

**Updated Broadband Proposal
Town of Jaffrey, New Hampshire**

February 10th, 2021

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Jon Frederick
Town Manager
10 Goodnow Street
Jaffrey, NH 03452

Dear Mr. Frederick,

On behalf of Consolidated Communications Enterprise Services, Inc. (“Consolidated” or “Consolidated Communications” herein), I want to thank you for the opportunity to respond to The Town of Jaffrey (“the Town”) Request for Proposal (RFP) to improve broadband coverage in the community.

Consolidated Communications, Inc. (CCI) is a leading communications provider serving consumers, businesses of all sizes, and wireless companies and carriers, across a 23-state service area offering a wide range of communications solutions, including: Internet, data, phone, security, managed services, cloud services and wholesale, carrier solutions. CCI’s advanced fiber optic network spans more than 36,000 fiber route miles, making CCI one of the top-10 fiber providers in the U.S.

We own and manage the largest fiber network in northern New England. Customers can achieve added security through the use of our fiber-backed Ethernet and dedicated circuits. Our unmatched network can also be easily scaled to meet additional capacity or changing technology requirements. Our fiber network relies on industry-leading technology and provides redundancy and the ability to aggregate links to support applications with large bandwidth requirements. We also have engineers and skilled technicians in each state, ensuring that we can address network issues and customer requirements quickly.

We’re working hard to ensure the availability of competitive and reliable broadband services, transforming our network to meet changing customer preferences and communications requirements. Over the past few years, we have made significant capital investments in our fiber-based Ethernet network to expand our business service offerings to meet the growing data needs of our business customers and to increase broadband speeds and capacity in our residential consumer markets.

The Consolidated difference

Consolidated Communications pricing is competitive, but we also know that you’ll benefit from our hands-on approach to technology implementation and integration. The company prides itself in being responsive, local and committed to its customers and the communities it serves. In fact, it’s our flexibility and personal attention that drives local governments to choose Consolidated Communications over other providers.

CCI is proud to help build stronger communities through broadband infrastructure investments, employee volunteerism, company sponsorships and philanthropic giving.

We are truly part of the community; we continue to invest in northern New England — constantly improving our network to deliver faster speeds and the latest technology. These are the neighborhoods in which we live and we're committed to helping them grow and prosper.

We are available to work with you, answer questions and explore options, and our service team brings a collaborative approach to finding a solution to meet the town's needs. That means we are here to serve you throughout design, implementation and beyond. We believe in developing personal relationships and are committed to making you a top priority. We look forward to working with the town and invite you to get to know your support team:

Jeff McIver II

Manager - Project Manager

10 years' complex project management experience

D: 603.656.8023 | C: 603.554.2075

Jeffrey.McIver@consolidated.com

Steven W. Freeman

Senior Director – Engineering Lead

20 years' experience

D: 802.951.1535 | C: 603.703.9761

Steven.Freeman@consolidated.com

Rob Koester

Vice President – Executive Sponsor

20 years' experience in network builds and product marketing

D: 603.656.1565 | C: 936.520.6396

Rob.Koester@consolidated.com

We look forward to the opportunity to work with you.



Sincerely

Robert Koester

Vice President

Confidentiality Statement:

Consolidated Communications' response and related materials contain and embody confidential, commercial and/or financial information, trade secrets, know how, compilations, technology and other sensitive information and intellectual property of Consolidated Communications and/or its affiliates (the "Confidential Response"), which must be kept confidential.

Except as prohibited by law, the Confidential Response and any oral disclosures, whether or not marked or disclosed as confidential and proprietary, must be treated as such. Consolidated Communications requires that the Confidential Response and any related oral disclosures only be used by and disclosed to the Town and its employees with a need to know and only to those employees that are aware of the obligation to keep such information confidential.

The Confidential Response and any oral disclosures must be kept confidential indefinitely in the same manner that the Town keeps its own confidential and proprietary materials, but in no event less than a reasonable degree of care and that which is required by law. The Confidential Response or any oral disclosures shall not be provided to any unauthorized third party without Consolidated Communications' consent or used for any purpose other than this Request for Proposal and directly related activity. Consolidated Communications may require a separate non-disclosure agreement with any third party prior to any such disclosures.

