Broadband Equity, Access and Deployment (BEAD) Program Challenge Information Session
July 15, 2024 – Virtual webinar

Presented by the Office of Broadband Development

Today's agenda:

- **Intro from Tom Karst, NTIA**

- **Overview of BEAD**
  - IIJA; Minnesota's allocation and priorities; processes and resources

- **BEAD Challenge Process**
  - Timeline; Eligible locations; Types of challenges and evidence

- **After the BEAD Challenge Process**

- **Why you should engage**

- **What you can do now**

- **How BEAD is different**
  - Border to Border; Lower Population Density

- **Other events & resources**

- **Questions**

Intro from Tom Karst, *NTIA*

Internet For All Grant Programs

Funded by the Bipartisan Infrastructure Law
Administered by the Department of Commerce's National Telecommunications and Information Administration (NTIA)

BEAD Challenge virtual informational session

JULY 15th, 2024 - 10:00AM CST

Disclaimer

This document is intended solely to assist recipients in better understanding the BEAD program and the requirements set forth in the Notice of Funding Opportunity (NOFO) for this program. This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, and the requirements set forth in the NOFO, shall prevail over any inconsistencies contained in this document.

Roles: States and Territories, NTIA, Challengers

The Role of States/Territories and NTIA

NTIA and States and Territories will work together to design a BEAD Challenge Process, but only the States and Territories will run the Challenge Process.

NTIA's Role

- NTIA will **approve and/or send required modifications to states and territories** about their BEAD Challenge process design
- NTIA will **NOT run the State/Territory's BEAD Challenge process**
- NTIA will **validate the results of the BEAD Challenge process**

States' and Territories' Role

- States and territories **will design and get approval of their BEAD Challenge process**
- States and territories will **run the BEAD Challenge process**
- States and territories will **send the results of the BEAD Challenge process to NTIA** for approval
- States and territories will **run their subgrantee selection process**

The Role of Eligible Challengers

Eligible Challengers are: (1) Units of local government, (2) non-profits, and (3) broadband service providers. The Role of Eligible Challengers is outlined below.

Read the Challenge Process instructions and guidance posted by your State or Territory to understand the steps required to submit a challenge.

Gather acceptable evidence, which may include *speed tests*, *screenshots* from a provider website, *service requests*, *letters or emails*, *manufacturer and model number* of residential gateways, providers, and more.

Submit challenge and evidence to your State or Territory's BEAD Challenge website.

If needed, respond to, or check for responses to, your challenge by periodically checking the BEAD Challenge website for updates

To keep challengers informed:

Eligible Entities will set up public-facing challenge portal to accept challenges during the Challenge Process and detail deadlines, who is making a challenge, the basis of the challenge, a summary of the challenge, and a summary of the rebuttals.

What if I'm not an eligible challenger?

Eligible challengers may **aggregate and submit challenge evidence from individuals** who are not eligible to submit challenges on their own.

Design Requirements: Basics

Eligible Entities must outline a challenge process that is transparent, evidence-based, and expeditious. The challenge process **must include the following 4 phases**:

Publication of Eligible Locations

- The Eligible Entity ***publishes the set of locations eligible for BEAD funding*** which includes the full universe of locations potentially eligible for BEAD funding minus those removed in the modifications to location classifications process

- This set also includes locations considered served

Challenge

- The Eligible Entity defines the level of evidence needed for a challenge.

- A permissible challenger submits a challenge to the EE's online portal ("challenge portal") and the location becomes ***challenged***.

- These challenges must be ***visible*** to the relevant ISP

Rebuttal

- A rebuttal of a challenger makes the location or locations ***disputed***

- A challenge that is not rebutted within the rebuttal period is ***sustained***

- A provider may agree with the challenge, making the location(s) ***sustained***

Final Determination

- The Eligible Entity either ***sustains*** the disputed locations, or ***rejects*** the dispute

Allowable Challengers: Units of local government, nonprofit organizations, broadband service providers

What Happens after the Challenge Process?

