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**2021 & 2022 VATI Project  
Franklin County Broadband  
Committee Meeting  
8/22/2024**

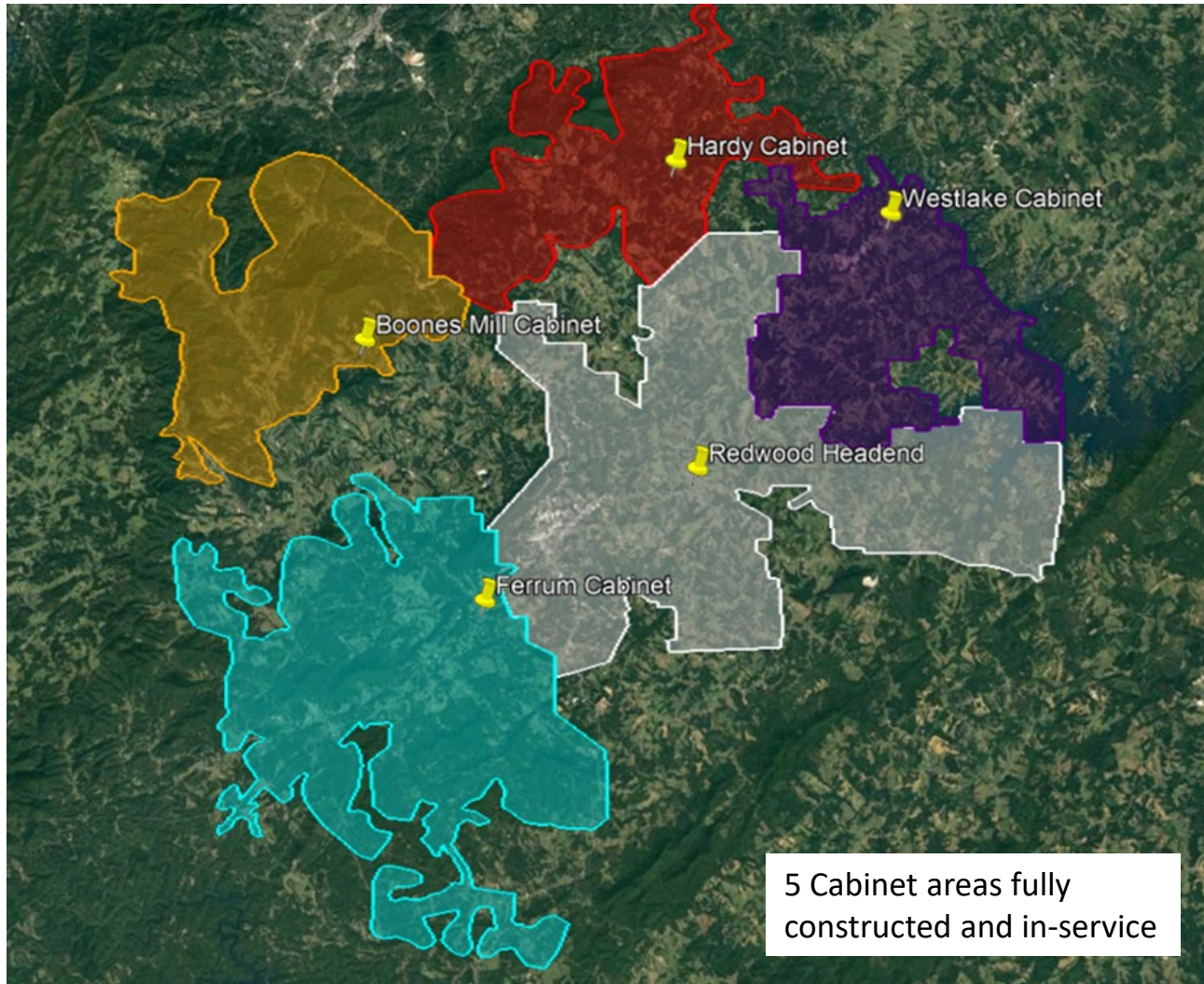
# 2022 VATI Contract

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- Grant Overview
  - 3,508 underserved County locations
  - 520+ miles of new plant
  - 2-year contract with a current end date extended to October, 2025

Franklin County	VATI Contribution	County Contribution	Shentel Contribution	Capital Investment
VATI FY22	\$11,832,456	\$6,128,145	\$12,518,375	\$30,478,976
% Total	38.82%	20.11%	41.07%	100.00%

