Vermont Community Broadband Board Meeting
Special Meeting
Monday, April 29, 2024, 11:00am – 1:00pm
AGENDA
Meeting is being held virtually.
[Click here to join the meeting](#)
Join by Phone; [+1 802-828-7667, 864809580#](#)
Note: there may be additional executive sessions as needed.

1.	11:00	Call Meeting to Order, Roll Call, Approval of Agenda
2.	11:05	February 12, 2024, Board Meeting Template and Minutes Approval
3.	11:15	Public Comment
4.	11:25	NW Fiberworx Grant Application – *Alexei Monsarrat* *Potential Executive Session pursuant to 1 V.S.A. s. 313 (a)(1)(A), which protects information concerning contracts where premature general public knowledge would clearly place the public body or person involved at a substantial disadvantage*
5.	11:55	DVFiber Grant Amendment - *Alexei Monsarrat* *Potential Executive Session pursuant to 1 V.S.A. s. 313 (a)(1)(A), which protects information concerning contracts where premature general public knowledge would clearly place the public body or person involved at a substantial disadvantage.*
6.	12:25	Maple Broadband/WCVT Subrecipient Grant Application – *Rob Fish*
7.	12:35	VCUDA Update
8.	12:40	Public comment
9.	Tentative	VCBB Affordability Policy if time allowed.
10.	12:45	Board Review - Executive session - *1 V.S.A. s.313(a)(3) (3), authorizing a public body to hold an executive session to consider personnel matters.*

Press inquiries: please contact Herryn Herzog, herryn.herzog@vermont.gov

Vermont Community Broadband Board Meeting
Monday, February 12, 2024, 12:00pm – 4:00pm
Draft Meeting Minutes

I. **Meeting Call to Order, Roll Call, and Approval of Agenda**

Patty called the meeting to order at 12:03pm and completed roll call:

- Patty Richards (Remote)
- Laura Sibilia (Remote)
- Brian Otley (Remote)
- Holly Groschner (Remote)
- Dan Nelson (Remote)
- Christine Hallquist - Staff (Remote)
- Robert Fish – Staff (Remote)
- Alissa Matthews – Staff (Remote)
- Toni Clithero – Staff (Remote)
- Herryn Herzog – Staff (Remote)
- Britaney Watson – Staff (Remote)
- Lucie Fortier – Staff (Remote)
- Alexei Monsarrat - Staff (Remote)
- Thomas Malinowski – Staff (Remote)
- Stephanie Tuxill – Staff (Remote)

Patty made a motion to approve the agenda. The Co-Chair seconded the motion. Patty discussed modifying the agenda to discuss the scheduling of the February 22, 2024, meeting. Laura Sibilia requested an executive session to discuss personnel. Christine requested adding the introduction of Lucie Fortier. The motion carried by unanimous vote. Lucie was introduced to the Board and welcomed to VCBB.

II. **Summary of reappointments.**

Record of the reappointment of Holly Groschner; status report on the reappointment of Laura Sibilia. Laura moved to reappoint Dan Nelson as the Vice-Chair, seconded by Holly. The motion carried unanimously.

III. **Public Comment**

Christa requested that the policy subgroups meet again before the policies are submitted to the Board and expressed concern that the annual report incorporates many of the policies which may undermine the policy approval process. She objected to reviewing the KPIs monthly. She also requested the Digital Equity Plan be revised to eliminate the reference to the 1% income level relative to the affordability metric. Christine advised that the metric had been previously removed, which the Executive Director indicated had been removed. Ellie also requested the removal of the 1% reference and on the need to distinguish between funding that stands up a program that lasts long-term versus a program that lasts until the money runs out. She also noted that the fact that because the annual report encompasses

many of the policies being drafted that care be taken to assure the annual report does not overwrite the policies.

IV. Approval of January Meeting Minutes

Patty moved to approve the January 4, 2024, meeting minutes. Dan Nelson seconded. It was approved unanimously.

V. Digital Equity Plan Approval – Britaney Watson

Britaney Watson highlighted areas of the Digital Equity Plan draft for Board approval to be submitted to the NTIA by February 12, 2023. The plan includes a digital equity needs assessment, asset inventory and an implementation plan. The plan is written to prepare Vermont for NTIA grant funds for the implementation phase as well for the digital equity plan. The plan will be in the curing process with the NTIA for 45 days, which will end the period of performance on March 28, 2024. Public comments and CUDs' feedback provided by VCUDA are also part of the plan. There was a discussion of the curing period after the plan is submitted and if changes could be made. Clay Purvis, NTIA FPO, provided clarification on the process. Patty requested three changes to the DEP: removal of the 1% figure from the DEP and the Annual Report and the addition of a paragraph describing the Board's ongoing accountability policy development.

Patty made a motion that we approve the digital equity plan with the three changes referenced. Laura seconded the motion. It was approved unanimously.

Final drafts of the policies will be presented to the Board for the March 11, 2024, Board meeting.

VI. Presentation of GIS Performance Monitoring Services Based on Ookla Data– Christine Hallquist

VII.
Discussion concerning Staff's preliminary decision to enter into a $62k/year contract with Ookla for customer speed test data. Brian noted that all ISPs have access to this data and acknowledged that the VCBB could use this information to independently confirm the data. He and Holly acknowledged the issue of staff technical capacity and Christine advised that the plan was to add the technical review to Stone Environmental's scope of work. Dan suggested the contract be tested for an initial trial period of one to two years. Patty indicated support for the data and raised concerns about potential data mining by third parties. She objected to any use of the data by private parties, requested that Toni research that issue, that any contract with Ookla include Ookla's agreement to comply with the State's consumer protection and net neutrality law, 3 V.S.A. § 348 and instructed VCBB not to enter the contract without that provision. Dan noted that the data is coming from customers who have opted to participate in the program. Alissa advised that Stone is prepared to enter the contract with Ookla if necessary. Christa Schute of NEK Broadband explained that her CUD needs the data to qualify for a $22.7M grant and also noted its value for the VCBB Challenge Process under BEAD.

VIII. Key Performance Indicators for Grantees – Christine Hallquist
To address Board concerns over timely notifications of potential defaults by the CUDs, the Executive Director presented her plan for monthly meetings with the CUDs to review key performance indicators (KPIs). The KPI's would provide for a comparison of planned vs actual: expenditures; construction miles built, and construction miles lit; eligible addresses;

eligible passings; and planned passings lit. This approach would both address the Board's notification concerns and the CUD's objections to providing this information to Staff on a monthly basis and be included in quarterly Staff reports to the Board. Patty instructed Staff to use the KPIs listed by Christine and for a check in with the CUDs after six months to assess the usefulness of the data. Staff will report on the KPI's to the Board quarterly.

Laura raised the issue of how Staff will determine whether SoVT CUD is meeting its accountability obligations under the grant agreement. Discussion concerning the timing of SoVT's completion of its construction grant and the Board's accountability policies, with Christine advising that Staff will report back on the issue. Laura emphasized that the legislative intent for universal service includes accountability measures to ensure reliable and affordable broadband via the CUDs. Holly requested a grant close out report that complies with the 30 V.S.A. § 8086 statutory criteria.

IX. **Annual Report Discussion and Approval – Herryn Herzog**
Herryn shared a presentation and highlighted key points. Based upon Holly's suggestion, the report will be revised to clarify that the policies enumerated therein have not yet been adopted by the Board. Holly also noted that she agreed with the text regarding affordability, which provides that "the legislature has directed the VCBB to balance the sustainability of the grant funded network and the affordability of each grantee service." Patty requested that with respect to the consumer standards certification, that language be added indicating that in addition to 3 V.S.A. §348, the certification is also required by the Board in its proposed Consumer Protection Standards Policy and in its reporting requirements.