After the BEAD Challenge Process is completed, Eligible Entities send the final determinations of each unserved location, underserved location, and CAIs to NTIA for approval.

WHAT WILL STATES BE DOING?

- After resolving each challenge and at least 60 days before allocating grant funds for network deployment, an **Eligible Entity must provide public notice of the final classification** of each:

  - Unserved location
  - Underserved location
  - Eligible Community Anchor Institution within the jurisdiction of the Eligible Entity

- Eligible Entities must also **notify NTIA of any modifications to the Initial Proposal** that are necessitated by successful challenges to its initial determinations.

WHAT SHOULD CHALLENGERS BE DOING?

- Eligible Challengers should pay attention to their State Broadband Office and **be on the lookout for the public notice of final classification**.

- Once Eligible Entities have provided public notice of their final classifications, challengers should **review the published data.**

- This list will be used for the next step in allocating BEAD funds, the **subgrantee selection process**.

Tom Karst, Federal Program Officer - Minnesota

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For more information, please visit our websites or contact us at:

InternetForAll.gov for additional information on federal funding programs (InternetForAll@ntia.gov)

BroadbandUSA.ntia.doc.gov for technical assistance and grant program information (BroadbandUSA@ntia.doc.gov)

THANK YOU
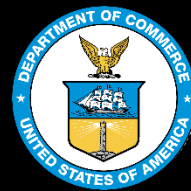
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Overview of BEAD

Federal - Infrastructure Investment and Jobs Act (IIJA)

The Federal Government is making approximately **$65 billion** available for broadband **nationwide**. There are two programs for state broadband funding through the National Telecommunications and Information Administration (NTIA) of the U.S. Dept. of Commerce:

- **Broadband Equity, Access and Deployment** (BEAD) funding

- **Digital Equity Funding**

Minnesota will receive a formula-based allocation for each program.

Each program requires the state to develop a plan for how it will spend its allocation.
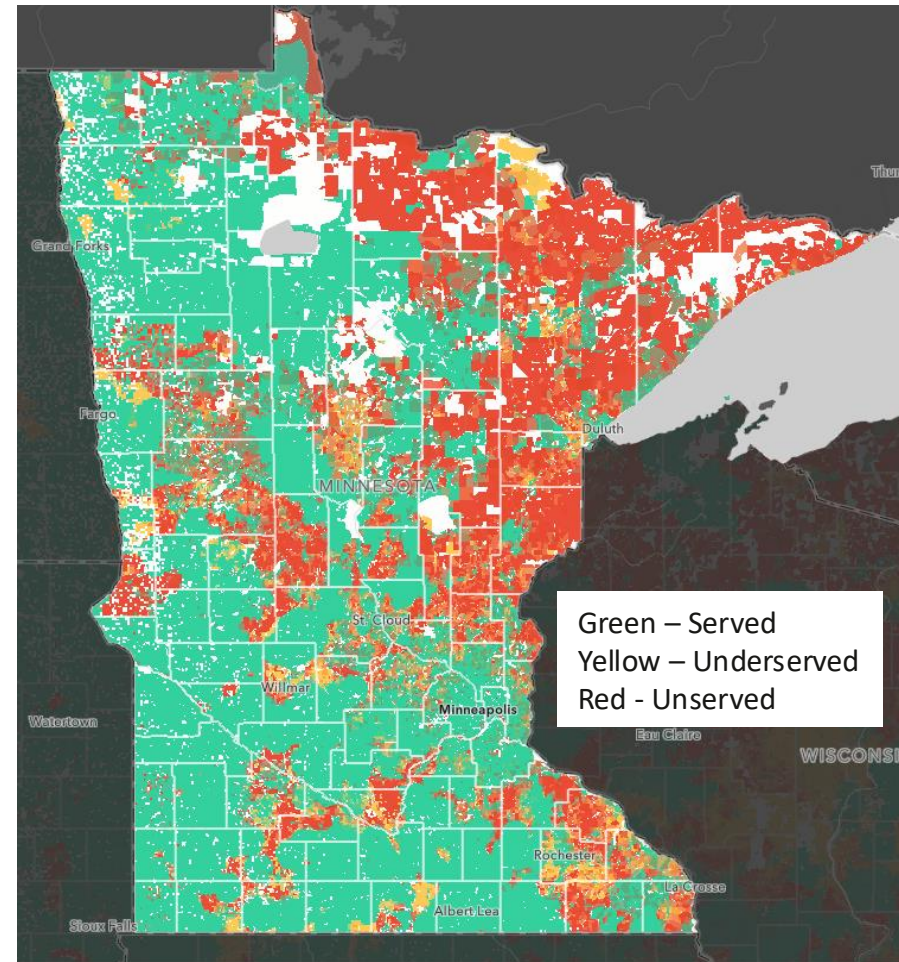
Minnesota's BEAD allocation is **$651,839,368**

