

# BEAD INITIAL PROPOSAL VOL. I & II

## PUBLIC COMMENT

### VOLUME I – BEAD Initial Proposal Feedback

#### Executive Summary - NONE

#### 1.1 Existing Broadband Funding (Requirement 3)

The sources of funding outlined in Table 1 of this section represent a non-exhaustive list. Funding pots that are missing include: the Connect America Fund (CAF), E-Rate program administered by USAC, Alternative Connect America Model (ACAM), Enhanced ACAM, US Economic Development Administration (EDA), among others.

It may also be worth mentioning that “Existing Broadband Funding” does not include all public funding related to broadband. For instance, some of ITD’s projects are not broadband-specific and yet include conduit for future fiber. There are also community development and other infrastructure funding pots that allow for or encourage broadband deployments as a consideration or add-on to major public works projects, like water and wastewater. If the goal in identifying funding is to get as clear a picture as possible of assets and opportunities, a more robust accounting seems prudent.

We encourage the Idaho Office of Broadband (IOB) to collate as exhaustive a list as possible, not only to avoid duplication of efforts but also to identify potential opportunities to leverage existing infrastructure projects and funding for lower cost deployments as well as keep tabs on recent federal obligations that are either [in danger of not being fulfilled](#) or have [much longer timelines](#) than BEAD-funded projects would be able to accomplish.

#### 1.2 Unserved and Underserved Locations (Requirement 5)

We commend the IOB on its decision to consider *unserved* those locations that do not qualify as “reliable broadband service” as outlined in the BEAD NOFO, including those locations served only by satellite, unlicensed spectrum, or that have other high latency connections.

#### 1.3 Community Anchor Institutions (CAIs) (Requirement 6)

We are grateful to the IOB for recognizing the importance of CAIs for connecting our communities – especially rural ones – and therefore defining CAIs as broadly as possible to ensure that Gigabit symmetrical, scalable connections are prioritized and funded through BEAD.

#### 1.4 Challenge Process (Requirement 7)

We see that the IOB has chosen to utilize the “Module 1: No Modifications” option to reflect data not present in the National Broadband Map. We disagree with this choice.

BEAD funding represents a historic infrastructure investment which should result in long-term assets with minimal additional capital investment required over the next few decades.

The only way to do this is by evaluating the existing infrastructure. Therefore, the IOB should aim to paint a very clear and accurate picture of existing broadband infrastructure throughout the state with a goal of upgrading assets to be future-proof. This should mean identifying obsolete technologies, such as legacy copper wires, and replacing them with future-proof fiber.

We urge the IOB to instead select “Module 2: DSL Modification.”

This would allow the IOB to treat locations that the National Broadband Map shows to have qualifying broadband service (i.e., a location that is “served”) delivered via DSL as “underserved.” The benefits of choosing this option are at least two-fold: (1) It will reduce the workload of the IOB as well as the burden on citizens during the challenge process and (2) It will better reflect the locations as eligible for BEAD funding because it will facilitate the phase-out of legacy copper facilities and ensure the delivery of future-proof broadband service.

## **1.5 Volume I Public Comment - NONE**

## **VOLUME II – BEAD Initial Proposal Feedback**

### **Executive Summary - NONE**

#### **2.1 Long-Term Objectives (Requirement 1) - NONE**

#### **2.2 Local, Tribal, and Regional Broadband Planning Processes (Requirement 2)**

It seems important to point out that this section is focused on *planning*, and yet what’s outlined as a response for this requirement is *engagement*. Planning and engagement are two different things – and the IOB will not be able to meet its local coordination requirements without supporting local planning efforts. Aside from mentioning the formation of Broadband Action Teams (BATs), the IOB has not yet supported this type of meaningful planning effort among local, Tribal, or regional communities, despite the Idaho Broadband Advisory Board (IBAB) setting aside \$500,000 for this very purpose in [July 2022](#).

We encourage the IOB to support rural, Tribal, and remote regions by distributing grant funds to establish local BATs and integrating the subsequently produced, community-driven *plans* into the state’s proposals.

#### **2.3 Local Coordination (Requirement 4)**

As outlined in [Section IV.C.1.c of the BEAD NOFO](#), Local Coordination is key to the success of statewide broadband deployment. And yet, the IOB will not be able to coordinate with localities that haven’t yet had the opportunity to prepare or plan. (Please see comments from the above section 2.2)

On page 53 of the NOFO in Section IV.C.1.c.i and in footnote 71, it clearly states that: “Each political subdivision and federally recognized Tribe must be given an opportunity to submit its own *plan*<sup>71</sup> to the Eligible Entity for consideration in the development of the Eligible

Entity's Proposals." Where "<sup>71</sup>*Plans* in this context refer to formal, local broadband plans addressing deployment, equity, or other issues relevant to the BEAD program goals."