X. **BEAD Subrecipient Support Applications – Rob Fish**
Rob advised that the purpose of the program is to encourage potential BEAD subrecipients to apply for BEAD by providing financial support for preparing their BEAD applications. Rob explained the competitive process for the applications and the allocation of funds.Staff recommended that all three applications be awarded the grants: NEK Broadband, Otter Creek CUD and CV Fiber. Holly noted the confusion in the naming of the program, which appears to concern subrecipients rather than potential subrecipients. Pattyraised the issue of favoring certain applicants . Holly requested to move into executive session on the grounds that information may be proprietary to one or more of the applicants. Toni agreed and provided the statutory support for discussion of exempt public records, negotiations and trade secrets, 1 V.S.A. §313(a)(6) (exempt records) and 1 V.S.A. §317(c)(15) and (9), respectively.

Patty had to leave for a personal emergency and appointed Dan Nelson to assume duties as Vice-Chair.

The executive session ended at (2:35 p.m.). Dan announced they came out of executive session without taking any action. Laura was no longer present.

Dan made a motion which was seconded by Brian to approve the three (3) applicants and for the following amounts: CV Fiber $145,600; NEK Broadband-$200,000; Maple Broadband-$100,000. The motion was voted on by Dan, Brian and Holly and. passed unanimously

XI. **VCUDA Updates – Rob Vietzke**
VCUDSA reported that it had reappointed Laura Sibilia to the Board; that on January 31st it held a legislative day at the State House Rob Vietzke discussed the various bills in the legislature, including proposed changes to the universal service charge supporting the VCBB, as well as on-going discussions about grant process and audit reviews.

XII. **Public Comment**
F. X. Flynn commented on the GIS Performance Monitoring Services Based on Ookla Data and provided clarification on the type of data the application gathered.

XIII. **Parking Lot – Christine Hallquist**
Christine highlighted completed areas and areas still in the works, such as policies.

XIV. **Executive Session:** Holly moved to go to Executive Session under the negotiations exemption re CV Fiber and NEK Broadband matters. Laura seconded.

The Executive session ended at (3:36). Dan announced they came out of executive session without taking any action.

XV. **Executive Session:** Holly moved to go to Executive Session under the negotiation exemption to discuss DV Fiber matters. Dan seconded.

The Executive session ended at (4:04). Dan announced they came out of executive session without taking any action.

XVI. **Executive Session:** Christine announced that the Board was going to Executive Session to discuss personnel matters.

The Board meeting will be dismissed because at the point they come out they will not have a quorum.

Press inquiries--Please contact Herryn Herzog, Herryn.herzog@vermont.gov, (802) 522-3396.

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To: Alexei Monsarrat, *Rural Broadband Technical Assistance Specialist*
          Vermont Community Broadband Board

From: Teles Fremin, P.E., *Deputy Chief Technology Officer*
          Danny Fortier, *Infrastructure and Grant Services Subject Matter Expert*

Re: Evaluation of business plan from Northwest Fiberworx

Date: April 23, 2022

At the request of the Board, this memo provides a review of the business plan and additional documentation provided by Northwest Fiberworx (NWFx) and its partner, Great Works Internet (GWI). Based on our review, NWFx's grant application meets the specifications put forth in the Board's application requirements.

NWFx proposes to construct a fiber-to-the-premise (FTTx) network in three phases spanning 648 miles and reaching approximately 6,365 unserved and underserved residents across a 22-member communications union district (CUD) in northwestern Vermont.[1]

Under this proposal, NWFx will own the network, while GWI will handle the design, construction, and operation. NWFx will employ a lit fiber open-access model, allowing multiple ISPs to lease the network to serve end customers. GWI will have exclusive service rights for the first five years, paying NWFx $25 per connection per month and receiving $5 per connection per month from NWFx for maintenance.

NWFx estimates the total cost for phases 1 through 3 to be $48.1 million, or $5,067 per passing. Phase 1 will be funded by $20.2 million in American Rescue Plan Act (ARPA) funds and phases 2 and 3 are expected to be funded through subordinated debt, municipal bonds, and funding from the Broadband Equity, Access, and Deployment (BEAD) Program. Phase 1, which is expected to be completed within the first two years, will connect 1,827 locations and construct 296 miles of fiber at $7,279 per passing. Phase 2 will connect 670 locations and construct 98 miles of fiber at

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[1] A fourth phase of deployment including 2,059 additional addresses will be required to achieve NWFx's universal service plan. As described below, these addresses were removed from the business plan at the direction of staff as they are expected to be served through an alternate approach.

$4,429 per passing. Phase 3 will connect 3,868 locations and construct 253 miles of fiber at $3,878 per passing.

NWFx also anticipates a fourth phase of deployment consisting of an additional 2,059 eligible addresses not currently included in its business plan. These addresses will be served either through agreements with local incumbent providers or through funding from the BEAD Extremely High Cost Per Location process.

According to the financial models provided and the associated assumptions, NWFx estimates that the project will become net operating cash flow positive in 2029. However, it is critical to note that the viability of NWFx's plan for phases 2 and 3—and the entirety of phase 4—depends heavily on securing BEAD funding. Failure to obtain this funding could necessitate a significant revision of the business plan and potentially jeopardize the plan's financial viability.

Attachment A includes the spreadsheet that was used to evaluate the application, business plan, and network design. To address questions and comments identified during CTC's review, CTC and the Board conducted follow-up meetings with NWFx.

Attachment A: Application review checklist

State of Vermont Act 71 Application Review Checklist

Applicant: Northwest Fiberworx

Eligibility

Act 71 Construction Program RFP "Eligible Provider"

Y	N	Question	Notes
☒	☐	Is the applicant a Communications Union District?	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
☐	☒	Is the applicant a small communications carrier?	
☐	☒	Is the applicant an Internet Service Provider working with a CUD?	
☒	☐	Is the applicant a Municipality?	NWFX ARPA Grant Business Plan-Ver 1.3.docx.pdf

Required Documents

Y	N		Notes
☒	☐	Business Plan Included?	NWFX ARPA Grant Business Plan-Ver 1.7.pdf
☒	☐	Universal Service Plan Included?	CURRENT NWFX ARPA Grant Universal Service Plan 1-26-24.docx.pdf
☒	☐	Maps / KMZ files included?	Maps and KMZ included
☐	☒	Subcontract(s) if applicable	None included. None listed in application or business plan.
☐	☒	Transmittal letter	
☒	☐	Applicant Certification	Construction Grant Application Certification signed by ZB.pdf
☒	☐	Other necessary documents	

Proposal Details
*Act 71 Construction Program RFP P14 "Step 2: Full Proposal (By invitation Only)

1. Transmittal Letter and Proposal Overview

Y	N	Question	Notes
		Does the transmittal letter and proposal overview contain the following information:	
☒	☐	Full contact information for the applicant and any collaborators?	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
☒	☐	Preferred Application Process	Phased
☒	☐	Total Estimated Cost to Complete the Universal Service Plan	48,111,543 NWFX ARPA Grant Business Plan-Ver 1.7.pdf
☒	☐	"Estimated Cost" for the Universal Service Plan project to be completed in the next 24 months (or in a 24-month period)	$20,219,979 NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)
☒	☐	Community matched funds or other funds to be contributed to the project	$27.9M BEAD Funding $2.1M in Subordinated Debt $2.2M in revenue bonds

2. Applicant Certification

Y	N	Question	Notes
☒	☐	Has the applicant certified in writing all conditions contained in the construction program RFP?	Construction Grant Application Certification signed by ZB.pdf
General Information			
Y	N	Question	Notes
☒	☐	Does the applicant intend to use subcontractors?	Application Form Responses Fiberworx_01-29-2024.pdf
☐	☒	Are the subcontractor terms included?	Northwest Vermont Communications Union District _NWCUD_ ARPA Grant Application Phase 1_02-20-2024.pdf "Upon finalization of agreements with subcontractors, we commit to providing copies of all subcontractor agreements."
☐	☒	Are there copies of the subcontract(s) included with the proposal?	NA. No contractors secured. See above.