# Franklin VATI Project



# Accomplishments (2022)

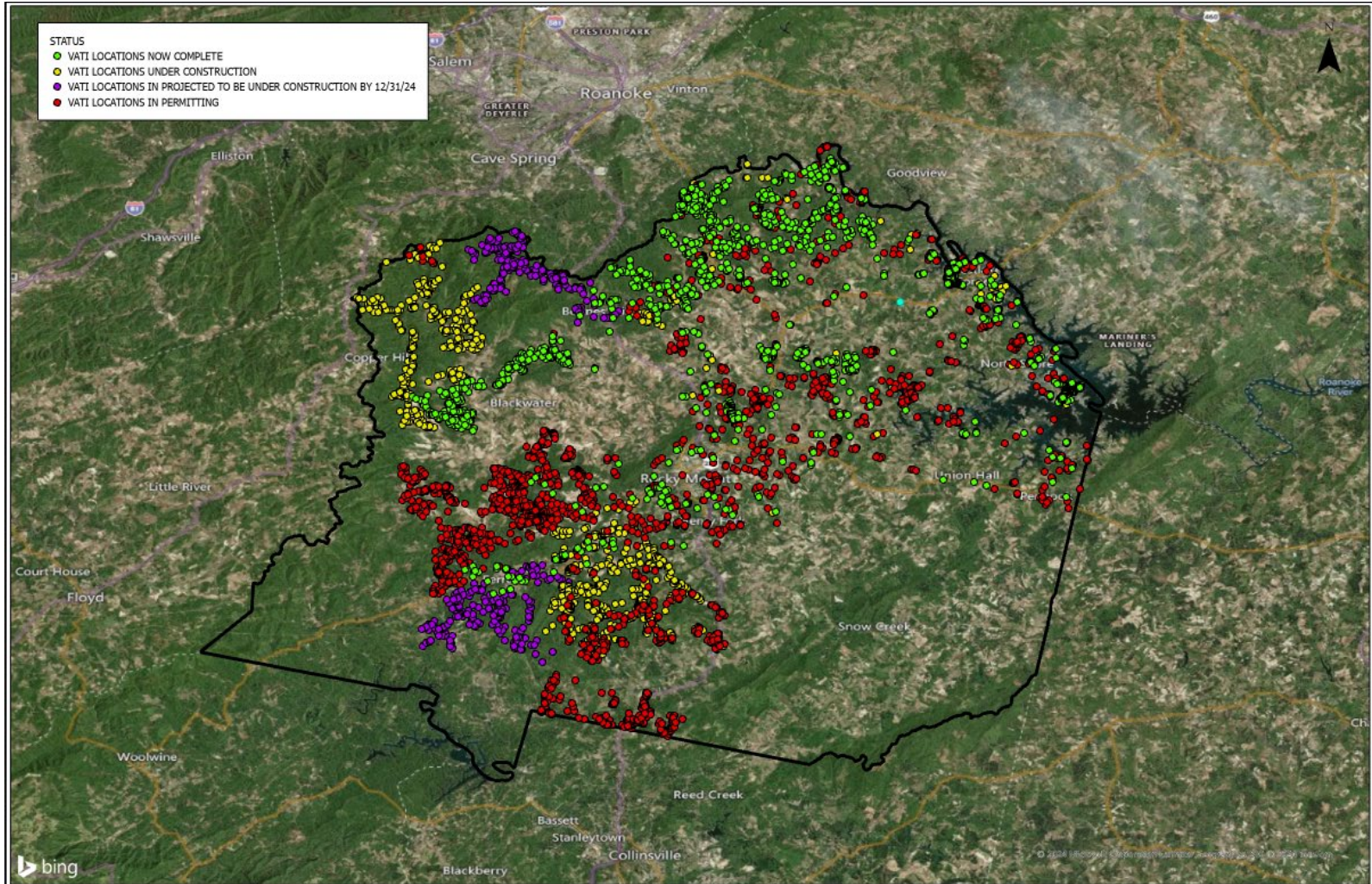
- Completed to Date
  - 1,178 VATI locations now have Broadband delivered (34%)
  - Design and permitting substantially complete
  - 5 fiber cabinets are fully constructed and in-service
  - \$12.4 million dollars (41%) have been spent thru July, 2024
- Currently in Construction
  - 188 locations in construction today
  - Targeting August and September in-service
- Additional locations under construction projected in 4Q
  - 665 locations in construction (58%)
    - \*All partial released pending 30 AEP permits.



