

Agree

Applicant affirms that it will consult with the SC Department of Transportation, electric utilities as well as local water sewer utilities as to any possible efficiencies that can be achieved with a “dig once” approach.

Agree

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4.1 - Additional Information

(max 2000 character limit per item)

Provide a Summary Narrative that describes your project

Our proposed project area is within Beaufort County, Hampton County, and Jasper County, with plans to provide fiber to 4579 grant-eligible premises. Brightspeed is committed to bringing advanced broadband services to consumers and businesses in Beaufort County, Hampton County, and Jasper County. The central premise behind the acquisition of Lumen’s ILEC assets in Beaufort, Hampton, Jasper, and elsewhere is the significant, multi-year upgrade of the legacy network, including the expanded deployment of state-of-the-art 1G+ capable network equipment (“XGSPON”) and the fiber necessary to deliver fiber-to-the-premises (“FTTP”) service directly to customers’ homes and businesses. This investment will provide for a more competitive set of broadband services, which will significantly improve customers’ choice and service experience, and vastly improve access to the internet and the multitude of educational, healthcare, business, and entertainment opportunities that broadband internet access enables. Brightspeed is committed to leveraging the latest technology and innovations as part of its commitment to build state-of-the-art fiber networks in Beaufort, Hampton, and Jasper through the South Carolina ARPA SFRF 1.0 Program.

Describe how your proposal meets the needs of the community to be served as described in the "Guidelines."

Upon approval of the project, all residents and businesses in the Project Service Area will be served in a manner that is non-discriminatory, at speeds equal to or greater than 100Mbps in Download and 100Mbps in Uplad, and without additional construction or startup costs to the customer.

Our proposal includes the deployment of state-of-the-art 10G symmetrical network equipment (“XGSPON”) and the fiber necessary to deliver fiber-to-the-premises (“FTTP”) service directly to customers’ homes and businesses. Our base speed fiber offering provides 200 Mbps/200 Mbps (download/upload) speeds, and our top-end service will be at least a 1 Gbps symmetrical (i.e., 1 Gbps upstream and 1 Gbps downstream) speed service (or higher).

XGSPON is a 10 gigabit per second (Gbps) symmetrical Passive Optical Network delivered via a dedicated fiber loop to the customer’s premises. This grant award will allow Brightspeed to provide high-speed data transfer rates up to 2 Gbps transported on a single fiber from the ILEC central office (CO) to the customer’s home or business. In addition to having super-fast data throughput speeds, the network Brightspeed is deploying allows for symmetrical data transfer rates (the upload and download speeds are the same), which is the state-of-the-art for network design.

If the proposed Project is in an area that is subject to an existing federal or state funding commitment for reliable speeds of 100/20 Mbps, explain why there is an identified need for additional broadband investment that is not met by existing federal or state funding commitments.

The proposed Project is not in an area that is subject to an existing federal or state funding commitment for reliable speeds of 100/20 Mbps.

Describe any plans or programs you have developed to improve adoption in the community described in this proposal.

Brightspeed will utilize effective marketing campaigns and informational resources to drive adoption in the area. To acquire customers, Brightspeed will utilize standard go-to-market plans for fiber-to-the-home launches. Brightspeed's local teams will determine, based on the geography of the impacted households, the best method of marketing the launch. Like the marketing/customer segmentation strategy, the sales strategy will be determined by local Brightspeed teams to ensure the highest degree of efficacy within the targeted communities.

As part of the Project, explain how the Applicant will make efforts to increase digital literacy, for example, support through online training?

Face to face marketing teams will be available to engage and educate prospects on Brightspeed internet product details and ordering processes, and local teams will work to determine other marketing methods with wide reach that will be effective in the area. These may include direct mail, a prelaunch website, a dedicated website for the service area, yard signs, door hangers, press releases, and/or mobile marketing. Community education forums may be conducted through launch events where customers can ask questions and register for service. We will evaluate customized joint marketing programs for applicability and mutual benefit with partners closer to service launch.

As part of the Project, identify any areas that the Applicant would be willing to provide public Wi-Fi in a central or community location to improve access for all South Carolinians and for what period of time.

Brightspeed's project does not include any Wi-Fi or wireless components at this time.

List documents that demonstrate your organization currently has the necessary funds to complete this project/proposal. Attach documents to this proposal.