Y	N	Question	Notes
☒	☐	*Is there an attached ACT 71 compliant business plan?*	*NWFX ARPA Grant Business Plan-Ver 1.7*
☒	☐	*Are there supporting documents for the business plan?*	*See attachments:* *NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)* *High level design presentation*

3. Universal Service Plan

3.1 Proposed Universal Service Plan

Y	N	Question	Notes
☒	☐	*Does the application contain a proposed Universal Service Plan?*	*CURRENT NWFX ARPA Grant Universal Service Plan 1-26-24.docx.pdf*
☒	☐	*Has the applicant detailed the area(s) in which they propose to provide universal service per the requirements in the RFP?*	*NWFX ARPA Grant Business Plan-Ver 1.7*
☒	☐	*Has the applicant provided a map showing the current coverage in the proposed USP and the total number of qualifying locations?*	*Provided shape files and address list which enabled the creation of a coverage map for entire area*
☒	☐	*Has the applicant described who will own the resulting infrastructure?*	*NWCUD will be the owner Northwest Vermont Communications Union District _NWCUD_ ARPA Grant Application Phase 1_02-20-2024.pdf*
☐	☒	*Are any of the planned service areas members of a CUD?*	*No*
☐	☒	*If so, has the applicant provided a letter of support from the district and documentation explaining the relationship?*	*NA*

3.2 Universal Service Plan

Y	N	Question	Notes
☒	☐	Does the USP provide 100/100 Mpbs service to all qualified locations?	*Business plan states minimum service offering is 500 x 500 from GWI.* *NWFX ARPA Grant Business Plan-Ver 1.7.pdf*
☐	☒	Is the applicant serving all locations directly?	*GWI will be providing service initially. Other possible ISPs in the future. Northwest Vermont Communications Union District _NWCUD_ ARPA Grant Application Phase 1_02-20-2024.pdf*
☐	☐	If yes, have they presented a phased approach for serving all locations?	*NWFX is not serving customers directly, but are still presenting a phased approach Northwest Vermont Communications Union District _NWCUD_ ARPA Grant Application Phase 1_02-20-2024.pdf*
☒	☐	If not, have they explained how the qualified locations will be served broadband service?	*Through other ISPs who will lease fiber from NWCUD through a lit-service wholesale model* *Northwest Vermont Communications Union District _NWCUD_ ARPA Grant Application Phase 1_02-20-2024.pdf*
☐	☒	If yes, is there an included timeline showing each phase?	*The budget lists construction timelines NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)*
☐	☒	Have they provided an overview of obstacles?	*NWFX ARPA Grant Business Plan-Ver 1.7*
☐	☒	Are there any commitment letters from other providers?	*No commitment letters*
☐	☒	Is this a joint application?	
☐	☒	Is there a timeline for achieving universal service?	*2029* *The budget lists construction timelines NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)*
☐	☒	Are there any attached documents supporting the applicant's commitment to universal service?	*No attachments addressing this specific topic.*

3.3 Estimated Total Cost to Serve

Has the applicant provided the following information?			
Y	**N**	**Question**	**Notes**
☒	☐	*Total cost estimate for serving all qualified locations encompassed by the USP*	48,111,543 NWFX ARPA Grant Business Plan-Ver 1.7.pdf
☒	☐	*The number of such locations*	34,850 NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)
☐	☒	*A description of how the estimate was derived and factors that will influence the final cost*	*This was discussed through multiple discussions with NWFx and the VCBB.*

3.4 Other Funding Sources

Y	**N**	**Question**	**Notes**
☒	☐	*Are there details of known or reasonably anticipated additional financial support to the USP*	*BEAD Funding, revenue Bonds & loans.* NWFX ARPA Grant Business Plan-Ver 1.7

3.5 Community Engagement

Y	**N**		**Notes**
☒	☐	*Detail of efforts to engage the local municipality or area subject to the grant proposal*	*Outreach programs, board meetings, committee meetings, in person meetings, newsletters, & social media engagement.* Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024

4. Project Description

Y	**N**	**Question**	**Notes**
Does the project description contain the following information?			

4.1 Eligible Locations to be Served

	Y	N		Notes
	☒	☐	All eligible locations to be served.	NWFX_Eligible adress list_CWhelan_012024_from _PSD_directly

4.2 Not to Exceed or Estimated Price

	Y	N		Notes
	☐	☐	Not to exceed price or estimated price for the project	NA
	☒	☐	Phased price estimate (Phased projects only)	NWFX ARPA Grant Business Plan-Ver 1.7 > Assumptions tab
	☒	☐	Figure specifies if drops are included or not in the price	Drops are included in the total phase 1 price. Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
	☒	☐	Amount dedicated to drops is consistent with feasibility plan	The amount allocated for drops in the budget is appropriate and consistent with the business plan NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)

4.3 Timeline

	Y	N		Notes
	☒	☐	Detailed timeline for this project and additional phases of the USP	Budget lists timeline for phases. NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024)

4.4 Retail Pricing

	Y	N	Question	Notes
	☒	☐	Is there a list of determined pricing?	NWFX ARPA Grant Business Plan-Ver 1.3.docx.pdf
	☒	☐	If yes, is there a list of all proposed retail prices for service including additional fees (such as equipment rentals)	NWFX ARPA Grant Business Plan-Ver 1.3.docx.pdf

☐	☐	*If no, is there detail on how pricing will be determined and demonstrate how the network will be self-sufficient?*	*NA*
☐	☒	*Does the applicant currently provide symmetrical services to other areas at a lower rate?*	
☐	☐	*If so, is there an explanation of the price difference?*	

4.5 Additional Services

Y	N		Notes
☒	☐	**Description of additional services**	*Additional services available for business customers.* *Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*

4.6 Detailed Project Budget

Y	N	Question	Notes
☒	☐	*Has the applicant provided a detailed project budget outlining line-item estimates for each activity?*	*NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*

4.7 Network Performance and Monitoring

Y	N	Question	Notes
☒	☐	*Plan for network performance and monitoring to identify congestion, maximize throughput and improve network performance.*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*

4.8 Other Information

Y	N	Question	Notes
☐	☒	*Any other relevant information included demonstrating the technical, financial, and economic feasibility of the project and qualifications of the project team.*	*No additional information provided beyond what was required*

5. Act 71 Considerations

Y	N	Question	Notes

5.1 Collaboration and Coordination

Does this project include collaboration with any of the following?			

Y	N	Question	Notes
☐	☒	*Other CUDs or municipalities that were not part of a CUD on June 1, 2021.*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☐	☒	*Utilities serving the area of the USP*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☐	☒	*Telephone, cable providers or other ISPs*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*Other entities*	*GWI as the operator and network provider Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*

5.2 Resiliency and Redundancy

Y	N	Question	Notes
☒	☐	*Does the project detail steps taken to provide resiliency and redundancy?*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*Does it provide interconnection locations?*	*GWI at St. Albans City is the only interconnection location Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*

☒	☐	*Does it comply with Outside Plant Requirements?*	*Some of the OSP requirements are addressed directly in the application. The overall design is still very high-level. GWI has agreed, in writing, to adhere to the OSP design requirements when completing the detailed designs.* *Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024* *NWFX - High Level Design - Conceptual Description.pdf*

5.3 Incidental Overbuild

Y	N	Question	Notes
☐	☒	*Does the project detail incidental overbuild locations?*	*Does not detail overbuild locations specifically. However, the routes being constructed were selected to reach the highest number of UU locations using the least amount of construction. Any incidental overbuild occurs as a result of reaching UU locations.*
☐	☐	*Included percentage of addresses to be served that already have access to speeds of at least 25/3*	*The percentage of overbuild is no longer applicable. See above statement.*
☐	☐	*Is the proposed incidental overbuild addresses less than 20% of the total number of addresses passed?*	*NA*

5.4 Sustainability

Y	N	Question	Notes
☐	☒	*Does the project detail how it plans to fulfil its USP within the required timeframe?*	*Project budget lists the number of miles / crews per month expected. This falls within the 2 year time frame.*
☒	☐	*Does the project describe how this grant is consistent with their existing business plan*	*See NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx* *And See memo*