- Details on <u>how</u> Minnesota intends to award the funding will be in the Initial Proposal (challenge process, eligible locations, application process, subgrantee selection) which is subject to NTIA approval. Subgrantees selected will be identified in the Final Proposal, also subject to NTIA approval.

- The federal BEAD program has priorities that the Initial Proposals must met:

  - **Priority #1**: Service to all unserved locations (those identified on FCC maps as not having broadband service at speeds of at least 25Mbps download/3Mbps upload from broadband service provided over a wired connection or licensed fixed wireless)

  - **Priority #2**: Service to all underserved locations (those identified on FCC maps as having broadband service of at least 25/3 but not at or above 100/20 over a wired or licensed fixed wireless service)

  - **Priority #3**: Gigabit symmetrical service to Community Anchor Institutions (CAIs)

- **We estimate that all funding available will be needed to address Priorities #1 and #2.**

- **NTIA defines eligibility**--

  - If a location does not have reliable broadband service of 25/3 it is **unserved (red)**

  - If a location has reliable broadband service of 25/3 but not at or above 100/20 it is **underserved (orange)**

  - If a location has reliable broadband service at or above 100/20 it is **served (green)**

- Reliable broadband service per NTIA includes wired (cable, fiber) or licensed fixed wireless service technologies

- State eligibility for Border-to-Border and Lower Population Density grants have historically only considered **wired** broadband service—so eligibility for funding was different

- We are holding a **challenge process** which will allow challenges to the map where it might not be accurate (the BEAD Challenge process follows guidelines issued by NTIA)—and may flip green areas to red if valid challenges are filed

Green – Served
Yellow – Underserved
Red - Unserved

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Overall BEAD Timeline

November 15, 2021: IIJA signed into law

May 16, 2022: BEAD Notice of Funding Opportunity (NOFO) issued

May 30, 2023: FCC issues new broadband data maps which are basis for BEAD funding

June 26, 2023: State/Eligible Entities funding allocations announced by NTIA

July 12, 2023: Minnesota submits BEAD Five Year Action Plan

December 22, 2023: Minnesota Submits Initial Proposal Vol. 1 and Vol. 2

May 29, 2024: NTIA approves Minnesota's Initial Proposal Vol. 1

Vol. 2 under review by NTIA (expect approval by Fall 2024)
- 365 days after Vol. 2 is approved, Minnesota's Final Proposal is due (contains selected subgrantees)--**Fall 2025**
- NTIA must approve Minnesota's Final Proposal before contracts can be executed—**Fall/Winter 2025?**
- Upon fully executed contracts, subgrantees (broadband providers) have four years to build network and deliver broadband service (**2030?**)