**Targeting 1,366 locations serviceable by September, 2024 (39%)**



# Franklin VATI Project



# 2021 VATI Contract

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- Grant Overview
  - 612 underserved County locations (417 homes and 195 vacant lots)
  - 28 miles of new plant
  - 2-year contract with a current end date extended to October, 2025

Franklin County	VATI Contribution	County Contribution	Shentel Contribution	Capital Investment
VATI FY21	\$939,469	\$200,000	\$700,143	\$1,839,612
% Total	51.07%	10.87%	38.06%	100.00%

# Accomplishments (2021)

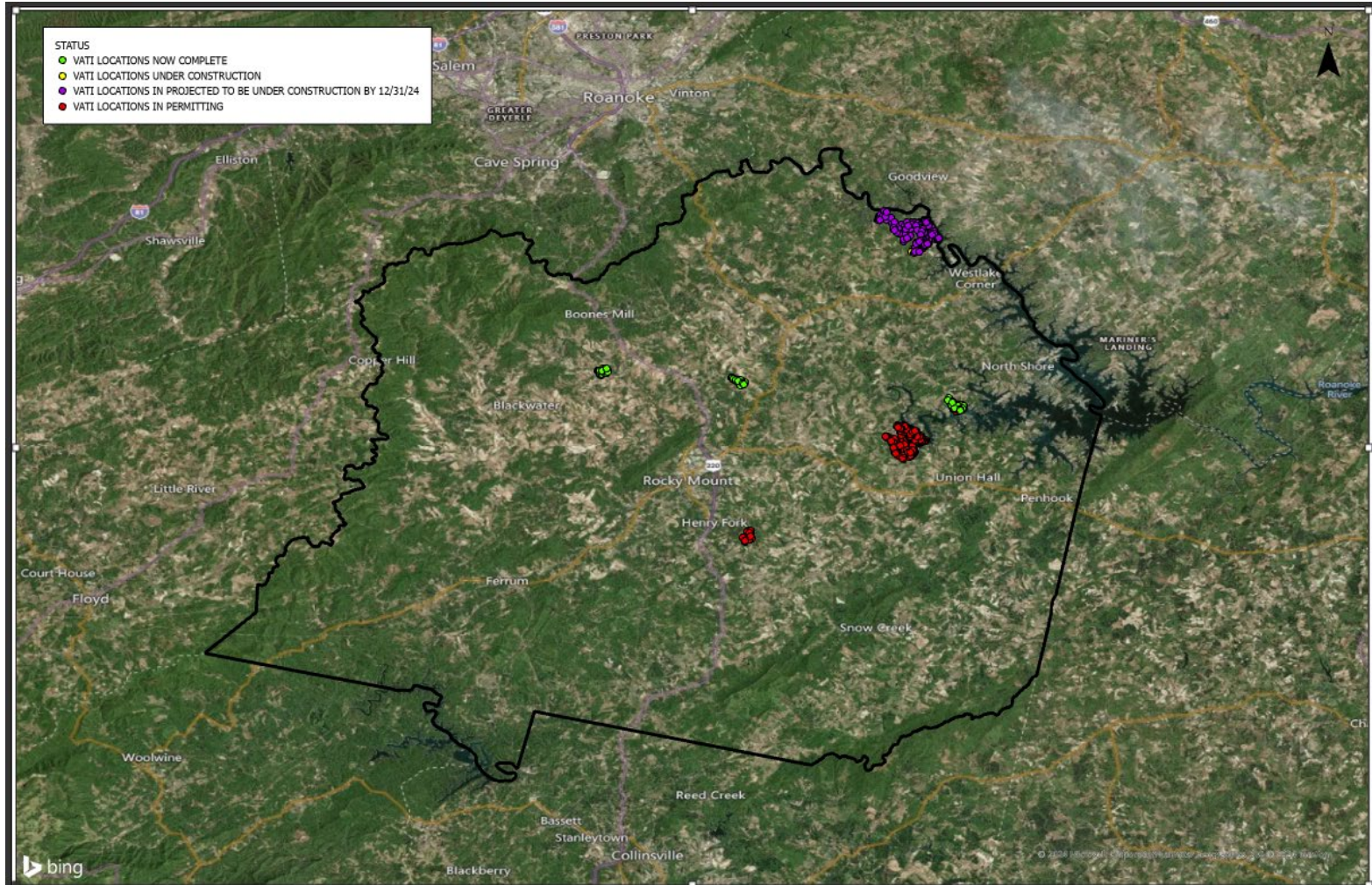
- Completed to Date
  - 107 VATI locations (plus 32 vacant lots) now have Broadband delivered (23%)
  - Design and permitting substantially complete
  - Cabinets are fully constructed and in-service
  - \$588k dollars (32%) have been spent thru July, 2024
- Currently in Construction
  - 49 locations (plus 26 vacant lots) in construction today
  - Targeting September in-service
- Additional locations under construction projected in 4Q
  - 103 locations in construction (57%)
    - \*Partial release pending 7 AEP permits.