5.5 Affordability

Y	N	Question	Notes
☒	☐	*Will the applicant be participating in the Communications Commission's Affordable Connectivity Program (ACP)*	*NW will participate in the ACP program as long as it is available* *Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*Will the applicant provide access to a broad-based affordability program to low-income consumers commensurate with those provided under the ACP?*	*Applicant will require ISPs to participate in ACP or equivalent programs.* *NWFX ARPA Grant Business Plan-Ver 1.3.docx.pdf*

5.6 Technical and Security Approach

		Does the project include or consider the following?	
Y	N	Question	Notes
☒	☐	*Network operation, including tools or techniques in a manner that ensures reliable communications*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*How to assess operational performance of the network and use the gathered information to optimize the network and services*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*A summary of the information exchange interfaces for communicating devices*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024* *NWFX - High Level Design - Conceptual Description.pdf*
☒	☐	*A summary of how the project will provide openly available and proprietary aspects of the interface specifications and how legacy devices and systems will be integrated into the project.*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024* *NWFX - High Level Design - Conceptual Description.pdf*
☒	☐	*A summary of how response to failure and device upgrade scenarios will be handled so that overall system impact is mitigated*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*A summary of how the project will support compatibility with cyber security framework and protocols*	*Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*

☒	☐	A summary of cyber security risks and how they will be mitigated (Focused on vulnerabilities and impact)	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
☒	☐	A summary of the cyber security criteria utilized for vendor and device selection	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
☒	☐	A summary of relevant cyber security standards or best practices	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
☒	☐	A summary of how emerging security standards will be supported	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024

6. Attachments

Y	N	Question	Notes
☒	☐	Act 71 compliant business plan	NWFX ARPA Grant Business Plan-Ver 1.7.pdf
☐	☒	Letters of support including letters of support from municipality to be served if applicant is a non-CUD applicant.	None included
☐	☒	Documentation of commitment of community matching funds	None included
☐	☒	Does the letter state the amount of funds and detail the intended use of the funds in support of the project? *Act 71 Construction Program RFP P4 Funding Available, Section 2	NA
☐	☒	Response to service quality complaints	Not addressed
☒	☐	Operating agreements and other partnership agreements	GWI - NWFX Pricing Addendums - Initialed - Fully - Dec 28 2023.pdf LSL2-#383494-v1-Acknowledgement - Signed - Fully - Dec 28 2023.pdf NWCUD_GWI_MSA FINAL_08252023_EXECUTED.pdf
☒	☐	USP Map	Included shape files and KMZ
☒	☐	Link to GIS shapefile	Shape files included with submission

☒	☐	*Accompanying spreadsheet showing addresses, E-Site IDs, current level of service and expected service date*	*NWFX_Eligible adress list_CWhelan_012024_from _PSD_directly.xlsx* ** missing expected service date / phase*
☐	☒	**Request for confidentiality memo**	*Not included*

ACT 71 Compliant Business Plan

Act 71 Construction Program RFP P2 Definitions and Explanations

General

Y	N	Question	Notes
☐	☒	*Were the business plans produced via a PSD Broadband Innovation Grant?*	*Not discussed*
		Who produced the business plan?	*NWCUD and GWI Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*Has it been independently signed off on by a financial institution?*	*Rural Innovation Strategies Inc (RISI) Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*
☒	☐	*Has it been updated since?*	*4/15/2024*
☒	☐	*Does the business plan include a Universal service plan?*	*CURRENT NWFX ARPA Grant Universal Service Plan 1-26-24.docx.pdf*

Required Data

		Does the business plan include the following?	
Y	**N**	**Question**	**Notes**
☒	☐	*High level engineering and design plans*	*High level maps and shapefiles included. NWFX - High Level Design - Conceptual Description.pdf*
☒	☐	*Market analysis*	*Rural Innovation Strategies Inc (RISI) Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024*

Y	N		Notes
☒	☐	*Take rate assumptions*	*NWFX ARPA Grant Business Plan-Ver 1.7.pdf*
☐	☒	*Cash flow positive date*	*2030* *NWFX ARPA Grant Business Plan-Ver 1.7pdf*
☒	☐	*Loan payoff date*	*2059* *NWFX ARPA Grant Business Plan-Ver 1.7.pdf*
☒	☐	*Financing Models*	*NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*
☒	☐	*Pro forma financial projections*	*NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*
☒	☐	*Estimated construction costs*	*NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*
☒	☐	*Ideal operational models*	*NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*

Risk Evaluation

Does the business plan evaluate the following risks?			
Y	**N**	**Question**	**Notes**
☐	☒	*Labor needs and availability*	*GWI will be performing the O&M on the network*
☒	☐	*Supply chain contingencies*	*Contingencies included in budget NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx* *Also discussed in business plan* *NWFX ARPA Grant Business Plan-Ver 1.7.pdf*
☒	☐	*Make ready work*	*Discussion of allowing ample time for make ready work. Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024* *There are make ready costs outlined in the budget. Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*
☒	☐	*Other relevant operational expenses*	*NW CUD Revised Budget FY 2024-2033-Ver 1.7 (04.12.2024).xlsx*

Project Prioritization

*Act 71 Construction Program RFP P8 Definitions and Explanations			
Y	**N**	**Question**	**Notes**
☐	☒	Does the project leverage existing resources and assets?	
☒	☐	Does the applicant demonstrate project readiness and have community support?	Project readiness yes. NW details efforts and commitment to staying engaged with the community, but there is no evidence of community support.
☒	☐	Does the project support low-income or disadvantaged communities?	ACP Participation NWFX ARPA Grant Business Plan-Ver 1.7.pdf
☒	☐	Does the project promote geographic diversity of fund allocations?	
☒	☐	Does the project provide consumers with affordable service options and/or commit to participate in a program that supports low-income consumers?	ACP Participation NWFX ARPA Grant Business Plan-Ver 1.7.pdf
☐	☒	Does the project Include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes?	
☒	☐	Does the project provide a network design that is scalable, addresses redundancy and will result in high reliability and resiliency?	NWFX - High Level Design - Conceptual Description.pdf

OSP Design Requirements

VCBB Outside Plant Design Requirements

Part 1

Y	**N**	**Question**	**Notes**
Does the design include standards that cover the following:			
☒	☐	Fiber sparing and reservation recommendations	>36 spares on the core. Spares from FDH to POP. Overbuild standards. Rural Innovation Strategies Inc (RISI) Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024
☒	☐	No less than 3 tubes of spares between hubs	>36 spares on the core.

☒	☐	1 spare tube between the OLT and splitter	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	Included loss budgets	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	Accountability for future / unplanned growth including public safety and wireless	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	No middle-mile cable size less than 48F	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	Power supply and back up requirements for active locations	Northwest Vermont Communications Union District NWCUD ARPA Grant Application Phase 1_02-20-2024

Part 2

Y	N	Question	Notes
☒	☐	Pre-assigned PON splitter and OLT port for every identified E-911 address	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	Estimated drop distances and routes for demand points	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	Slack budgets and identification of slack points	NWFX - High Level Design - Conceptual Description.pdf

Part 3

Prior to Closeout Design Deliverables			
Y	**N**	**Question**	**Notes**
☒	☐	Detailed planned optical loss calculations	NWFX - High Level Design - Conceptual Description.pdf
☒	☐	Loss testing results in accordance with ANSI/TIA/EIA 526-7	NWFX - High Level Design - Conceptual Description.pdf

Part 4

Y	N	Question	Notes
☒	☐	Prior to closeout splice diagrams in GIS format	NWFX - High Level Design - Conceptual Description.pdf

Part 5

Recommended integration locations that consider the following:

Y	N	Question	Notes
☒	☐	Geographic redundance	
☐	☒	Connections with adjacent CUD networks	No
☐	☒	Connections with private networks	Primary connection at St Albans data center. This can also provide additional potential connections to other private
☒	☐	Future redundancy options	There is a West ring planned which will add additional redundancy.