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BEAD Challenge Process

- Vendor assisted
    - Connected Nation—helping with compiling data from the FCC Map (basis for BEAD funding) and Minnesota data
    - Sanborn/AppGeo--hosting the Challenge Portal: Broadband Navigator
- Process and Timeline
    - Volume 1 of Minnesota's Initial Proposal approved May 29, 2024—enables the BEAD Challenge Process to begin
    - Three Phases:
        1. 30 days to submit **challenges** (estimated 7/22/24 to 8/21/24)
        2. 30 days to **rebut** (estimated 8/22/24 to 9/20/24)
        3. 30 days for OBD to **adjudicate** (estimated 9/21/24 to 10/21/24)
- Who can challenge, rebut
    - Per NTIA requirements, only broadband providers, local and tribal governments and nonprofits can submit official challenges and rebut (portal expected to open one week before challenge process begins to register, familiarize)
    - The Broadband Navigator will accept information from individuals and businesses to challenge the classification of their location; if valid these will be rolled up and submitted by an allowed challenger
- Adjudication
    - OBD will adjudicate the challenges and rebuttals to determine eligibility of challenged locations for BEAD funding
- Eligible locations (overall, deduplication)
- Types of challenges/evidence
- True up
- Final list

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- Availability

- Speed

- Latency (round trip exceeds 100ms)

- Unreasonable data cap

- Technology

- Business service only

- Enforceable commitment

- Not part of an enforceable commitment

- Location is a CAI

- Location is not a CAI

- Location eligibility determination

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- Map shows locations preliminarily eligible for BEAD funding

- Locations with DSL, cellular fixed wireless, business-only service will be revised to show as eligible

- Deduplication will be done—locations with an enforceable commitment to receive service (RDOF, E-ACAM, Border to Border, Low Density, ReConnect, etc.) will be revised to show as ineligible for BEAD

- Challenges adjudicated by OBD to clarify status will be shown post-challenge

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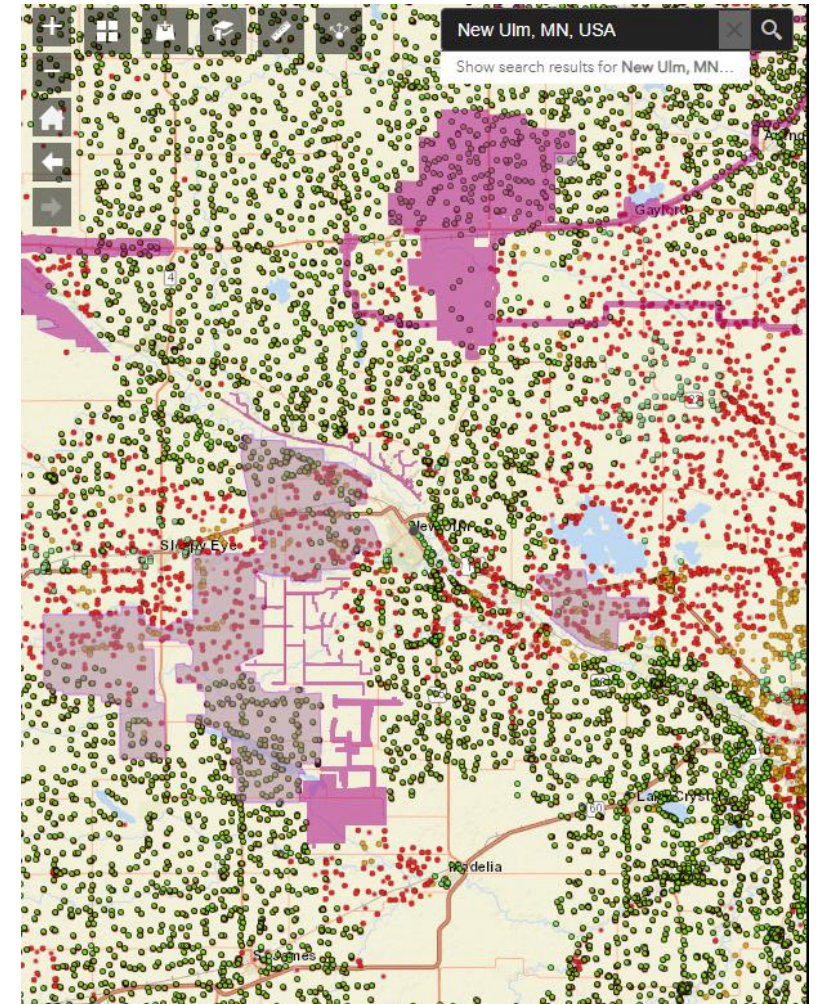
- **Availability:** screenshot of provider webpage, service request refused, lack of suitable infrastructure (ex. no fiber on pole), letter failing to schedule install, letter indicating more than a standard installation fee to connect