We encourage the IOB to support rural, Tribal, and remote regions by distributing grant funds to establish local BATs and integrating the subsequently produced, community-driven *plans* into the state's proposals.

#### 2.4 Deployment Subgrantee Selection (Requirement 8)

We thank the IOB for recognizing that, in order to reach the most remote unserved locations in rural Idaho, large long-term investments in future-proof infrastructure are required. And that those investments might be costly but will last the longest and yield the greatest public benefit for generations into the future. As a result, we support the review and subgrantee selection process as outlined, which will not prioritize the lowest cost applications but rather end-to-end fiber optic facilities. This also reinforces our request that IOB enlist "Module 2: DSL Modification" in the Challenge Process in Volume I.

We also agree that using a standardized scoring rubric that awards funds to the highest scoring applications will also protect the integrity of the process as well as protect against collusion, bias, subjective decisions, conflicts of interest, and other factors that may undermine confidence in the program.

However, we have major concerns about the scoring criteria.

Generally, the criteria are written with large, for-profit companies in mind, which doesn't just tip the scales in favor of certain types of applicants over others but runs the risk of excluding non-traditional broadband providers altogether. It seems valuable to remind the IOB that the state is required to "ensure the participation of non-traditional broadband providers (such as municipalities or political subdivisions, cooperatives, non-profits, Tribal Governments, and utilities)," according to [Section IV.B.9.b.10 of the BEAD NOFO](#) on page 48.

- Minimal BEAD Outlay is weighted at 50%. This runs directly counter to the state's commitment outlined above as well as in the review and prioritization process that rates projects by quality and not cost. The major barrier to building rural broadband infrastructure, despite over 20 years of doling out billions of dollars in government subsidies, has been the absence of a business case, which is exactly why we support separating infrastructure from service. While we can appreciate there are limited BEAD funds and the goal is to ensure universal connectivity, rural and remote areas need major BEAD outlay to get connected – presumably the whole point of this program. These areas have rough terrains, miles between locations, and climate and risk mitigation considerations that all add to the cost to deploy fiber but are vitally important to protecting the assets and the investment. How infrastructure is funded and who deploys it is directly correlated to how affordable it ends up being. In addition, the scoring description on page 22 is unclear, at best. We encourage the IOB to define "cost-efficient" as well as eligible match. And describe how this scoring category will be handled in the event of a match waiver. The percentage of points allocable to high-cost locations relative to their distance from cost-effective locations is extremely unclear, though seems like an attempt at a decent hedge. Nonetheless, we urge the IOB to consider reducing

the weight of this category to 15% or less.

- Affordability is inextricably linked to adoption and access, so should be weighted by 25% or more. We also caution the IOB in creating arbitrary service price thresholds that cannot be enforced. Affordability can most reliably be gauged by the type of deployment and business model, not necessarily by a service package price point. How will the IOB hold a company accountable for their pricing post-deployment, let alone for the life of the assets?

- Fair Labor Practices seems like a category geared, again, toward large corporations and not other types of entities that will be vying to connect communities. It seems like it should be a check box or additional eligibility criteria for a certain type of applicant and not at all included in a weighted scoring metric. In other words, it's an all-or-nothing category that doesn't apply to all applicants or deployment models.

- Speed to Deployment is almost entirely contingent on external factors, as outlined in the existing scoring narrative on page 25 as well as the specific weather and topography of a particular area. Completing projects is paramount and 5% seems like a fine weight for this category. However, there should be no scale (Table 9). Some projects will need four years to complete, and there's nothing that can be done about it. Why should a simpler or shorter build be prioritized over one that'll take longer but most likely connects more unserved locations? Score should be based on the thoroughness of the response demonstrating knowledge of the areas and applicable partnerships that will be more illustrative of success meeting deadlines, not a thin timeline commitment.

- Speed of Network and Other Technical Capabilities seems like far and away the most important criteria to meet stated goals as outlined in other sections. We agree that capital assets with longer usable lives and greater ease of scalability should be prioritized, which is accomplished by the state's stated baseline prioritization of end-to-end fiber facilities. However, Table 10 does not represent scoring related to those goals. Why limit eligible technology to passive optical networks? What about active ethernet? Either way, this category should represent at least 15%.