Part 6

Prior to close-out design mapping deliverables

Y	N	Question	Notes
☒	☐	Online and downloadable field engineering data	Confirmed through email conversation. This can be provided through direct export of Vetro data
☒	☐	Online and downloadable detailed construction maps	Confirmed through email conversation. This can be provided through direct export of Vetro data
☒	☐	Bills of materials linked to locations	Confirmed through email conversation. Bills of materials will be linked to locations.
☒	☐	GIS network diagram that reflects what was built out	Confirmed through email conversation. Vetro fiber map will be the live network map. Vetro does have export capability.

Part 7

Y	N	Question	Notes
☒	☐	Equipment and materials must comply with the domestic content requirements of the American Rescue Plan Act	

ctc technology & energy

engineering & business consulting

To:	Alissa Matthews, *Special Projects Director* Vermont Community Broadband Board (VCBB)
From:	Teles Fremin, P.E., *Deputy Chief Technology Officer* Danny Fortier, *Infrastructure and Grant Services Subject Matter Expert*
Re:	Evaluation of business plan from DVFiber
Date:	April 23, 2022

At the request of the Board, this memo provides a review of the business plan and additional documentation provided by Deerfield Valley Communications Union District (DVCUD), doing business as DVFiber, in conjunction with GWI (Great Works Internet). Based on our review, DVFiber's grant application meets the specifications put forth in the Board's Application Requirements.

DVFiber is proposing a reduced scope fiber-to-the-premises (FTTP) deployment and associated business plan. Due to unforeseen budgetary overages caused by a culmination of factors, including increased make-ready costs, accidental omission of labor items in the original budget, and other factors, DVFiber with the assistance of GWI has reduced the overall scope of its original grant request in an effort to maintain a financially viable business plan.

The total fiber service areas (FSA) have been reduced from 155 to 38, which results in a mileage reduction of 1,136 miles (from 1,713 miles to 577 miles) and a reduction of total broadband serviceable locations (BSL) of 21,213 (from 27,296 to 6,051). The revised FSAs were selected to preserve the FSAs with the highest percentage of unserved/underserved (UU) addresses. In this way, DVFiber intends to reduce overall capital expenditure while simultaneously serving as many UU addresses as the budget allows, in an effort to achieve the highest penetration rate per dollar spent and preserve as much revenue as possible.

The revised plan is divided into two primary phases, A and B, and will construct 557 miles of fiber and connect 4,687 locations ███████████████████████████████. Phase A consists of FSAs that are currently underway (21 in total). Phase A will ████████████ ███████████████████████████ construct 302 miles of fiber, and will

connect a total of 2,532 UU addresses ███████████████ This phase is expected to be completed within the next year.

Phase B (consisting of the remaining 17 FSAs) ████████████ ████████████, will construct 255 miles of fiber, and will connect approximately 2,155 underserved and unserved addresses█ ████████████. The funding for Phase B will come from a combination of Broadband Equity, Access, and Deployment (BEAD) Program funding, subordinated debt and municipal bonds, and ████████ from VCBB for BEAD matching funds.

DVFiber has identified 2,155 additional eligible addresses that are not currently covered in the business plan. These addresses are expected to qualify for BEAD funding under the Extremely High Cost Per Location process, and DVFiber plans to secure this funding in order to serve these addresses.[1] Additionally, 411 addresses have since become served by CCI.[2]

According to the financial models provided, DVFiber expects to be net operating income cash flow positive by 2027. It is critical to note that DVFiber's business plan for Phase B and its USP, including the additional 2,155 addresses, rely heavily on the availability of BEAD funding. ████ ██ ████████████████████████████

Attachment A includes the checklist that was used to evaluate the original application, business plan, and network design. Items that were updated in the reduced scope proposal are indicated in red.

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[1] These additional addresses will be required to achieve NWFx's universal service plan, but were removed from the business plan at the direction of staff as they are expected to be served through an alternate approach.
[2] DV Fiber has not provided proof that all addresses are currently served by CCI as of this memo.

Attachment A: Application review checklist

State of Vermont Act 71 Application Review Checklist

Applicant: DVFiber

Eligibility

Act 71 Construction Program RFP "Eligible Provider"

Y	N	Question	Notes
☒	☐	Is the applicant a Communications Union District?	*Deerfield Valley Communications District (DVFiber)*
☐	☒	Is the applicant a small communications carrier?	
☐	☒	Is the applicant an Internet Service Provider working with a CUD?	
☐	☒	Is the applicant a Municipality?	

Required Documents

Y	N		Notes
☒	☐	Business Plan Included?	*DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	Universal Service Plan Included?	
☒	☐	Maps / KMZ files included?	*Updated shapefiles submitted.* *Also updated maps included in business plan*
☐	☒	Subcontract(s) if applicable	*Subcontracts are mentioned but not provided.*
☒	☐	Transmittal letter	
☒	☐	Applicant Certification	

		Other necessary documents	
☒	☐	*Other necessary documents*	

Proposal Details

Act 71 Construction Program RFP P14 "Step 2: Full Proposal (By invitation Only)

1. Transmittal Letter and Proposal Overview

Y	N	Question	Notes
		Does the transmittal letter and proposal overview contain the following information:	
☒	☐	*Full contact information for the applicant and any collaborators?*	
☒	☐	*Preferred Application Process*	*Phased*
☒	☐	*Total Estimated Cost to Complete the Universal Service Plan*	██████ *DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	*"Estimated Cost" for the Universal Service Plan project to be completed in the next 24 months (or in a 24-month period)*	██████ *DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	*Community matched funds or other funds to be contributed to the project*	*BEAD Funds* *Subordinated Debt* *Municipal Funds* *BEAD Match funds from the VCBB*

2. Applicant Certification

Y	N	Question	Notes
☒	☐	*Has the applicant certified in writing all conditions contained in the construction program RFP?*	
General Information			
Y	N	Question	Notes
☒	☐	*Does the applicant intend to use subcontractors?*	*Part 1 Section 8 of the Transmittal letter*

4

☐	☒	*Are the subcontractor terms included?*	*Subcontracts are mentioned but the contracts and specific terms are not provided.*
☐	☒	*Are there copies of the subcontract(s) included with the proposal?*	*Subcontracts are mentioned but not provided.*
☒	☐	*Is there an attached ACT 71 compliant business plan?*	*DVFiber Business Plan Update FINAL 15Jun2022_David Jones*
☒	☐	*Are there supporting documents for the business plan?*	

3. Universal Service Plan

3.1 Proposed Universal Service Plan

Y	N	Question	Notes
☒	☐	*Does the application contain a proposed Universal Service Plan?*	*DVFiber_Universal Service Plan_David Jones* *See revised business plan DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	*Has the applicant detailed the area(s) in which they propose to provide universal service per the requirements in the RFP?*	
☒	☐	*Has the applicant provided a map showing the current coverage in the proposed USP and the total number of qualifying locations?*	
☒	☐	*Has the applicant described who will own the resulting infrastructure?*	*DVFiber Business Plan Update FINAL 15Jun2022_David Jones P5*
☐	☒	*Are any of the planned service areas members of a CUD?*	
☐	☐	*If so, has the applicant provided a letter of support from the district and documentation explaining the relationship?*	

3.2 Universal Service Plan

Y	N	Question	Notes
☐	☐	Does the USP provide 100/100 Mpbs service to all qualified locations?	This doesn't seem to be explicitly stated but rather inferred by their design and equipment capability for each FSA.
☒	☐	Is the applicant serving all locations directly?	DVFiber has an exclusive contractual relationship with GWI that enables DVFiber to be the sole owner of the broadband network infrastructure and the Internet Services Provider (ISP) of record.
☒	☐	If yes, have they presented a phased approach for serving all locations?	
☐	☐	If not, have they explained how the qualified locations will be served broadband service?	
☒	☐	If yes, is there an included timeline showing each phase?	
☒	☐	Have they provided an overview of obstacles?	
☐	☒	Are there any commitment letters from other providers?	
☐	☒	Is this a joint application?	
☒	☐	Is there a timeline for achieving universal service?	
☐	☒	Are there any attached documents supporting the applicant's commitment to universal service?	

