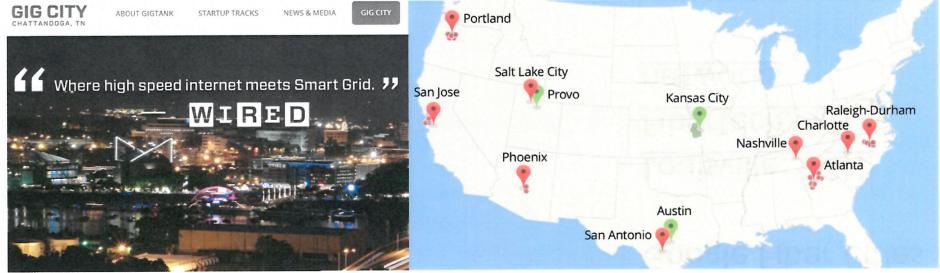
Telecommunications Franchise Applicants

High Bandwidth Fiber Optic Internet Service July 2014

Telecommunications Franchise

- Non-exclusive
- 20 year term by statute
- Must be awarded by through RFP process by statute
- All applicants being considered seek the franchise to provide internet data transmission

The National Picture



Atlanta, GA Avondale Estates East Point Brookhaven Hapeville College Park Sandy Springs Decatur Smyrna Charlotte, NC Nashville, TN Salt Lake City, UT San Antonio, TX

Phoenix, AZ Tempe Lenexa Scottsdale Fairway Portland, OR Beaverton Lake Oswego Merriam Hillsboro Tigard Gresham Raleigh-Durham, NC Carrboro Garner Cary Morrisville Chapel Hill Raleigh Durham San Jose, CA

Sunnyvale

Palo Alto

Santa Clara

Mountain View

Kansas City Gladstone Grandview Mission Hills Shawnee Roeland Park Olathe Westwood Hills Leawood Westwood Prairie Village Mission Lee's Summit Mission Woods Raytown Provo, UT Austin, TX

A spectrum of models

Municipality owned and operated. Public investment at risk

Privately owned and operated. All private investment at risk



Chattanooga, TN

EPB - A non-profit agency of the City of Chattanooga

Frankfort, KY

Frankfort Plant Board (FPB)

FPB is unique to most municipal utility <u>cable television</u>, <u>business</u> and residential <u>security</u>, <u>broadband</u>, and <u>telephone</u>

Google Fiber Cities

Louisville: BGN, Fibertech, SiFi networks

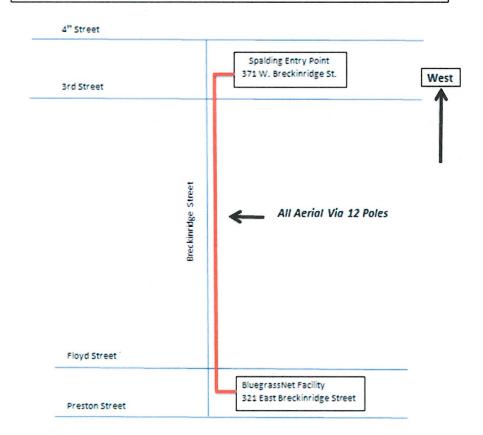
Our Progress To Date

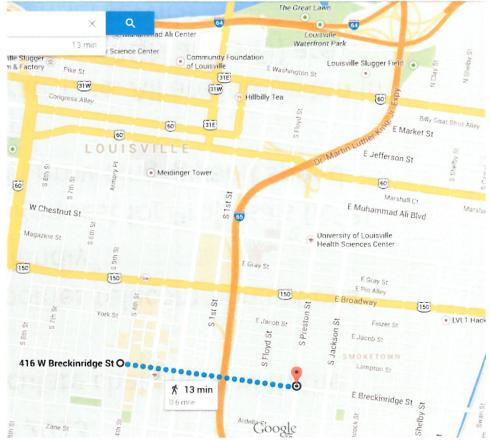
- Louisville, passed over twice by Google releases a Request For Information (RFI) in November 2013.
- 6 companies respond and articulate challenges with the current franchise regs.
- March 2014 Metro Council modifies telecommunications franchise to be more "Fiber Friendly"
- May 2014 the city releases an Request for Proposals (RFP) seeking applicants interested in providing gigabit speed residential internet service
- Three companies apply for a franchise. All are interested in providing wholesale service and two (BGN and SIFI) are interested in also offering residential service
- Once awarded the franchise, the two residential service vendors will need identify best available market opportunity for initial build-out.

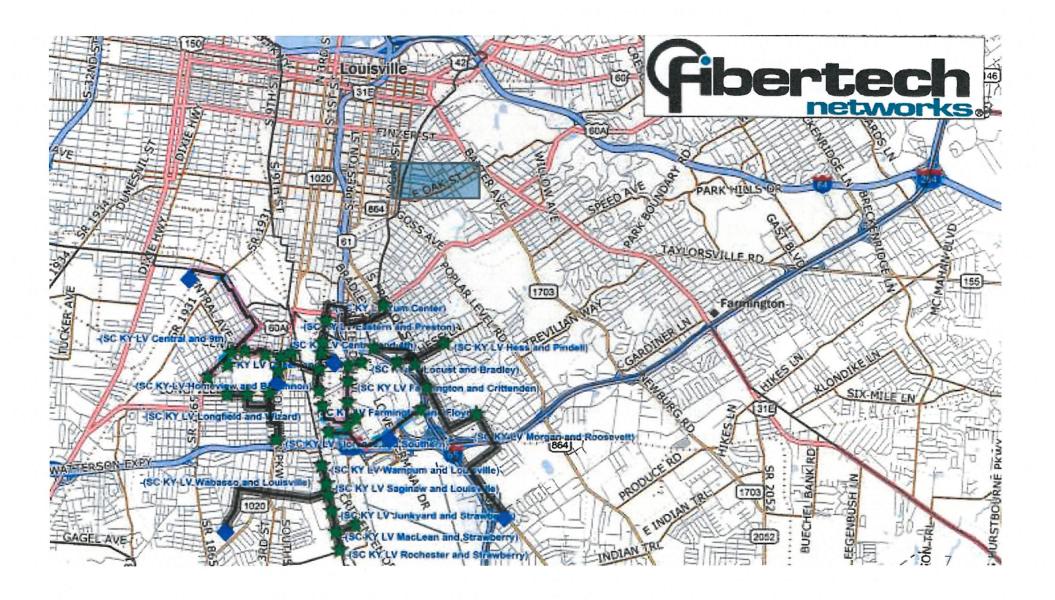


Map of the Spalding to BluegrassNet Fiber Build 4/30/14

Questions Call: Thomas Galla 502-797-1484









PHASE1 - FIBERCITY™ USD WITHIN LMG