- Open Access is foundational to ensuring affordability and therefore adoption. It also stimulates competition, supports local businesses, and ensures that communities have a choice in who provides this critical service. We appreciate the scoring details as well (Table 11) since open access has come to mean many things. However, we encourage the IOB to make a distinction between wholesale providers and retail providers. Provider applicants who are both wholesale *and* retail providers cannot be relied upon to operate non-discriminatory open access infrastructure. They will prioritize their own retail business on their wholesale network, which discriminates against competing providers and undermines the entire premise behind open access. This fact also underlines why we support separating infrastructure from service. With this distinction and caveat, this category should be weighted at least 15%.

- Local and Tribal Coordination has been lauded as key to any successful broadband deployment. Localities deserve to have a say in how infrastructure is deployed in their communities and who they partner with to deploy it. As such, meaningful coordination

should result in demonstrated project support from localities, not just proof of time logged at a meeting. Therefore, points in Table 12 should be split to weight letters of support more than meetings. And this category should be weighted at least 15%, which would make the recommended split in subsequent points 10 for letters of support and 5 for meetings.

- Equitable Workforce Development and Job Quality is very important to ensuring this historic investment pays dividends in our communities for decades – not just through connecting them but through building communities and economies. Local projects led by local leaders using local labor has the added benefit of stimulating the local economy and building the local workforce. This category should be weighted at least 10%.

Deployment Subgrantee Qualifications – Most items outlined under this section are not geared toward or friendly to all eligible applicants and seem written for large, for-profit corporations. How would other eligible applicants meet these application criteria?

We urge the IOB to review all qualifications under this section with an eye toward leveling the playing field for all eligible applicants. And, in particular, we ask the IOB to work with NTIA to consider alternatives to the irrevocable standby Letter of Credit (LOC) requirement. This requirement does not just tie up capital for small private provider applicants, but it also requires them to accumulate and incur the cost of interest related to the funding, like a loan. In addition to creating an insurmountable obstacle for rural Idaho’s small providers, it also excludes non-traditional providers, like local units of government.

As pointed out in section 2.4 comments: In order to conform to the letter and spirit of the Infrastructure Investment and Jobs Act, the state is required to ensure the participation of non-traditional broadband providers (such as municipalities or political subdivisions, cooperatives, non-profits, Tribal Governments, and utilities), according to [Section IV.B.9.b.10 of the BEAD NOFO](#) and elsewhere.

**2.5 Non-Deployment Subgrantee Selection (Requirement 9) - NONE**

**2.6 Eligible Entity Implementation Activities (Requirement 10) - NONE**

**2.7 Labor Standards and Protection (Requirement 11) - NONE**

**2.8 Workforce Readiness (Requirement 12) - NONE**

**2.9 Minority Business Enterprises (MBEs)/Women’s Business Enterprises (WBEs)/Labor Surplus Firms Inclusion (Requirement 13) - NONE**

**2.10 Cost and Barrier Reduction (Requirement 14)**

We agree that reducing costs and barriers to broadband deployment can be achieved by promoting the use of existing infrastructure, promoting and adopting *more robust* Dig Once policies, streamlining state and local permitting processes, improving cross-jurisdictional communication, and streamlining cost-effective access to poles – which could look like

“Hang Once” policies that should mimic Dig Once policies and prioritize open access.

**2.11 Climate Assessment (Requirement 15)**

Climate considerations affect deployment type, cost, and speed to deployment, as represented by the mitigation categories outlined in Table 25. Nonetheless, these considerations are crucial to ensuring investments in long-term infrastructure are safeguarded from known risks. As such, these considerations should be accounted for in the scoring criteria, as we’ve suggested above in section 2.4 comments.

**2.12 Low-Cost Broadband Service Option (Requirement 16)**

We commend the IOB for endeavoring to make broadband affordable. And we hope that they build the capacity to monitor and hold all accountable for the affordability provisions outlined here. But this seems extremely unlikely, if not impossible. So, it’s worth noting that there are alternate, less costly, and less time-intensive ways of ensuring affordability – which are related to the deployment model and type of applicant, not seemingly unenforceable price caps.

**2.13 Middle-Class Affordability Plans (Requirement 20)**

We commend the IOB for endeavoring to make broadband affordable. And we hope that they build the capacity to monitor and hold all accountable for the affordability provisions outlined here. But this seems extremely unlikely, if not impossible. So, it’s worth noting that there are alternate, less costly, and less time-intensive ways of ensuring affordability – which are related to the deployment model and type of applicant, not seemingly unenforceable price caps.

**2.14 Use of 20 Percent of Funding (Requirement 17) - NONE**

**2.15 Eligible Entity Regulatory Approach (Requirement 18) - NONE**

**2.16 Certification of Compliance with BEAD Requirements (Requirement 19) - NONE**