3.3 Estimated Total Cost to Serve

Has the applicant provided the following information?

Y	N	Question	Notes
☒	☐	Total cost estimate for serving all qualified locations encompassed by the USP	████████ *DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	The number of such locations	*4,687*
☒	☐	A description of how the estimate was derived and factors that will influence the final cost	Various explanations across the grant application and the business plan explain how the estimate was derived as well as descriptions of factors that will influence the cost.

3.4 Other Funding Sources

Y	N	Question	Notes
☒	☐	Are there details of known or reasonably anticipated additional financial support to the USP	*BEAD Funds* *Subordinated Debt* *Municipal Funds* *BEAD Match funds from the VCBB* *DVFiber Business Plan - 1.7.docx.pdf* *FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*

3.5 Community Engagement

Y	N	Question	Notes
☒	☐	Detail of efforts to engage the local municipality or area subject to the grant proposal	Part 4 Section 4 of the Transmittal letter

4. Project Description

Y	N	Question	Notes
		Does the project description contain the following information?	

4.1 Eligible Locations to be Served

Y	N	Question	Notes
☒	☐	All eligible locations to be served.	

4.2 Not to Exceed or Estimated Price

Y	N	Question	Notes
☒	☐	Not to exceed price or estimated price for the project	
☐	☒	Phased price estimate (Phased projects only)	██████ *DVFiber Business Plan - 1.7.docx.pdf* *FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*
☒	☐	Figure specifies if drops are included or not in the price	Part 5 Section 2 of the Transmittal letter
☒	☐	Amount dedicated to drops is consistent with feasibility plan	

4.3 Timeline

Y	N	Question	Notes
☒	☐	Detailed timeline for this project and additional phases of the USP	

4.4 Retail Pricing

Y	N	Question	Notes
☐	☒	*Is there a list of determined pricing?*	███████████████
☐	☐	*If yes, is there a list of all proposed retail prices for service including additional fees (such as equipment rentals)*	
☐	☒	*If no, is there detail on how pricing will be determined and demonstrate how the network will be self-sufficient?*	
☐	☒	*Does the applicant currently provide symmetrical services to other areas at a lower rate?*	
☐	☐	*If so, is there an explanation of the price difference?*	

4.5 Additional Services

Y	N	Question	Notes
☒	☐	*Description of additional services*	Voice service. *VOIP*

4.6 Detailed Project Budget

Y	N	Question	Notes
☒	☐	*Has the applicant provided a detailed project budget outlining line-item estimates for each activity?*	*FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*

4.7 Network Performance and Monitoring

Y	N	Question	Notes
☒	☐	*Plan for network performance and monitoring to identify congestion, maximize throughput and improve network performance.*	

4.8 Other Information

Y	N	Question	Notes
☒	☐	*Any other relevant information included demonstrating the technical, financial, and economic feasibility of the project and qualifications of the project team.*	*Included information in Appendix's 1-7*

5. Act 71 Considerations

Y	N	Question	Notes

5.1 Collaboration and Coordination

Does this project include collaboration with any of the following?			
Y	**N**	**Question**	**Notes**
☒	☐	*Other CUDs or municipalities that were not part of a CUD on June 1, 2021.*	*Brookline is the most recent town to join the DVCUD and was accepted June 23, 2021.*
☒	☐	*Utilities serving the area of the USP*	*Green Mountain Power (GMP) & Jacksonville Electric Co.*
☒	☐	*Telephone, cable providers or other ISPs*	*Consolidated Communications (CCI)*
☒	☐	*Other entities*	*The Windham Regional Planning Commission (WRC)*

5.2 Resiliency and Redundancy

Y	N	Question	Notes
☒	☐	Does the project detail steps taken to provide resiliency and redundancy?	DVFiber_Act Considerations_David Jones Section 30
☒	☐	Does it provide interconnection locations?	
☒	☐	Does it comply with Outside Plant Requirements?	

5.3 Incidental Overbuild

Y	N	Question	Notes
☒	☐	Does the project detail incidental overbuild locations?	FSAs in the revised plan were specifically chosen in order to reduce overbuild. Any incidental overbuild that occurs is a necessary result of extending the plant in order to reach the desired FSAs.
☐	☐	Included percentage of addresses to be served that already have access to speeds of at least 25/3	NA
☐	☒	Is the proposed incidental overbuild addresses less than 20% of the total number of addresses passed?	The incidental overbuild requirements have changed and this is no longer applicable

5.4 Sustainability

Y	N	Question	Notes
☒	☐	*Does the project detail how it plans to fulfil its USP within the required timeframe?*	*DVFiber Business Plan - 1.7.docx.pdf* *FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*
☒	☐	*Does the project describe how this grant is consistent with their existing business plan*	*DVFiber Business Plan - 1.7.docx.pdf* *FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*

5.5 Affordability

Y	N	Question	Notes
☒	☐	*Will the applicant be participating in the Communications Commission's Affordable Connectivity Program (ACP)*	*Part 5 Section 5 of the Transmittal letter*
☒	☐	*Will the applicant provide access to a broad-based affordability program to low-income consumers commensurate with those provided under the ACP?*	

5.6 Technical and Security Approach

Does the project include or consider the following?			
Y	N	Question	Notes
☒	☐	*Network operation, including tools or techniques in a manner that ensures reliable communications*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*How to assess operational performance of the network and use the gathered information to optimize the network and services*	*DVFiber_Act 71 Considerations_David Jones Section 34*

☒	☐	*A summary of the information exchange interfaces for communicating devices*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of how the project will provide openly available and proprietary aspects of the interface specifications and how legacy devices and systems will be integrated into the project.*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of how response to failure and device upgrade scenarios will be handled so that overall system impact is mitigated*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of how the project will support compatibility with cyber security framework and protocols*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of cyber security risks and how they will be mitigated (Focused on vulnerabilities and impact)*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of the cyber security criteria utilized for vendor and device selection*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of relevant cyber security standards or best practices*	*DVFiber_Act 71 Considerations_David Jones Section 34*
☒	☐	*A summary of how emerging security standards will be supported*	*DVFiber_Act 71 Considerations_David Jones Section 34*

6. Attachments

Y	N	Question	Notes
☒	☐	*Act 71 compliant business plan*	*DVFiber Business Plan - 1.7.docx.pdf*
☐	☒	*Letters of support including letters of support from municipality to be served if applicant is a non-CUD applicant.*	
☒	☐	*Documentation of commitment of community matching funds*	*Marlboro Select Board Minutes – 6/9/22 – Page Two*

☒	☐	*Does the letter state the amount of funds and detail the intended use of the funds in support of the project?* **Act 71 Construction Program RFP P4 Funding Available, Section 2*	
☒	☐	*Response to service quality complaints*	
☐	☒	*Operating agreements and other partnership agreements*	*Master Services Agreement that defines the overall relationship and seven Statements of Work (SOWs) are mentioned but not included.*
☒	☐	*USP Map*	
☒	☐	*Link to GIS shapefile*	*See revised shape files*
☒	☐	*Accompanying spreadsheet showing addresses, E-Site IDs, current level of service and expected service date*	*See revised address list DVF-service-locations (1).xlsx*
☒	☐	*Request for confidentiality memo*	*DVFiber_Confidentiality Request 15Jun2022_David Jones*

ACT 71 Compliant Business Plan
*Act 71 Construction Program RFP P2 Definitions and Explanations

General

Y	N	Question	Notes
☒	☐	*Were the business plans produced via a PSD Broadband Innovation Grant?*	
		Who produced the business plan?	*DVFiber has produced this update with essential technical, financial, and marketing input from GWI.*
☐	☐	*Has it been independently signed off on by a financial institution?*	*Not Specified Clearly. The Feasibility Study was reviewed and affirmed by Municipal Capital Markets.*

Y	N		Notes
☒	☐	Has it been updated since?	*04.16.2024*
☒	☐	Does the business plan include a Universal service plan?	

