



COMCAST

February 4, 2019

Peter J. Larkin
Special Advisor, MA Executive Office of Housing & Economic Development
Chair of the Massachusetts Broadband Institute
75 North Drive
Westborough MA 01581

Re: Proposal to extend Comcast plant to Tolland

Dear Mr. Larkin,

Comcast is very pleased with the partnership we have formed with the Massachusetts Broadband Institute ("MBI") to help resolve the broadband access issues in western Massachusetts. We continue to receive positive feedback from new customers included in the nine town project under the Cable Expansion Project. We are particularly pleased that we completed that project on budget and on time, even with significant make-ready delays. As you know, we extended broadband to twenty percent more homes than we originally committed. We are very excited that we will be activating our first customers in Montgomery, under the Last Mile Program, by the end of first quarter. We have begun pre-construction activities in Worthington and in Middlefield. However, construction activities in Middlefield will not be fully engaged until the necessary agreements are finalized and the MBI Board approves.

For each of these projects, the funds the MBI contributed allowed Comcast to invest our human and capital resources in a manner consistent with our business practice. You have asked us to review and analyze whether Comcast would be willing to offer broadband service in the town of Tolland. As I explained, while these two communities are contiguous with towns in which Comcast offers service, they are both quite a distance from our nearest distribution facility, thus would require significant fiber construction. This results in a higher cost per mile cost for these two projects.

Moreover, we have no data on the location and access of pole line and premises but have learned through past projects that the mileage estimates provided by the MBI can vary by as much as 18%, driving the overall project cost higher than MBI estimates. In addition, over the course of working with the MBI, we have experienced a significant increase in the cost of make ready charged by pole owners. For example, the average per pole cost for the make ready under the Cable Expansion Program was \$334 per pole. In Montgomery, the average cost per pole for make ready is currently at \$575.

As a result of these factors, Comcast proposes the following for Tolland. Please note that the proposals for each of these two towns follows the same formula we applied in the towns of Montgomery, Middlefield and Worthington. However, given the variances noted above, the proposed cost per mile for these two towns is increased from an average of \$49,000 per mile to \$59,000 per mile.

With respect to the specific town, the breakout is as follows:

Municipality	Estimated Premises (Units) per MBI	Estimated Miles per MBI	96%	Estimated Miles per Comcast	MBI Allocation	Comcast Contribution	Additional Funding Needed
Tolland	537	38	543	44.8	\$830,000	\$543,600	\$1,295,412

For each town, Comcast

- Commits to deploy our state-of-the art broadband infrastructure to 96% of the premises located within each respective town that can be reached from utility pole lines within that town;
- Will offer, over that infrastructure, all of our current products and services, included Xfinity Internet, Xfinity Voice and cable television, Xfinity Home, our home automation service, and Xfinity Mobile, a mobile telephone service available to our broadband customers;
- Upon acceptance by the MBI, will execute a Grant Disbursement Agreement with the MBI, outlining the responsibilities and obligations of Comcast and the MBI;
- Will work to secure a cable television franchise from each town;
- Will provide the details of the project and scope of construction, that is the number and location of each premise included in the project, after the engineering and design phase is complete, to both the town and the MBI at a Reconciliation Meeting;
- Will, in addition to established project invoicing procedure, submit to the MBI detailed accounting of make ready forecasted and actual costs. If the actual make ready costs exceed the pole owner estimated make ready cost by 10 percent or greater, the MBI will reimburse Comcast for the amount in excess;
- Will complete the project within two years of the execution of the franchise, excluding excusable delay as defined in prior grant disbursement agreements.

Together, we have accomplished a great deal through the public private partnership model that was developed and implemented over the last four years. We are putting forth this proposal in good faith as we understand that these are the last two towns for which the MBI is trying to resolve the access issue. While we are willing to meet with each town, and discuss our services and the proposal, we request the MBI secure a commitment from the town to work with Comcast in good faith prior to a scheduled meeting.

Sincerely,



Daniel M. Glanville
Vice President, Government/Regulatory Affairs &
Community Impact
Comcast