If the Town believes that certain materials are thought to be subject to public access under a public records law and the materials are in fact subject to disclosure under the public records law, Consolidated Communications will make every effort to specifically mark only those sections that it deems to be exempt from public access upon written request. Under such circumstances the remaining information not exempted shall be disclosed only in accordance with law to the requesting party only. If any material is marked as exempted but is thought to be subject to public access by the Town or the third party requestor, Consolidated Communications requires adequate notice prior to disclosure in order to preserve its rights at law and equity.

In the event of a conflict or inconsistency with this language directly above and a non-disclosure agreement in place between Consolidated Communications and the Town, that non-disclosure agreement shall control but only to the extent there is conflict or inconsistency.

Description of the Technology and project design to be used and how it meets the requirements.

Consolidated Communications' Response: Consolidated Communications is proposing the following.

Fiber to the Premises

Description

Internet Service is a broadband service we offer using our Fiber-to-the-Premise (FTTP) network and Gigabit Passive Optical Networking (GPON) Technology capable of delivering services between 25M and 1G symmetrically.

FTTP allows Consolidated Communications to better compete by offering our business and residential customers next generation voice, data and possible future video products, including higher bandwidth offerings, ultra-high-speed Internet access, networking, multiple voice lines, teleconferencing and video applications.

Components

- Optical Network Terminal (ONT) – Generates laser pulses of light to transmit communications signals. The Light is converted into electrical signals within Optical Network Terminal (ONT) and reverts back from electrical signals into light when traversing the network from the customer premise to the ONT.
- Optical Splitters are used in the network to aggregate multiple customers through a fiber connection back to the Optical Line Terminal or electronics.
- Fiber Distribution Cabinets will be required to house the Optical Splitters and connect fibers from the Remote Terminal or the Central Office to the distribution fibers that serve the customers.
- A FTTP solution would require Fiber Distribution Cabinets to be placed on poles where applicable. These cabinets are generally 19"x13"x8".

Cost of installation to the street level for each specified unserved area of Town.

Consolidated Communications' Response: Read and understood. Details regarding location costs for each fiber area are below. A fiber to the premise solution would be required to cover all eligible addresses in the town. Such a solution would not be economically feasible to build piecemeal.

Cost of installation from street to residence, to be funded by the provider or broadband customer. This can include a per foot charge.

Consolidated Communications' Response: Consolidated generally waives all installation and construction charges within industry standard distances from the network splice points to the customer premises. Special construction costs may be assessed in circumstances that exceed industry standards as required by state and federal rules. Generally these construction costs are assessed on any drop cable length exceeding 150 feet.

Approximate timeline for installation. This should include estimates for tasks that may or may not be fully under providers control, such as "make ready requirements" or easements.

Consolidated Communications' Response: Consolidated Communications high level view of the project plan is provided below. After contract signature, the project will start by holding a project kickoff meeting with customer's key personnel and Consolidated Communications. All final timeframes and implementation commitments (and any occurrence of default) will be memorialized and handled in accordance with the parties' agreement, if applicable.

- Project Kick-Off
 - Introduction of key personnel
 - Project Scope
- Project Planning
 - Particular attention paid to identifying needs and resources
- Project plan acceptance by both parties
- Status / Informational Meetings
- Core Services Construction and/or Provisioning
- Implementation Management
 - Order Processing
 - Configuration and Addressing Needs
 - Site installation scheduling
 - Site test and turn up
- Overall Project Tracking
 - Escalation of any problems
- Project Completion and Follow-up

A complete and detailed design would have to be created before a reliable project plan could be established. However, project sizing and timing would be dependent on the solution selected and a full or partial implementation. For example, the augmentation of a current hybrid fiber/copper site in an area requiring no permitting or construction could be completed in a matter of days. A town wide fiber to the home build would be staged and could take as long as 12 – 24 months based on weather,

availability of construction and installation resources and permitting. Specific timing of each project can be scoped upon completion of a successful bid. A sample project plan is provided below:

<u>High-Level Milestones</u>	<u>Estimated Duration (calendar days)</u>	<u>3/1/2017</u>	<u>Notes</u>
Planning / On-site Surveys:	45	4/15/2017	
OSP Detail Engineering:	45	5/30/2017	
Material Procurement	60	7/29/2017	
Construction	180	1/25/2018	Construction and Testing will be where range comes into play - best case scenario presented
Testing	30	2/2/2018	
Systems Update and Release for Sales	30	3/26/2018	Projected Completion
Optional: Engineering / Permitting for Submarine cable to Seven Hundred Acre Island	180	9/22/2018	Concurrent timeline
Optional: Central Office Equipment Design	30	10/22/2018	Concurrent to OSP Detail Design - CO not critical path
Optional: Material Procurement	90	1/20/2019	
Optional: CO Equipment Installation	45	3/6/2019	
Optional: CO Test and Turn-Up	30	4/5/2019	

Cost of monthly service for different performance specifications including rental of all equipment and if there is a time commitment for such pricing. Solutions that do not include data caps are preferred, however if data caps are part of the service, these must be specified and should be high enough that an average family of four with parents working from home and students using remote learning will not exceed the cap.

