



Virginia Department of Housing and Community Development (DHCD)  
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November 25, 2024  
RE: BEAD Letter of Intent

Established in 1938, BARC Electric Cooperative (BARC) currently serves over 13,000 meter locations. In 2017, BARC expanded its services by offering broadband to its members and surrounding areas through its wholly-owned subsidiary, BARConnects, LLC (Connects). With a steadfast mission to enhance the quality of life in the communities it serves, BARC and Connects operate according to the seven cooperative principles, with a focus on “Concern for Community.”

The executive leadership team guiding BARC and Connects comprises Bill Buchanan, CEO; Courtney Perdue, CFO; and Chris Botulinski, COO. This team brings a wealth of expertise and experience to the organization. Bill Buchanan holds an MBA and brings three decades of experience managing rural telephone cooperatives in Illinois and Colorado, where he successfully transitioned networks from Plain Old Telephone Services (“POTS”) to Digital Subscriber Line (“DSL”) and Fiber to the Premises / Location (“FTTx”) technologies. Courtney Perdue, with a Master of Accountancy, began her career in government contracting before returning to Highland County in 2018. Since then, she has advanced through BARC’s accounting and finance department to become CFO, overseeing budgeting, commercial organization, and financial operations across BARC and its subsidiaries. She works closely with banks, auditors, and regulators to maintain financial integrity between BARC and Connects. Chris Botulinski, who brings international experience in renewable energy operations and engineering, has previously worked with cooperatives in Alaska and Illinois. As COO, he oversees operations for BARC and Connects, applying his deep knowledge of fiber project management and construction. Together, this team supports 70 employees across five counties in western Virginia, effectively leveraging the teams diverse expertise to navigate the unique challenges of building fiber networks in rural areas.

Financially, BARC is a robust cooperative with a well-managed equity process that ensures fiscal health. Since launching its fiber expansion, Connects has been in a steady growth phase. Despite limited grant funding and with over 95% of the \$115 million broadband investment supported by BARC’s members, BARC remains fully committed to its mission of expanding broadband access. The cooperative is ready to secure an Irrevocable Letter of Credit (ILOC) or performance bond as required by the DHCD for BEAD funding and will provide the necessary financial audits to demonstrate its ability to complete the proposed projects.



Included with this Letter of Intent is the listing of the Zip Code Tabulation Areas (“ZCTA”s) BARC has identified as areas it is interested in submitting for its BEAD application. These areas were strategically chosen due to existing BARC and Connects fiber infrastructure, which will provide benefits to the state and will allow for cost-effective expansion into underserved areas. Additionally, BARC has identified ZCTAs with natural edge-out capabilities that enable the cooperative to extend broadband to even more unserved and underserved locations. BARC’s plan includes expanding its 100% FTTx G-PON network and migrating to XGS PON technology in areas where splitter density and bandwidth demand call for higher symmetrical bandwidth.

While BARC and Connects have faced challenges securing previous grants—particularly given the miles of fiber constructed, locations passed, and overall investment costs—the cooperative is optimistic about the opportunities presented by BEAD funding. To date, BARC has constructed nearly 1,200 miles of fiber, passing over 13,000 locations and serving approximately 5,300 customers. Recent awards BARC has secured include a VATI grant of \$1.4 million and a USDA Community Connect grant of \$4.4 million, supporting the extension of fiber an additional 70 miles to serve 600 locations. BEAD funding would enable BARC to reach some of the most challenging locations across four of its five counties.

BARC and Connects have a strong history of collaboration with the communities and counties it serves, regularly providing financial and volunteer support to schools, healthcare facilities, and local organizations. BARC employees frequently serve on school boards, county boards of supervisors, non-profit boards, chamber committees, and other roles essential to rural life. Rooted in the principle of “Concern for Community,” BARC’s cooperative DNA drives its dedication to strengthening and uplifting its communities. In many cases, BARC and its subsidiaries are uniquely positioned to bring essential services to these rural areas, ensuring that no community is left behind.

Bill Buchanan, CEO

BARC Electric Cooperative, Inc.

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## ZCTA's for LOI - BARC Connects / BARC Electric Cooperative

<b>Zip Code Area (ZCTA)</b>	<b>County</b>	<b>County</b>	<b>County</b>	<b>County</b>	<b>City</b>
24472	Augusta	Rockbridge			<i>Buena Vista</i>  <i>Lexington</i>
24483		Rockbridge			
24476	Augusta				
24459	Augusta	Rockbridge			
24430	Augusta				
24439	Augusta	Rockbridge			
24473		Rockbridge			
24415		Rockbridge			
24432	Augusta				
24435		Rockbridge			
24416		Rockbridge			
24450		Rockbridge			
24450		Rockbridge			
24460			Bath		
24445			Bath	Allegheny	
24484			Bath		
24412			Bath		
24487			Bath		
24440	Augusta				