

LETTER OF INTENT
VIRGINIA BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (BEAD) PROGRAM
NOVEMBER 26, 2024

By email to broadband@dhcd.virginia.gov

Dr. Tamarah Holmes, Ph.D.
Director, Office of Broadband
Department of Housing and Community Development
600 East Main Street, Suite 300
Richmond, VA 23219

Dear Dr. Holmes:

I am providing this Letter of Intent to notify the Virginia Department of Housing and Community Development (“DHCD”) of Spectrum Southeast, LLC’s (“Charter’s” or “Spectrum’s”) intent to submit applications for projects under the Broadband Equity, Access, and Deployment (“BEAD”) Program in the Commonwealth of Virginia. As required by DHCD’s BEAD Program rules, Charter is attaching a list of counties and cities that Charter may apply to serve under the BEAD Program.¹

Charter is a leading broadband connectivity company and cable operator, with services available to more than 58 million² homes and businesses in 41 states through its Spectrum brand. Over an advanced communications network, Charter offers a full range of state-of-the-art residential and business services including Spectrum Internet®, TV, Mobile and Voice. Virtually all of the locations passed by our network currently have access to our 1 Gbps broadband service, and we are actively expanding broadband access across urban, suburban, and rural areas to connect more Americans. To that end, Charter has invested more than \$43 billion in infrastructure and technology over the last five years, including more than \$11 billion in 2023. Over this same period, these investments have enabled us to increase speeds for our customers and extend our network to reach an additional six million new homes and businesses across the country.

Charter has also completed and is engaged in hundreds of local, state, and federally funded broadband projects, as well as funding its expansion efforts across our national footprint. In 2023 alone, Charter extended its network to reach more than 1.4 million additional homes and businesses across the country, including 295,000 new locations reached through our rural construction initiative. This multi-year, multi-billion-dollar rural construction initiative will add an additional 100,000+ miles of fiber-optic network infrastructure. Once completed, our rural investments will allow us to offer a suite of broadband connectivity services, including fixed

¹ Charter understands that DHCD requires applicants to submit counties and cities of interest herein, but that Charter is not required to submit an application in every county and city listed in the attached. See DHCD, *BEAD Application Guidance for Broadband Providers v. 1.2*, at 4 (Nov. 1, 2024), <https://www.dhcd.virginia.gov/sites/default/files/DocX/bead/final-version-1.2-bead-consolidated-application-guidance.pdf>.

² Charter’s estimated households and businesses passed applies a different methodology than the Federal Communications Commission’s (“FCC’s”) Broadband Data Collection (“BDC”) approach. For example, Charter counts each unit in a multiple dwelling unit, such as an apartment complex, as a separate household, and each separate premise in a multiple-tenant commercial location. However, FCC BDC data only identifies a single address as one broadband serviceable location in such circumstances. Thus, Charter’s estimated number of households and businesses passed does not directly align with Charter’s subscriber and availability data in the FCC’s National Broadband Map.

Internet, Wi-Fi and mobile to approximately 1.75 million passings in unserved areas in states where we currently operate.

Closer to home, Charter serves approximately 89,000 customers across 51 communities in the Commonwealth of Virginia. Our continued commitment to providing broadband in the Commonwealth is evidenced by the approximately 30,000 homes and small businesses our network has reached over the past four years. In just 2023, Charter extended its network to reach an additional 11,000 homes and small businesses in Virginia, including 6,000 new locations reached through our rural construction initiative. Our commitment to serving customers and exceeding their expectations is the bedrock of our business strategy and is the philosophy guiding our approximately 100,000 employees. Our insourced, U.S.-based workforce includes approximately 160 people in the Commonwealth. We expect to draw upon the experience and capabilities of our regional and local personnel to complete any BEAD projects and sustain them for years to come.³

Our successful growth strategies and investments have created what we believe is the best broadband network in the country. Every day, we strive to serve our customers by delivering fast speeds and consistent performance, and respected independent sources agree. For example, Spectrum exceeded 100 percent of advertised download and upload speeds on all tiers measured in the Federal Communications Commission's ("FCC's") most recent *Measuring Broadband America Fixed Broadband Report*,⁴ which is an achievement we have attained for *seven consecutive reports*. Importantly, the FCC report found that Spectrum Internet exceeded advertised speeds even during peak usage (defined as the hours of 7:00 – 11:00 pm on weekdays at the time of the report), meaning that even when internet usage is at its highest, our network delivers the performance our customers expect.⁵

Charter is excited to continue working with the Commonwealth to make additional major investments in broadband expansion in Virginia. We are proud of our commitment to expanding service in rural communities, both nationally and in Virginia, and view this opportunity as another critical step to partner with the Commonwealth to help close the digital divide.

Executed November 26, 2024



Paul Woelk
Senior Vice President
Business Planning
Charter Communications, Inc.

³ For additional information regarding Charter's impacts on the Commonwealth and across the nation, please see the attached documentation.

⁴ FCC, *Thirteenth Measuring Broadband America Fixed Broadband Report*, (Aug. 9, 2024), <https://www.fcc.gov/reports-research/reports/measuring-broadband-america/measuring-fixed-broadband-thirteenth-report>.