**Targeting 214 locations serviceable by September, 2024 (35%)**



# Franklin VATI Project





# Permit Data

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- Permits Submitted to Date:
  - 498 permits submitted to date (AEP, Century Link, Verizon, VDOT, VMRC and Norfolk Southern)
  - 10,496 poles
  - 347 permits received
- Average # days pending permit (new attach)
  - AEP = 290 days
  - Verizon = 342 days
  - VDOT = 31 days
  - VMRC = 69 days
  - Norfolk Southern = 128 days \*CX monitoring



# Summary

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- Pole owners are overwhelmed and aerial permits are behind schedule
- Shentel has spent significant additional funds to mitigate risk – additional staffing, more buried work, expediting construction, and more funds dedicated to make-ready
- Once aerial poles are permitted, aerial remains the faster way to construct
- Shentel has, and will continue to, find creative ways to expedite the deployment of Broadband in the County
- At the end of the day, Shentel can only go as fast as the pole owners allow us
- Shentel is committed to bringing this project to a successful conclusion by the extended deadline in October 2025.

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# APPENDIX



# Current Challenges

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- Make ready engineering and construction delays
  - #1 priority of a utility power company is the safe delivery of electricity
  - “Unprecedented” volume of pole attachment requests
  - Rural areas tend to have older shorter poles and larger spans
  - Safety clearance considerations
  - Labor shortages for linemen and engineers
- Secondary permit delays
  - VDOT –traffic control requirements
  - Railroads – long history of delayed utility crossings
  - Waterways – Virginia Marine Resources Commission

# Risk Mitigation Plan

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**Shentel has done the following to address pole attachment delays:**

- Executive escalations with the power companies
- Agreement on planning & make ready prioritization meetings with power companies
- Process change to have Shentel engineering firms complete more MR engineering themselves on certain pole lines to mitigate pole owner workload – only send poles that are more likely to succeed to the power companies for consideration
- Re-designed certain planned aerial routes to buried to avoid MR delays
- To expedite construction in advance of permits, working in partnership with AEP to safely “temp attach” on some poles in advance of MR completion
- To expedite construction, releasing partial construction packages even if other sections of the same project are still awaiting MR completion