Consolidated Communications' Response: The current fee structure is listed in *Exhibit A*. Our services do not include data caps.

Service level agreement (SLA)

Consolidated Communications' Response: SLAs are not offered for these products and services. We offer one of the most comprehensive, robust networks in northern New England. The Multiprotocol Label Switching ("MPLS") backbone network includes more than 44,000 fiber route miles and counting. To ensure we can easily accommodate new service deployments, our highly scalable core MPLS network is comprised of multiple 10 Gigabits per second rings. It delivers a high level of resiliency, with 99.999% core network availability. Our enterprise class CES is backed by a 99.9% service level availability agreement.

Consolidated has a dedicated workforce that services customers throughout New Hampshire. Consolidated would respond to repair requests from the residents of Jaffrey in the same manner as it does other customers in New Hampshire, with most repairs performed within 48 hours of the reported trouble. Service credit is generally applied for any outage beyond 24 continuous hours where the root cause is inside Consolidated Communications control. Full end user terms and conditions can be found at <https://www.consolidated.com/support/terms-policies>.

Buyout provisions of Town investment after bond paid off.

Consolidated Communications' Response: Not at the present time, but the Town and CCI can discuss further. In twenty years the assets will be fully depreciated based on traditional schedules for these types of deployments. The expectation is that the town would rebid the operation of the network upon contract expiration.

Credentials of Provider: Examples and references to other systems installed and managed.

Consolidated Communications' Response: The Company operates a 23 state network with more than 400,000 end user Internet connections. We have been in continuous business for more than 125 years, are the 9th largest fiber provider in the United States and have provided DSL service for more than 20 years. The company passes 1,600,000 homes and businesses in Northern New England today and currently operates a communications network in the town.

Contract recommendations/requirements for bidder to work with Town.

Consolidated Communications' Response: This is a standard project proposal. Consolidated Communications has terms and conditions that it can modify for this purpose. Consolidated Communications is confident that the parties can reach an agreement as Consolidated Communications has previously with many cities, towns, and states.

References:

Project name	BROADBAND IMPROVEMENT IMPLEMENTATION
Location	Chesterfield, NH
Costs	\$1.8M network / \$2.1M customer installation
Description of project	Consolidated Communications announced in March of 2019 that the Town of Chesterfield, N.H., voted at a public meeting to enter into a public-private partnership with the Company to build a high-speed, fiber-to-the-premises

	<p>Internet network directly to all homes and businesses with no associated property tax increase. The fiber-to-the-premises technology now offers faster, highly reliable, broadband connectivity, which has significantly boosted the Internet speeds available in the rural town of Chesterfield.</p> <p>FTTP is our revolutionary new fiber network that allows Consolidated Communications to offer our business and residential customers next generation voice, data and possible future video products, including higher bandwidth offerings, ultra-high-speed Internet access, networking, multiple voice lines, teleconferencing and video applications.</p> <p>Consolidated worked collaboratively with the Town of Chesterfield to develop a solution to improve and expand broadband services in their community. The company now delivers high-speed broadband Internet service to residents and businesses (approximately 1650 locations) in Chesterfield at speeds of up to 1 Gigabit per second symmetrical.</p> <p>In 2018, New Hampshire towns were given the authority to issue bonds for broadband infrastructure when the state passed Senate Bill 170. The arrangement between CCI and Chesterfield is the first of its kind in the state.</p> <p>The project was completed within twelve months of the Town finalizing funding for the project. The cost of the project will be paid for by a specially assessed subscriber fee payable on all end user bills of customers utilizing the fiber optic network for broadband data services. Consolidated will operate and maintain the broadband network and the monthly fees will be equal to those charged to CCI's subscribers in other portions of New Hampshire.</p>
Firm's role	Primary contractor
Team member roles	<p>Jeff Nevins Director – Community Broadband Development 207.400.6897 Jeffrey.Nevins@consolidated.com</p> <p>Jeff McIver II Manager - Project Manager 10 years' complex project management experience D: 603.656.8023 C: 603.554.2075 Jeffrey.McIver@consolidated.com</p> <p>Steven W. Freeman</p>