⁵ See *id.*

ATTACHMENT 1

List of Counties of Interest- Commonwealth of Virginia

Accomack County
Bland County
Brunswick County
Buchanan County
Carroll County
Chesapeake County
Dickenson County
Dinwiddie County
Franklin County
Grayson County
Greensville County
Halifax County
Henry County
Isle of Wight County
James City County
Mecklenburg County
Middlesex County
Northampton County
Northumberland County
Patrick County
Pittsylvania County
Prince George County
Scott County
Southampton County
Suffolk City
Sussex County
Tazewell County
Wythe County

- ▶ **89,000**
customers served
- ▶ **23,000**
mobile lines
- ▶ **160+**
employees
- ▶ **\$7 million**
paid in taxes and fees in 2023*
- ▶ **\$51 million**
2023 capital investment*

SERVING VIRGINIA

Charter's insourced, U.S.-based workforce includes more than **160 people in Virginia**.

Our largest employment centers are housed in **Suffolk, Richlands, and Herndon**.

We serve **51 communities** across the commonwealth.

EXPANDING ACCESS

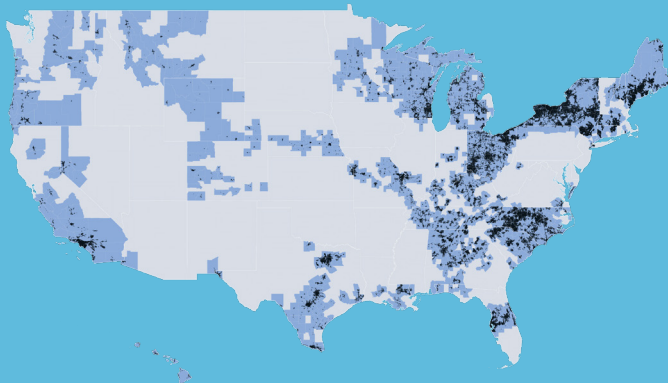
In 2023 alone, Charter extended its network to reach more than 1.4 million additional homes and businesses across the country, **including 295,000 new locations reached through our rural construction initiative**.

In Virginia in 2023, Charter extended its network to reach **an additional 11,000 homes and small businesses, including 6,000 new locations reached through our rural construction initiative**.

▶ EMPOWERING OPPORTUNITY FROM COAST TO COAST

Charter Communications 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**.

We're driving innovation and growing economies from coast to coast and in communities big and small. From 2019–2023 alone, **Charter invested nearly \$43 billion in infrastructure and technology** – contributing significantly to the U.S. economy.



▶ MEETING CUSTOMER NEEDS WITH SUPERIOR PRODUCTS AND SERVICES

Spectrum Internet: Spectrum's hybrid fiber network delivers gigabit speeds across our entire footprint and offers fast, reliable service with no modem fees, no contracts, and no data caps.

Spectrum Mobile: Spectrum Mobile's approximately 7.8 million mobile lines deliver fast, affordable, and reliable mobile service to our customers from coast to coast, and Spectrum Mobile customers with compatible phones can connect seamlessly to nationwide 5G with no extra fees.

Spectrum TV: Spectrum offers 350+ channels on our all-digital network, including diverse, multicultural programming, such as that featured on Spectrum's *Mi Plan Latino*, and inclusive features like Spectrum Guide Narration for customers with visual disabilities.

Spectrum News Networks: Charter provides 24/7 news, sports, and weather coverage, along with *In Focus* public affairs programming on over 30 news channels in 12 states and nationally on the Spectrum News App.

Spectrum Voice: Spectrum Voice offers unlimited nationwide calling to the U.S., Canada, Mexico, Puerto Rico, Guam, U.S. Virgin Islands, Northern Mariana Islands, and American Samoa.

▶ INVESTING IN OUR WORKFORCE AND THE COMMUNITIES WE SERVE

Charter's insourced, U.S.-based workforce includes approximately **100,000 highly-skilled employees, over half of whom identify as a person of color** and nearly **10% have a military affiliation**. In addition to a **starting wage of at least \$20 per hour**, Charter employees receive **comprehensive health benefits** – and for 11 consecutive years, the company has absorbed the full annual cost increase of medical, dental, and vision coverage.

- Charter offers employees a **market-leading retirement plan** with a 401(k) Plan that matches employee contributions dollar for dollar.
- Charter employees also enjoy deep **discounts on Spectrum Mobile plans and free or discounted Spectrum products, including TV and Internet**.
- In addition to on-the-job training and formal development programs, like a highly-regarded, Department of Labor-certified **Broadband Field Technician Apprenticeship** program, employees can continue their education through a catalog of **debt-free degree and certificate programs** via flexible online learning. For programs outside of the catalog, employees have the option to receive traditional **tuition reimbursement** of up to \$10,000 each year.

Spectrum Community Center Assist (SCCA) is a \$30 million philanthropic initiative to revitalize community centers and invest in job training programs in underserved rural and urban communities across our 41-state footprint. By yearend 2023, SCCA had already revitalized 40 community centers, serving nearly 15,000 local residents with training and outreach.

▶ ADVANCING ACCESS

Increasing Access to High-Speed Internet Service in Rural America

Charter's multi-year, multi-billion-dollar rural construction initiative will add an additional 100,000+ miles of fiber-optic network infrastructure to deliver symmetrical and multi-gigabit speed internet access to approximately 1.75 million homes and small businesses across the country.

▶ IMPROVING ADOPTION

Addressing the Affordability Gap

Charter is a leader in delivering life-changing high-speed internet service to low-income families, having helped millions of low-income households and seniors get and stay connected to the internet. We're doing our part to help ensure high-speed internet remains within reach for every family in America, regardless of income.

Improving Internet Adoption

To increase adoption and access to technology, we offer philanthropic support to community organizations that **provide computers, digital education classes, and technology labs for thousands across the country**.