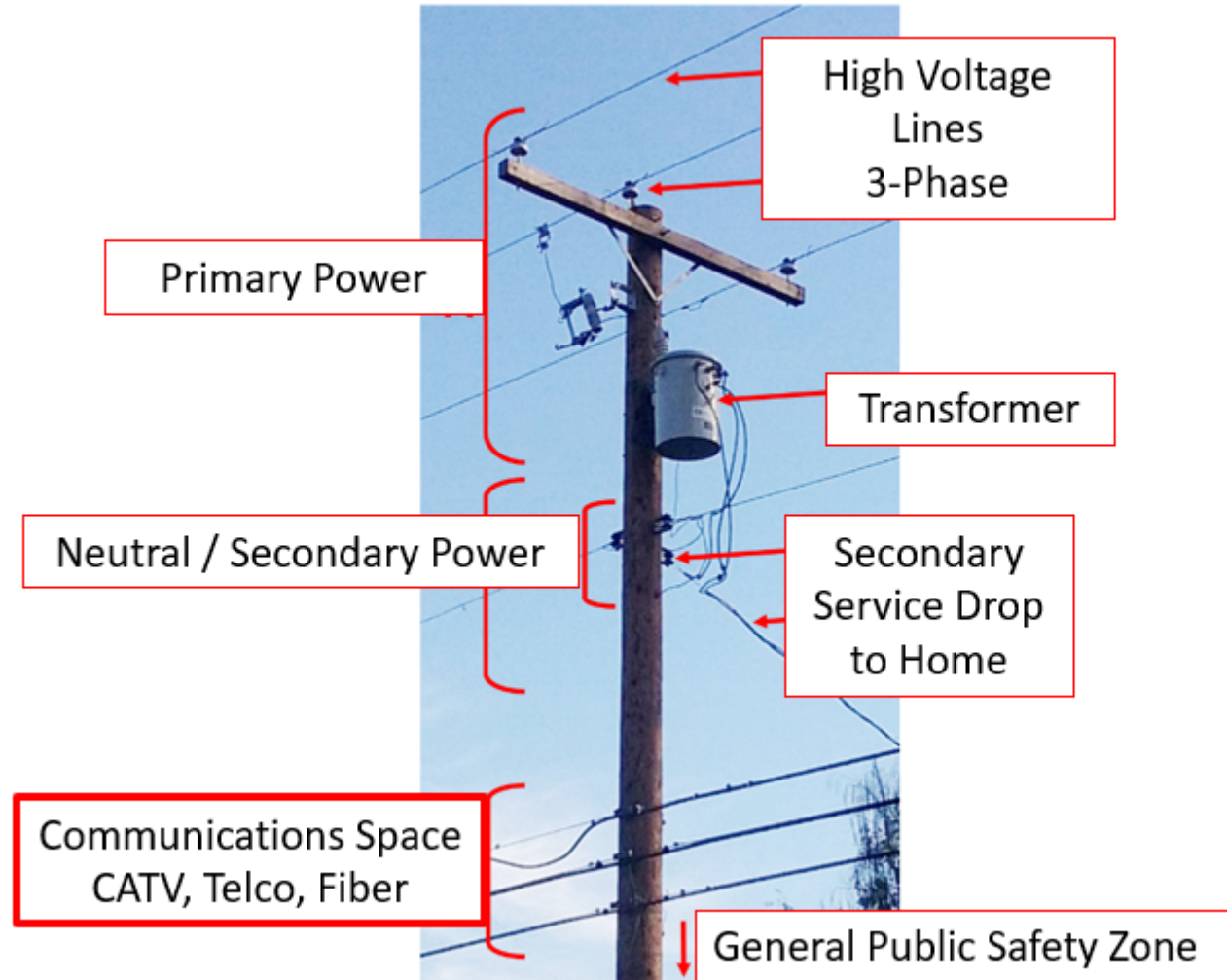
# Community Outreach

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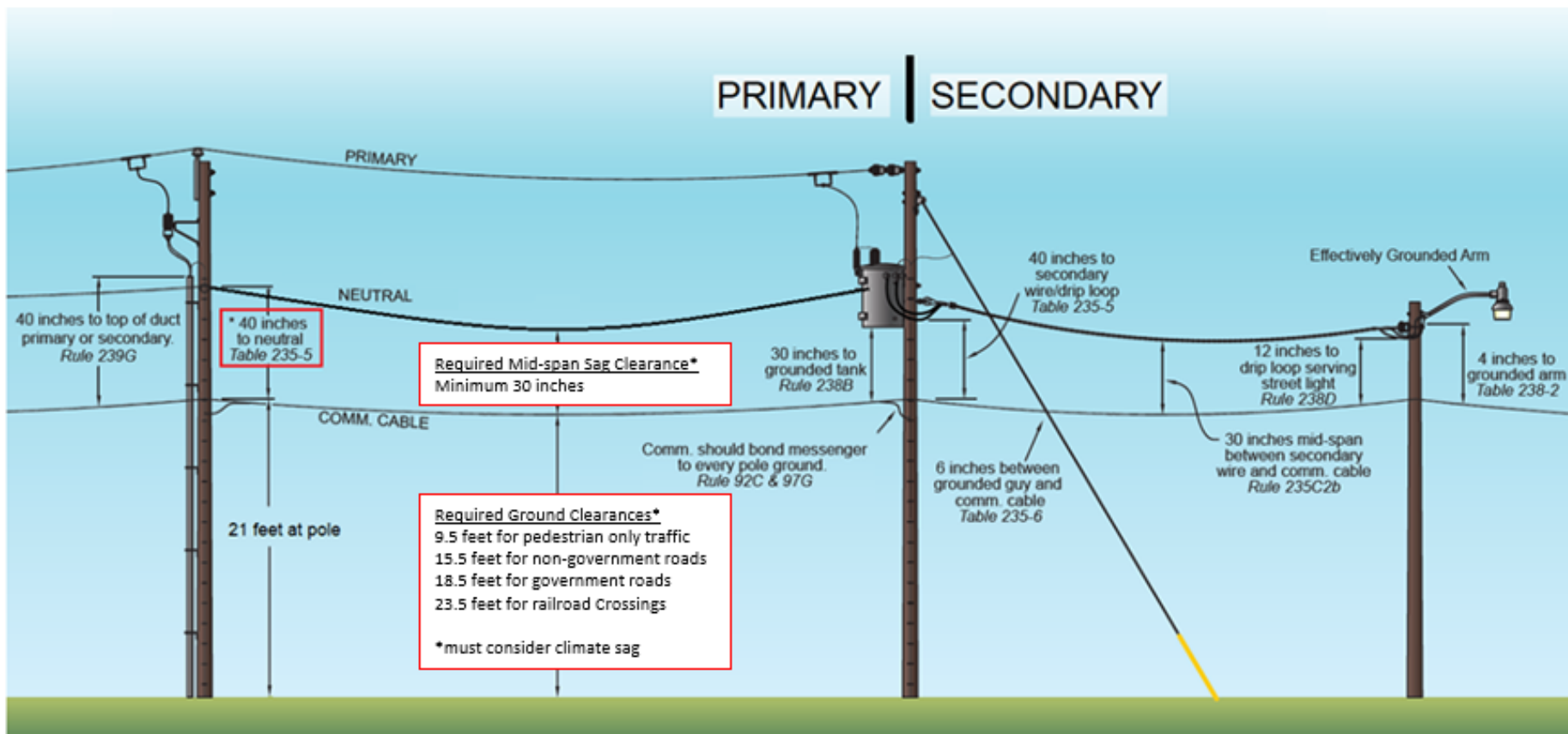
- Updated FAQ's on [www.Shentel.com/VATI](http://www.Shentel.com/VATI)
- Communication video on website
- Searchable address functionality with estimated in-service dates based on current contract