	<p>Senior Director – Engineering Lead 20 years’ experience D: 802.951.1535 C: 603.703.9761 Steven.Freeman@consolidated.com</p> <p>Rob Koester Vice President – Executive Sponsor 20 years’ experience in network builds and product marketing D: 603.656.1565 C: 936.520.6396 Rob.Koester@consolidated.com</p>
Project reference	<p>Brad Roscoe baroscoe@gmail.com 203-837-7232</p>

Project name	Brooklin
Location	Maine
Costs	\$210K split between Town and CCI
Description of project	<p>In 2019, Consolidated reached a unique agreement with the Town of Brooklin, Maine, to upgrade and expand the community’s current high-speed broadband infrastructure in such a way that it will pave the way for future growth and enhancements.</p> <p>Brooklin is a small rural coastal community located on the Blue Hill Peninsula. Brooklin is home to a number of outstanding boat building businesses, as well as 80 home-based businesses with one or two employees. Brooklin has a comprehensive town library, three public boat landings with access to the ocean, several internet-based businesses, such as OffCenterHarbor.com, the newly renovated Brooklin Inn and is home to <i>WoodenBoat</i> magazine.</p> <p>Together, the town and the Company worked to design an incremental network build that will add fiber capacity, upgrade equipment and provide network back-up provisions, resulting in significantly faster, highly-reliable, broadband connectivity. Consolidated and Brooklin will share the cost of constructing the network, which is targeted to be completed by March 2020.</p> <p>Consolidated worked closely with Brooklin town leaders to find an innovative alternative broadband solution for their community. The town carefully explored a number of options over the years to improve broadband access and services for the community, but they were beyond taxpayer’s means. Brooklin ultimately choose the approach that best fits not only its present needs, but one that helps plan for the future.</p>

	<p>When the project is completed, Consolidated will offer broadband internet access to all residential and business premises in the town. The network speeds available will be no less than 10Mbps/1Mbps per customer location. More than 80% of the locations will have access to download speeds of 20Mbps or greater. Additionally, more than 35% of the households in Brooklin will have access to speeds from 40Mbps/10Mbps up to 100Mbps/40Mbps.</p> <p>In 2017, Consolidated Communications completed four broadband projects in Brooklin under the Federal Communications Commission’s (FCC) Connect America Fund, Phase 2, (CAF II) program.</p> <p>The company also completed a significant broadband upgrade project delivering faster speeds to 500,000 residents and small businesses throughout Northern New England, including 200,000 across Maine. Upgraded homes and businesses throughout New England now can get speeds two to three times faster than what was previously available.</p>
Firm’s role	Primary contractor
Team member roles	<p>Jeff Nevins Director – Community Broadband Development 207.400.6897 Jeffrey.Nevins@consolidated.com</p> <p>Jeff McIver II Manager - Project Manager 10 years’ complex project management experience D: 603.656.8023 C: 603.554.2075 Jeffrey.McIver@consolidated.com</p> <p>Steven W. Freeman Senior Director – Engineering Lead 20 years’ experience D: 802.951.1535 C: 603.703.9761 Steven.Freeman@consolidated.com</p> <p>Rob Koester Vice President – Executive Sponsor 20 years’ experience in network builds and product marketing D: 603.656.1565 C: 936.520.6396 Rob.Koester@consolidated.com</p>
Project reference	Bill Cohen, Chair - Brooklin Select board Tel: 207.359.8394

Description of the service/maintenance operations of the provider, including estimates of service call response times and any related guarantees.

Consolidated Communications' Response: Consolidated has a dedicated workforce that services customers in all NH. CCI would respond to requests from the residents of Jaffrey in the same manner as it does other customers in NH, with most repairs performed within 48 hours of being reported.

Description of the Customer Service operation of the provider. This would include any call center locations and hours of service.

