

VERMONT COMMUNITY BROADBAND BOARD

BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (BEAD) PROGRAM

REQUEST FOR APPLICATIONS FOR VERMONT BEAD SUBRECIPIENTS

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CONTACT

PROGRAM QUESTIONS AND TECHNICAL ASSISTANCE

For general and programmatic questions, email the VCBB BEAD team at vcbb.bead@vermont.gov.

For Preproposal Portal technical assistance, email Stone Environmental at vcbb_tech_support@stone-env.com (vcbb_tech_support@stone-env.com).

SECTION 1: OVERVIEW

INTRODUCTION

The [Broadband Equity, Access, and Deployment \(BEAD\) Program](#) provides \$42.45 billion to expand high-speed internet access by funding infrastructure deployment programs in all 50 states, Washington D.C., and U.S. territories.¹

The Vermont Community Broadband Board² (VCBB) will administer the BEAD Program in Vermont with a [state allocation](#) of \$228,913,019.08. VCBB submitted its initial Letter of Intent to participate in BEAD in 2022 and received NTIA's approval of its application ([Vermont's BEAD Initial Proposal](#)), consisting of the Vermont's BEAD Five-Year Action Plan, Vermont's BEAD Initial Proposal Volume One, and Vermont's Initial Proposal Volume Two on July 25, 2024.

The Vermont BEAD (VT-BEAD) program is based on significant stakeholder engagement and aligns Vermont's broadband goals with the BEAD's federal goals and requirements. The application documents submitted to NTIA, along with additional information on VT-BEAD planning and implementation, can be found on the VCBB [Broadband Equity, Access, and Deployment \(BEAD\) Program](#) webpage.

This RFA solicits proposals from Prospective VT-BEAD Subrecipients to connect Unserved and Underserved Locations to attain universal broadband connectivity within a project area in Vermont.

¹ The [Infrastructure Investment and Jobs Act](#) of 2021 established the [Broadband Equity, Access, and Deployment \(BEAD\) Program](#), providing an appropriation of \$42.5 billion to the Department of Commerce for the deployment of broadband networks to Unserved and Underserved Locations (47 U.S.C. § 1702). The Department of Commerce assigned the administration of BEAD to the [National Telecommunications and Information Administration](#) (NTIA), which issued a [Notice of Funding Opportunity](#) (NOFO) on May 13, 2022.

² [Vermont Act 71](#) of 2021 established the Vermont Community Broadband Board within the Department of Public Service to coordinate, facilitate, support, and accelerate the development and implementation of universal community broadband solutions (30 V.S.A. §§ 8081–8089a).

ABBREVIATIONS & ACRONYMS

BEAD	Broadband Equity, Access, and Deployment
BSL	Broadband Serviceable Location
CAI	Community Anchor Institution
CUD	Communications Union District
EHCT	Extremely High Cost Per Location Threshold
FCC	Federal Communications Commission
ms	Milliseconds
Mbps	Megabits per second
NOFO	Notice of Funding Opportunity
NTIA	National Telecommunications and Information Administration
RFA	Request for Applications
VCBB	Vermont Community Broadband Board

DEFINITIONS

Broadband Equity, Access, and Deployment (BEAD) Program – A program authorized by the Infrastructure Investment and Jobs Act of 2021³ that provides federal funding to the National Telecommunications and Information Administration (NTIA) to grant to states, Washington, D.C., and U.S. territories for broadband planning, deployment, mapping, equity, and adoption activities. Under the BEAD Program, Vermont is eligible to receive up to \$228,913,019, which will be administered by the Vermont Community Broadband Board.

Broadband Serviceable Location (Location or BSL) – A business or residential Location in Vermont at which fixed broadband Internet access service is, or can be, installed. A BSL may be either Unserved, Underserved, or served; only Unserved and Underserved BSL's are eligible for BEAD funding.⁴

- **Served Location** – A Location that has broadband service offering speeds at or above 100 Mbps download / 20 Mbps upload and latency at home or below 100 milliseconds, after Vermont challenges and subsequent data alignments to capture

³ 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 Infrastructure Act or Bipartisan Infrastructure Law.

⁴ See the NTIA [BEAD NOFO](#) (p. 13) for the complete NTIA definitions of “location” and “broadband serviceable Location.” Additional information is available from the FCC: [About the Fabric: What a Broadband Serviceable Location \(BSL\) Is and Is Not](#).

enforceable commitments have been incorporated (see VCBB [ArcGIS Hub site](#) page).

