



News Release

**For Release
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BVU AWARDED MORE THAN 28 MILLION DOLLARS IN GRANT

Bristol, July 2, 2010- NTIA, (National Telecommunications and Information Administration), announced today that BVU was awarded a grant of \$22,698,010.00. The VTC, (Virginia Tobacco Commission), has supplied the matching portion of \$5,659,503.00 for a total of \$28,357,513.00. The grant will facilitate the build out of a middle mile fiber-optic network of 388 miles, extending the existing 900 miles of fiber already in place. This build out of middle-mile fiber will bring fiber within reach of 122 anchor institutions and within two miles of more than 18,000 households and businesses. The middle-mile fiber will run through the heart of the counties of Bland, Buchanan, Dickenson, Russell, Smyth, Tazewell, Washington and Wythe in Southwest Virginia.

In a statement, BVU President and CEO Wes Rosenbalm said "BVU is extremely pleased to have received this NTIA grant, these types of projects are extremely important for the future economic development of the community and will lead to a better quality of life for all Southwest Virginia citizens". This was echoed by BVU's Board Chairman, Paul Hurley, "I want to thank Rick Boucher and the Virginia Tobacco Commission for their continued support of our efforts to bring world class technology to our region". Mr. Hurly went on to say "that he was also very pleased that the project is expected to create 295 direct jobs and 85 indirect jobs, helping to boost local employment".

ABOUT THE PROJECT

The Southwest Virginia Middle Mile Project is 388-mile fiber networks that will provide up to 10 Gbps middle mile service to a rural, eight-county region of southwestern Virginia. Seven of the eight targeted counties qualify as economically distressed, with per-capita incomes that are 80 percent or less of the national average. All eight counties lack adequate broadband services. Building on BVU's existing network the Southwest Virginia Middle Mile Project aims to spur connections and improved service to an estimated 122 community anchor institutions, and more than 18,000 households, and businesses in Bland, Buchanan, Dickenson, Russell, Smyth, Tazewell, Washington and Wythe Counties within five years. This project will increase connectivity to educational institutions, improve access to employee re-training tools and address low high-school and college graduation rates with distance learning technologies. It will also improve the region's attractiveness to both new and existing employers, while promoting entrepreneurship and business innovation.

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ABOUT BVU

BVU is a utility that provides electric, water, wastewater, cable and advanced fiber-optic broadband services to customers in a 125-square-mile area that includes Bristol, Abingdon and Washington County, Va. BVU's advanced broadband division, OptiNet, was the first in the nation to provide the triple play of services (voice, video and broadband) over a fiber-to-the-user network. For more information, visit www.bvu-optinet.com.

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