Required Data

Does the business plan include the following?

Y	N	Question	Notes
☒	☐	High level engineering and design plans	*DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	Market analysis	
☒	☐	Take rate assumptions	*DVFiber Business Plan - 1.7.docx.pdf*
☒	☐	Cash flow positive date	*2027* *DVFiber Business Plan - 1.7.docx.pdf*
☐	☒	Loan payoff date	
☒	☐	Financing Models	*FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*
☒	☐	Pro forma financial projections	*FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*
☒	☐	Estimated construction costs	*FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*
☒	☐	Ideal operational models	*FY 2024-2033 Revised DVF Budget Version 1.7 (04.16.2024).xlsx*

Risk Evaluation

		Does the business plan evaluate the following risks?	
Y	**N**	**Question**	**Notes**
☒	☐	*Labor needs and availability*	*DVFiber Business Plan Update FINAL 15Jun2022_David Jones P18*
☒	☐	*Supply chain contingencies*	
☒	☐	*Make ready work*	
☒	☐	*Other relevant operational expenses*	

Project Prioritization

		Act 71 Construction Program RFP P8 Definitions and Explanations	
Y	**N**	**Question**	**Notes**
☒	☐	*Does the project leverage existing resources and assets?*	
☒	☐	*Does the applicant demonstrate project readiness and have community support?*	While the applicant has made progress towards readiness, there is still much preparation to be done before being considered ready.
☒	☐	*Does the project support low-income or disadvantaged communities?*	
☒	☐	*Does the project promote geographic diversity of fund allocations?*	
☒	☐	*Does the project provide consumers with affordable service options and/or commit to participate in a program that supports low-income consumers?*	
☐	☒	*Does the project Include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes?*	The proposed network will not be accessible by multiple providers
☒	☐	*Does the project provide a network design that is scalable, addresses redundancy and will result in*	

OSP Design Requirements
VCBB Outside Plant Design Requirements

Part 1

Y	N	Question	Notes:
		Does the design include standards that cover the following:	
☒	☒	Fiber sparing and reservation recommendations	They mention that excess capacity is being built into their design via excess fibers but don't explicitly state how sparing will be achieved.
☐	☒	No less than 3 tubes of spares between hubs	
☐	☒	1 spare tube between the OLT and splitter	
☐	☒	Included loss budgets	
☒	☐	Accountability for future / unplanned growth including public safety and wireless	The equipment used to aggregate the fiber connections is sized to 75% of the equipment total capacity, allowing for additional premises to be added to the network as the areas construct new premises.
☐	☒	No middle-mile cable size less than 48F	Fiber counts aren't mentioned.
☒	☐	Power supply and back up requirements for active locations	

Part 2

Y	N	Question	Notes
☐	☒	Pre-assigned PON splitter and OLT port for every identified E-911 address	Not provided
☐	☒	Estimated drop distances and routes for demand points	Not provided

Y	N		Notes
☐	☒	*Slack budgets and identification of slack points*	*Not provided*

Part 3

Prior to Closeout Design Deliverables			
Y	**N**	**Question**	**Notes**
☐	☒	*Detailed planned optical loss calculations*	*Calculations not listed*
☐	☒	*Loss testing results in accordance with ANSI/TIA/EIA 526-7*	*Not mentioned.*

Part 4

Y	**N**	**Question**	**Notes**
☐	☒	*Prior to closeout splice diagrams in GIS format*	*Not mentioned*

Part 5

Recommended integration locations that consider the following:			
Y	**N**	**Question**	**Notes**
☒	☐	*Geographic redundance*	
☐	☒	*Connections with adjacent CUD networks*	
☐	☒	*Connections with private networks*	
☒	☐	*Future redundancy options*	

Part 6

		Prior to close-out design mapping deliverables	
Y	**N**	**Question**	**Notes**
☐	☒	*Online and downloadable field engineering data*	*Not mentioned*
☐	☒	*Online and downloadable detailed construction maps*	
☐	☒	*Bills of materials linked to locations*	*Not specified*
☐	☒	*GIS network diagram that reflects what was built out*	*Not mentioned*

Part 7

Y	**N**	**Question**	**Notes**
☐	☒	*Equipment and materials must comply with the domestic content requirements of the American Rescue Plan Act*	*Not mentioned*

BEAD Potential Subrecipient Support Grant Program
Funding Recommendations 4/29/24

In 2023, the Vermont Community Broadband Board (VCBB) was awarded $229 million in funding from the federal Broadband Equity, Access, and Deployment (BEAD) Program. In an effort to promote a competitive program, the VCBB established the BEAD Subrecipient Support Program. The VCBB Board has approved $1 million to provide needs-based grants to Eligible Providers to ensure they have the resources required to participate in the competitive BEAD grant program.

Goals of the Programs:

- To ensure all types of Eligible Providers have the ability to compete in the BEAD program.

- To encourage collaboration among potential subgrantees to promote the efficient expenditure of grant funding. This can lower costs and promote greater oversight and accountability.

- To encourage planning in expectation of the subrecipient selection process raising the quality of applications received.

- To raise the caliber of the applications received during the BEAD subrecipient selection process.

- To gather information to inform the implementation of the program from key stakeholders.

Scoring of Proposals:

o 25 points – Likelihood of participating in the BEAD Program

o 25 points – Extent of Barriers to participation (This can include new market entities, non-traditional entities, entities challenged to meet other BEAD Requirements)

o 20 points – Proposed scope and budget

o 10 points – Evidence of pursuing a collaborative approach or evidence of outreach to communities in the proposed service area

o 10 points – Commitment to provide speeds of at least 100/100 Mbps via a Fiber Optic Connection, participation in the Affordable Connectivity Program, and agreement to meet Outside Plant Design Standards

o 10 points – Provision of required data in the appropriate format. Current Grantees are exempt since data has previously been submitted to the VCBB.

Scoring of Individual Proposals:

Maple Broadband - $69,800 (Score Avg – 93.5/100)

This additional request from Maple & WCVT. Total grant would be $169,800. Support will fund efforts to submit a joint WCVT/Maple application. This includes data adjustments to reflect on-grid/off-grid and what has been built and/or is funded from other sources across the joint service area; optimizing the existing designs to reflect both on-grid and off-grid and reflect the work completed by competitors, and technical support for compiling data and drafting the application packet.

Recommendation:

Staff recommends approving support via the Potential BEAD Subrecipient Support Grant Program for Maple Broadband/WCVT for a total of $69,800. This brings the total grant amount for Maple/WCVT to $169,800.

The projects proposed for funding meet the requirements outlined in the request for proposals. These include the likelihood of participation in BEAD, the presence of significant barriers to participation, among others. Additionally, most of the efforts proposed are ready to be executed (i.e. consultants identified). The program will fund modeling, application preparation, match analysis, legal analysis for partnerships and consortiums, and evaluating and updating plans to connect all BEAD eligible applications with fiber.

With the approval of these two applications, total dollar amount committed to the $1 Million program equals $720,970 with $150,000 pending from DVFiber. We will review the DVFiber application at a May board meeting once adjustments to the ARPA's Universal Service Plan are approved.

Motion: To approve the Potential BEAD Subrecipient Support Program awards of $69,800 for Maple Broadband/WCVT.

1. Purpose: The VCBB adopts this policy to fulfill the Legislative directive of affordable universal broadband service and to meet the VCBB's statutory obligation to establish policies that provide broadband construction grant criteria, that among other criteria, provide consumers with affordable broadband service. The VCBB's policy seeks to balance VCBB's grantees' sustainable business plans with their obligations to provide affordable broadband service.[1]

2. Affordability Policies:

> **a. Grant Conditions to Include Affordability:** The policy of the VCBB is to include obligations to perform practices and provide service options that promote affordability, as enumerated below, in its grant awards or agreements. Practices and service terms to promote affordability stated in each grant apply to all locations in the grantee's service territory in which grant funds are used for construction.