Consolidated Communications' Response: Consolidated's Customer Service's current hours of operation is 8 a.m. to 6 p.m. Monday through Friday and Saturday 8 a.m. to 5 p.m. We have call centers located in Maine and in New Hampshire, as well as other states across the U.S. Self-Care is also available 24 hours a day that allows customers the opportunities to access their billing statements, ordering options, and the ability to open their own trouble ticket.

An estimate of expected Up Time (properly working service) and how bills will be affected due to down time (service not working) whether at a system or home level.

Consolidated Communications' Response:

Consolidated end user fiber to the home service generally has a 99.99% uptime reliability. The Consolidated Network Operations Centers monitor our network for impairments such as fiber cuts twenty four hours a day, seven days a week, and three hundred and sixty five days a year. Service credit is generally applied for any outage beyond 24 continuous hours where the root cause is inside Consolidated Communications control. Full end user terms and conditions can be found at <https://www.consolidated.com/support/terms-policies>

Any applicable insurance coverage.

Consolidated Communications' Response: A COI will be provided post award.

Any contract wording or provisions that assures the Town does not suffer financial loss or loss of service should the bidding company be sold or go out of business during the term of the agreement. If no consideration is available, the bidding company's response should so state.

Consolidated Communications' Response: The agreement will provide for assignment of any contractual obligations to any successor entity in the event of a sale of the company. CCI will provide advanced

notice to Town should CCI expect it will be going out of business. Notice will be sufficient to allow the Town to replace CCI with another provider to ensure continuity of service.

Proposed Business model.

Consolidated Communications' Response: Consolidated Communication's business model is based on per subscriber monthly billing. The company would be responsible for all drop costs (less special construction) inclusive of both materials and labor, consumer CPE costs including fiber termination and end user routing components and ongoing maintenance and repair of subscriber and network services.

In regards to the network funding, Consolidated Communications would reimburse the town an amount equal to the annual principal and interest for the right to operate the newly constructed network. Consolidated Communications would have the right to assess end user fee, monthly on every broadband connection on the new network that would not exceed \$8.00 to recover the cost of the bond. This charge would be in addition to normal monthly service charges.

In this scenario, the Town would own title to the network but grant rights for the company to have exclusive and irrevocable right to use the network assets in any manner that it deemed necessary and have total control over day to day operation, maintenance and upkeep of the facilities.

Estimated Costs.

Consolidated Communications' Response: Consolidated Communications estimates \$1,229,020 in cost for this project. Equipment will need to be installed in the Jaffrey central office.

Anticipated Project Schedule.

Consolidated Communications' Response: A complete and detailed design would have to be created before a reliable project plan could be established. However, project sizing and timing would be dependent on the solution selected and a full or partial implementation. For example, the augmentation of a current hybrid fiber/copper site in an area requiring no permitting or construction could be completed in a matter of days. A town-wide fiber to the home build would be staged and could take as long as 12 – 24 months based on weather, availability of construction and installation resources and permitting. Specific timing of each project can be scoped upon completion of a successful bid.

Exhibit A.

 No Data Caps
 30-Day Satisfaction Guarantee

 Dedicated, Fiber Internet connection
 (No sharing with neighbors)

 24/7 technical support
 Whole Home WiFi

2021 FUTURE FIBER INTERNET RATES

50 Mbps / 50 Mbps	250 Mbps / 250 Mbps	1 Gbps / 1 Gbps
\$43.00*	\$68.00*	\$78.00*
*RATES INCLUDE THE FOLLOWING CHARGES: The Fiber Internet Service Introductory Rate of \$35 Fiber Infrastructure Build Recovery (FIBR) Fee: \$8/mo.	*RATES INCLUDE THE FOLLOWING CHARGES: The Fiber Internet Service Introductory Rate of \$60 Fiber Infrastructure Build Recovery (FIBR) Fee: \$8/mo.	*RATES INCLUDE THE FOLLOWING CHARGES: The Fiber Internet Service Introductory Rate of \$70 Fiber Infrastructure Build Recovery (FIBR) Fee: \$8/mo.

Introductory rates reflect the pricing for new fiber build service areas and assumes customers have opted in for the Auto-Pay (-\$2.50) & Paperless Billing (-\$2.50) discounts.
 New Fiber Introductory rates include Network Care @ \$10.00/month, which provides the 802.11ax Wireless Gateway and whole home WiFi.
 The \$8/mo. Fiber Infrastructure Build Recovery (FIBR) fee is for fiber connectivity to each home in town and subject to change upon final execution of a partnership agreement.
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