Brightspeed is exceptionally well financed by Apollo. Apollo itself is a publicly traded company with a current market cap in excess of \$35 billion. It manages more than \$400 billion in credit, private equity, and real assets funds. Brightspeed will be strongly capitalized at closing, with Apollo making up to \$2 billion available to Brightspeed, of which \$1.5 billion will be available to fund capital expenditures. A proportional amount of this funding will be available for investment in South Carolina. The attachment "Brightspeed_Match_Requirement" includes a letter of support from Apollo and Apollo's most recent 10-K financial statements.

List any lease, franchise agreement, interconnection agreement, authorization, permit, or other items needed to complete this project.	
Upon project award, Brightspeed will work with local communities to obtain the proper permitting and right of way authorization as required to conduct construction of the project. Permitting requirements will vary based on construction type (aerial vs. buried) and will seek to leverage existing Brightspeed infrastructure whenever possible.	
Will the Project deliver broadband in the approved Project Service Area that meets or exceeds symmetrical download and upload speeds of 100/100 Mbps?	Yes
If no to above, explain and provide support demonstrating why the Project will not deliver such speeds and provide an affidavit that 100/100 Mbps symmetrical download/upload speeds are not practicable.	
N/A	
Explain how the Applicant will consult with the community in the Project Service Area on the general affordability needs of the target markets.	
Brightspeed intends to engage with the community via marketing efforts as discussed above. As part of these marketing efforts, Brightspeed will seek to understand the needs of the communities it intends to serve. Brightspeed will participate in the new federal Affordable Connectivity Program (ACP). At Brightspeed, a core part of our mission is to promote digital inclusion and increasing awareness of the ACP and developing solutions that encourage eligible households to participate is something that we intend to actively pursue. At this stage we have not finalized the pricing for our low-income broadband offering, but we will have a robust service available at an affordable monthly rate.	
Will the Project (1) prioritize investments in fiber-optic infrastructure wherever feasible and focus on projects that deliver a physical broadband connection by prioritizing projects that achieve last mile connections or ensure funded middle mile projects have commitments in place to support new and/or improved last mile service; (2) include affordability options and shall participate in ACP for the life of ACP; and (3) prioritize support for local networks owned, operated, or affiliated with local governments, nonprofits, and cooperatives.	Yes
If no to above, explain.	
N/A	

If awarded, will the Grant funds be used to overbuild another existing broadband provider or to reimburse expenses related to overbuilding another broadband provider?	No
If yes to above, explain.	
N/A	
Is there an identified need in the Project Service Area for additional broadband infrastructure that is not met by existing federal or state funding commitments?	No
If so, explain whether service to households and businesses in the Project Service Area should require a holistic approach that provides service to a wider area in order to make ongoing service of certain households or businesses within the service area economical.	
N/A	

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5.1 - Project Sponsors

Entity Name
Entity Type
(.e.g. Corporation, non-profit, cooperative, governmental entity)
Role within proposed project
Primary Contact Name
Title
Mailing Address City, State, Zip
Phone Number
Email

5.2 - Project Sponsors

Entity Name
Entity Type
(.e.g. Corporation, non-profit, cooperative, governmental entity)
Role within proposed project
Primary Contact Name
Title
Mailing Address City, State, Zip
Phone Number
Email

5.3 - Project Sponsors

Entity Name
Entity Type
(.e.g. Corporation, non-profit, cooperative, governmental entity)
Role within proposed project
Primary Contact Name
Title
Mailing Address City, State, Zip
Phone Number
Email

5.4 - Project Sponsors

Entity Name
Entity Type
(.e.g. Corporation, non-profit, cooperative, governmental entity)
Role within proposed project
Primary Contact Name
Title
Mailing Address City, State, Zip
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6.1 - Attachment Checklist

(Please attach the following items to application)

GIS Shapefiles

Proposed 2020 Census Blocks

Yes

Proposed Service Areas

Yes

Proposed Fiber/Cable Lines

Yes

Proposed Structures Served by Type

Yes

Proposed Network Junctions

Yes

6.2 Signed affidavit certifying grant application is complete and accurate

Yes

Partners for financial support related to proposed project or non-cash support provide associated documentation.

No

Letters of support evidencing community need and strategic partnerships

No

Copies of Applicant's Current Fee Structure for all Internet Speed Tiers

Yes

Certificates of Insurance

Yes

Certificates of Bonding, as described in CFR § 200.326 Bonding requirements.

Yes

Any additional information evidencing community need for project

No