# Utility Pole Space Allocation



# NESC Required Clearances



# AEP Progress

<b>Bedford</b>														
	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Total
Permits Issued	7	3	1	10	10	1	8	7	22	14	7	3	2	95
Poles On Permits Issued	234	69	48	376	226	26	234	169	561	290	155	119	53	2,560
Poles Replaced	14	6	6	31	23	-	12	9	23	13	14	15	2	168
Make-ready Pre-Paid	\$ 29,881	\$ 21,638	\$ 11,645	\$ 109,057	\$ 115,427	\$ -	\$ 96,312	\$ 70,213	\$ 122,299	\$ 113,813	\$ 93,180	\$ 93,124	\$ 11,640	888,228
Average Days to Completion	208	249	381	399	253	79	222	286	276	296	293	400	243	
<b>Campbell</b>														
	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Total
Permits Issued	3	8	-	3	-	2	1	6	14	5	4	2	-	48
Poles On Permits Issued	83	278	-	114	-	64	43	239	289	123	93	76		1,402
Poles Replaced	4	14	-	17	-	6	4	21	26	7	10	5		114
Make-ready Pre-Paid	\$ 10,276	\$ 31,262	\$ -	\$ 77,966	\$ -	\$ 1,582	\$ 26,524	\$ 111,830	\$ 147,726	\$ 59,271	\$ 75,750	\$ 25,209		567,394
Average Days to Completion	188	280	-	301	-	465	496	391	237	282	322	521		
<b>Franklin</b>														
	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Total
Permits Issued	3	5	3	4	1	5	8	12	12	8	4	11	2	78
Poles On Permits Issued	83	96	98	145	42	188	335	421	407	249	166	327	48	2,605
Poles Replaced	10	6	3	9	5	21	41	39	18	19	27	31	4	233
Make-ready Pre-Paid	\$ 33,190	\$ 56,285	\$ 28,644	\$ 53,396	\$ 15,504	\$ 75,003	\$ 128,717	\$ 147,617	\$ 76,145	\$ 93,521	\$ 118,132	\$ 201,413	\$ 13,275	1,040,842
Average Days to Completion	315	294	374	413	429	381	487	471	459	491	599	462	492	
<b>Remaining Permits and Poles - 8/19/2024</b>														
	New Attach Permits	New Attach Poles	Overlash Permits	Overlash Poles	All Permits	All Poles								
Bedford	50	1,183	5	45	55	1,228								
Campbell	50	885	55	857	105	1,742								
Franklin	136	4,839	34	1,195	170	6,034								
<b>Total</b>	<b>236</b>	<b>6,907</b>	<b>94</b>	<b>2,097</b>	<b>330</b>	<b>9,004</b>								