- **Speed:** speed test by subscriber (median result of 3 speed tests taken on separate days not older than 60 days; reading from physical line using a desktop or laptop using an NTIA approved speed test application; measurement must include subscriber's IP address and time and date of tests and certification of subscribed speed tier).

- **Latency:** Speed test by subscriber showing the excessive latency

- **Data cap:** Screen shot from provider's website or service description to subscriber

- **Technology:** Manufacturer and model number of residential gateway

- **Business service only:** Screenshot of provider webpage

- **Enforceable commitment:** Documentation that provider has an enforceable commitment

- **Not part of enforceable commitment:** Declaration by service provider subject to enforceable commitment

- **Location is/is not a CAI:** Evidence that the location does/does not fall within the definition of CAI

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After the BEAD Challenge Process

- **BEAD True-Up** (Optional): a process for using an updated version of the FCC map to reflect new information on broadband serviceable locations and service availability—occurs after the BEAD Challenge process but before submission of the BEAD Challenge process results to NTIA

  - Accuracy in mapping

  - Equitable funding allocations

  - Avoid duplicating

- **BEAD Deduplication**: Required after conducting BEAD Challenge process. Avoids duplicating efforts of ongoing broadband deployment by other programs.

- Results **of BEAD Challenge process** (challenges, rebuttal, adjudication), deduplication and any true-ups provided to NTIA. NTIA must approve final list of BEAD eligible locations. Once final list approved, and Vol. 2 is approved, subgrantee selection process can begin.

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Why you should engage

- To make sure the **map accurately reflects the broadband service available at your location**—now (or provide information to include in a challenge) or after challenges are received to make sure status does not change

- **As a local government, tribal entity or non-profit—you are eligible to formally submit challenges**. Encourage residents and businesses lacking reliable broadband to submit documentation into the Broadband Navigator

- Even if your location is eligible, **a provider still has to submit an application for funding**—if you want input on who that provider is/type of technology, #1—ensure your location/area is eligible for BEAD and #2—contact providers you are interested in working with to submit an application for BEAD funding

- BEAD funding is significant, but your location must be eligible for BEAD funding

- Program **requirements are very different from previous state funded programs** (Border to Border, Lower Population Density, Line Extension)

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What can you do now

- If broadband is an issue, **inform residents/businesses in your area of the opportunity to document the lack of broadband service** (despite what the map might say)

- **Track the challenges submitted** to ensure challenges are not filed to change status of unserved or underserved to served without your knowledge or ability to rebut

- **Work with broadband providers now to encourage them to apply for BEAD funding when application window opens**

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How BEAD is different

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- Locations were eligible for state grant funding if they lacked a **wired** broadband service delivering speeds of less than 25Mbps download/3Mbps upload (unserved) or having 25/3 but not at or above 100Mbps download/20Mbps upload—NTIA's definition for BEAD Funding eligibility includes **fixed wireless** delivered over Licensed or Licensed by Rule spectrum, so locations with fixed wireless will not be eligible for BEAD funding (unless documented that the service is not available or at those speeds).

- **Timelines are longer**—generally state grant programs required completion within two years of a fully executed contract. BEAD allows for four years to complete construction from the date of the fully executed contract.