> **b. Construction and Design:** VCBB awards grants for the construction of broadband networks serving all Vermont locations regardless of resident income or property value. Funded network designs must therefore achieve universal service and progress the construction of the grant-funded network without regard to property value or household income.

>> **i. Inclusive design.** Locations developed as low-income housing will be served by the grantee's construction unless already served. Overbuilding existing broadband service otherwise allowed by grant rules shall not avoid routes serving less profitable locations unless no efficient and economically reasonable route is available.

>> **ii. Prioritizing On-Grid and Year-Round Locations.** The VCBB's affordability policy prioritizes grant investment in serving habitable year-round locations, and with respect to ARPA-funded projects, those that are identified as E911 addresses served by the electric grid.[2] For purposes of this policy, habitable year-round structures are (a) accessible by vehicles licensed for public road use, (b) served by a potable water source, (c) closed to the elements with doors and windows, and (d) served by an operable heat source.

> **c. Affordability Planning:** In making grant awards, the VCBB will consider whether the business model of the grantee/applicant reflects feasible steps to efficiently build and install broadband service and minimize the cost of retail service to the consumer, including but not limited to

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[1] Federal funding under the Broadband Equity Access and Development Program (BEAD) was authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021), also known as the Bipartisan Infrastructure Law. It's criteria for affordable service and sustainable business practices vary from those described in Act 71. The Board seeks to set an affordability policy that can be met by projects funded under either source.

[2] 30 VSA §8082(7).

grantee's network design, bulk cost reductions, revenue reinvestment, and public funding.[3] Grantees business model must document and incorporate the annual income range of consumers in the grantee's service area and projected grant-funded network take rates and revenues, as well as the range and average service pricing. The business plan must be approved by the board of the VCBB and periodically reviewed for consistency with this policy, the approved model, and for accuracy of its assumptions.

d. Affordability in Operations: The affordability best practices described in this subsection 2.d, referred to as Grantee Affordability Initiative (GAI), are to be implemented by the grantee (where necessary, in coordination with the network operator) within twelve months of offering service to any customer on a grant-funded network. The GAI includes grant conditions that promote retention of low income consumers in the grantee's service area, an objective of publicly funded broadband to meet both affordability and digital equity objectives.[4] VCBB GAI grant conditions specifically include:

i. **Cost of Service and Net Income**. Annual evaluation of grantee's cost to provide service, the net income, after debt service, and grantee's plan to use net proceeds to sustain or lower rates, especially for income-qualified consumers;

ii. **Digital Equity Plan.** Development of a digital equity plan with a three-year forecast to be updated annually, that reports the average household income and change in population in the service area,[5] the take rate of the grantee's broadband service, and the implementation of a digital education outreach initiative (provided directly or indirectly) for consumers in the provider's service territory or district including, for example, technical skills development, budgeting for digital services, support in useful applications, and advice for safe use of web-based resources.

iii. **Government Subsidy Services.** Prompt enrollment by the grantee or its operator and active participation in any government-funded subsidy programs that reduce consumer cost of broadband applicable to the grantee's service area, such as costs of installation, service, equipment or devices, including (a) public promotions to qualified consumers of any subsidy programs in which the provider is participating by the most effective means reasonably designed to reach consumers in the funded network service area, (b) coordination with key community institutions and social service agencies to promote affordable and subsidized service plans, (c) training of grantee's customer service representatives to integrate subsidies and low-cost service

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[3] Under VT-BEAD, subgrantees must demonstrate a commitment to reinvest revenue into increasing efficiency and ensuring that rates remain affordable over the lifetime of the funded network or 20 years, whichever is greater. By way of example, this commitment could be demonstrated through a business   plan that limits the network's profit in favor of reinvestment, or through a commitment to a stable or decreasing price for service throughout the life of the funded network or 20 years, whichever is greater.

[4] The VCBB does not require grantees to measure or monitor the disposable income of customers or to mandate service selections based on income.

[5] Using the most recent income and population statistics used by the State of Vermont (generally based on the most recent U.S. Census Bureau report).

offerings in all sales communications, and (d) incorporate information regarding public subsidy eligibility in customer late payment notices and service termination communications.[6]

3. **Annual Report:** It is the policy of the VCBB to monitor grantee's progress of achieving affordable service on networks funded by grants awarded by the VCBB. As a condition of each grant, Grantees will produce for the review of the VCBB a report for each calendar year by or before October 1 that demonstrates performance of the GAI. The annual report must be delivered with a confidential statement (to protect proprietary information) for the VCBB's review that includes the information required at subsection 2.c, and 2.d, and numeric data for the reporting   period for   the (wholly or parti   ally) funded network:

> (a) the rate tiers offered to consumers,

> (b) the total number of customers accessing the funded network in each rate tier during the reporting year,

> (c) the number of customers that received subsidized service (if any) during the reporting year, by subsidy program,

> (d) the number of customers receiving subsidies, if any, that terminated service during the reporting year (subsidy churn),

> (e) the average cost to customers of initiating and installing service with and without any applied subsidization,

> (f) the average cost to the grantee (or its network operator), if any, to subsidize or defer customers charges for installation and initiation of service in the reporting year, and

> (g) the total   amount of service subsidy payments received by or due to the provider for the grant-funded network during the reporting year.

The numeric reporting measures (a) through (g) are referred to as the "Affordability Impact Measurements" (AIM). Notwithstanding the confidentiality statement, the AIM   and the GAI data may be aggregated and used anonymously to demonstrate and report the impact of publicly funded network infrastructure and affordability measures.

4. **Enforcement.** This policy is intended to endure past current Act 71 funding and apply under future funding such as VT-BEAD. This policy is intended to be applied to all funded grants except to the extent that a provision of this policy conflicts with the requirements of the funding program (including but not limited to the VT-BEAD affordability requirements). A grant recipient or eligible grant recipient may request the Board determine whether a provision of the policy conflicts, as written or applied, with the requirements of the funding program, and the Board will promptly

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[6] Regarding low-income qualified consumers: The VCBB anticipates that public broadband subsidies will identify qualifications for consumers. To reduce risk associated with maintaining confidential consumer information and to ensure equitable treatment among consumers, the VCBB recommends that grantees that choose to develop and implement an income-based subsidy use an objective measure established in an existing subsidy program administered by a third party, such as by proof of participation in specified state or federal low-income subsidies.

determine whether the particular provision of the policy conflicts, and should either not apply or be modified.

The VCBB or its successor may determine, upon review and deliberation, whether a grantee or it's provider has failed to meet the obligations of this affordability policy, and determine the applicable remedies available under the terms of the grant for the breach of the grant agreement.

> **a. Design Review and GAI Administration.** At any time during or after construction of a broadband network funded by a grant awarded by the VCBB, the VCBB, upon its own investigation, or upon a complaint of a third party, may take necessary steps to receive credible information to determine grantee's compliance with this policy. The Chair of the VCBB or the executive of its successor, may determine whether information of non-compliance is sufficient to hold a hearing before the full board (or its successor) to determine whether the grantee is in violation of a grant agreement, including but not limited to this affordability policy.

> **b. Service Complaints.**   The VCBB, upon its own investigation, or upon a complaint of a third party, may receive credible information of the lack of affordability or cost-effectiveness of services offered by a grantee, including but not limited to complaints received by the Vermont Department of Public Service, Consumer Affairs and Public Information Division (CAPI), which is charged with hearing consumer complaints regarding utility services. The Chair of the VCBB, or the executive of its successor, may determine whether such information is sufficient to hold a hearing before the full board to determine whether grantee is in violation of a grant agreement, including but not limited to this affordability policy.

5.   Duration. This policy applies to all network projects that are the subject of a grants awarded by the VCBB and the conditions of this affordability policy are applicable to each grant for a period from the date of the grant agreement to December 31, 2034, or for ten years after the year in the grant is closed out, ending on December 31 of that year, whichever is longer.