- **BEAD application and compliance requirements are more extensive than state grant funding require**ments. Providers that have historically participated in past state grant rounds may "sit out" participation in the BEAD program or need greater encouragement to submit an application.

- **State grant funding prioritized projects where a community partnered with the provider** (community support, financial support) **whereas BEAD is "Internet for All"** – BEAD funds are to document that all unserved and underserved locations receive some type of broadband service—fiber, coax, fixed wireless, satellite—with or without community input on desired technology.

- State grant funding was a competitive grant program. **BEAD funding is to get some type of broadband to all unserved and underserved locations as the priority**.

BEAD Identified Challenges to Deployment

- Conflicting speed goals

- Definition of broadband

- Will all locations receive a bid?

- Weather

- Time

- External funding/match sources

- Permitting/Environmental Review

- Accurate Mapping

- Supplies/Supply chain

- Workforce

- Line of Credit

- Reporting requirements

- Guidance requests/clarification

- Others?

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Other events & resources

- Weekly office hours, **Thursdays at 2pm starting July 18th, register at tiny.cc/BEADOfficeHours1**

- Previous events included:

  - **Tuesday June 25th, 1:30-3:30pm, Detroit Lakes**, at the CareerForce Center, 803 Roosevelt Ave, Detroit Lakes MN, 56501

  - **Wednesday June 26th, 10am-12pm, Chisholm**, at the State of MN Office Building on the Minnesota Discovery Center campus, 1003 Discovery Drive, Chisholm, MN 55719

  - **Wednesday July 10th, 3:30-5:30pm Rochester**, at the Wood Lake Meeting Center, 210 Wood Lake Drive SE, Rochester MN, 55904

  - **Thursday July 11th, 1:30-3:30pm New Ulm**, in room 203 at the New Ulm Civic Center, 1212 N Franklin St, New Ulm, MN 56073

  - **Friday July 12th, 10am-12pm**, Lower Sioux Indian Community, Tribal members only

- Sign up for OBD email updates: tiny.cc/OBDnews

- Visit the OBD BEAD webpage for the latest information and resources on all things BEAD: mn.gov/deed/programs-services/broadband/bead/
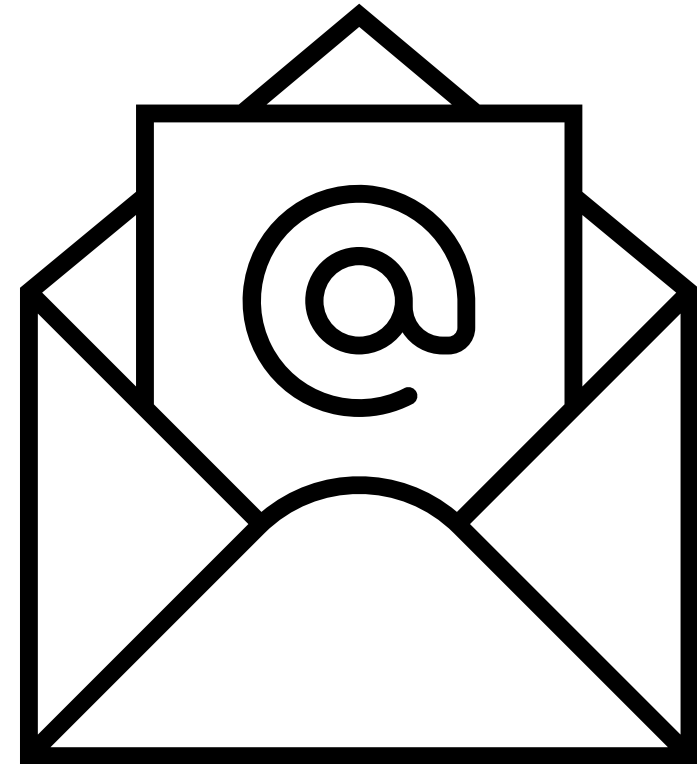
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Questions?

Contact Information

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