- **Underserved Location** – A Location that is (a) not an Unserved Location, and (b) that has service offering only speeds below 100 Mbps download / 20 Mbps upload and/or latency above 100 milliseconds, after Vermont pre-modifications and challenges have been incorporated, as shown on the VCBB [ArcGIS Hub site](#) BEAD page.⁵
- **Unserved Location** – A Location that the Broadband DATA Maps⁶ show as without any broadband service or having broadband service offering only speeds below 25 Mbps download / 3 Mbps upload and/or latency above 100 milliseconds, after Vermont pre-modifications and challenges have been incorporated, as shown on the VCBB [ArcGIS Hub site](#) BEAD page.⁷

Community Anchor Institution (CAI) – An entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.⁸

Communications Union District (CUD) – A body politic and corporate consisting of two or more towns and cities for the purpose of delivering communications services and the operation of a communications plant. For the purposes of this RFA, CUDs are considered municipally organized entities. A map of current CUDs, as well as background information on CUDs in Vermont, can be found on the [Vermont Community Broadband Board](#) website.⁹

Consortium – Two or more Prospective Subrecipients that jointly propose to serve a Final Project Area, with each Prospective Subrecipient taking responsibility for serving different BSLs within the Final Project Area.

Extremely High Cost Per Location Threshold (EHCT) – A cost threshold for the average of each Unserved/Underserved Location in a project area, above which VCBB may decline to select a proposal or seek to adjust the cost of a proposal if negotiations with a Prospective Subrecipient do not result in a cost commitment below that threshold.¹⁰ The EHCT is based on the amount of VT-BEAD funding requested per Location (i.e., does not include match), is set iteratively after receiving all BEAD Full Proposals, and may vary from project area to project area.

⁵ See the [BEAD NOFO](#) (p. 7 and 16) for more information about Underserved Locations.

⁶ As defined in the [BEAD NOFO](#) (p. 11), “the term ‘Broadband DATA Maps’ means the maps created by the Federal Communications Commission under Section 802(c)(1) of the Communications Act of 1934 (47 U.S.C. § 642(c)(1)).”

⁷ See the [BEAD NOFO](#) (p. 7 and 17) for more information about Unserved Locations.

⁸ See the [BEAD NOFO](#) (p. 11) for more information about community anchor institutions.

⁹ See also [Vermont Title 30, Chapter 82](#): Communications Union Districts (30 V.S.A. §§ 3051–3085)

¹⁰ See the [BEAD NOFO](#) (p. 13) for more information about extremely high cost per Location thresholds.

Final Project Area – An area defined by VCBB including, if applicable, consideration of any requested modifications to the Initial Project Area filed by Prospective Subrecipients during the Pre-proposal period.

Final Proposal – VCBB’s final submission to the NTIA for BEAD grant funding that details how VT-BEAD will ensure that every Location in Vermont has access to a reliable, affordable, and highspeed broadband connection, drawing on all funding available to accomplish this goal, including but not limited to BEAD Program funds.¹¹

Funded Network – Any broadband network deployed and/or upgraded with BEAD program funds.¹²

Full Proposal – A Prospective Subrecipient’s bid for providing broadband service to each Unserved and Underserved Location within a Final Project Area. The full proposal must also demonstrate compliance with Gating Criteria and provides information to inform the number of points awarded for each of the Scoring Criteria.

Gating Criteria – A set of evaluation criteria that are required of each Prospective Subrecipient to be eligible for BEAD funding. If these criteria are not met, the Prospective Subrecipient is ineligible for BEAD funding, absent a waiver from the NTIA.¹³

Initial Project Area – The area defined by the boundaries of a Communications Union District (CUD) in those regions of the state where a CUD has been formed, or by the boundaries of a municipality in regions where no CUD has been formed. Prospective Subrecipients may request modifications to an Initial Project Area during the Pre-proposal period.

Letter of Credit – A requirement subject to a programmatic waiver allowing for the substitution of performance bonds.¹⁴ Where applicable, the Letter of Credit must be modeled after the VCBB Model Letter of Credit in Addendum 2.¹⁵

Middle Mile Infrastructure – Any broadband infrastructure that does not connect directly to an end-user Location, including a community anchor institution. This includes (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber,

¹¹ Internet For All Broadband Equity, Access, and Deployment (BEAD) Program Final Proposal Guidance for Eligible Entities, p. 4.

¹² See the [BEAD NOFO](#) (p. 13) for more information about funded networks.

¹³ Adapted from NTIA’s [Tricky Topics to Watch Out for in the Initial Proposal](#) (p. 6). The one exception to the statement that, "If these criteria are not met, the Prospective Subrecipient is ineligible for BEAD funding," is the instance where VCBB requests and is granted a waiver from the NTIA at the time of Final Proposal.

¹⁴ See the [BEAD NOFO](#) (p. 72–73) for more information about the letter of credit.

¹⁵ See [BEAD Letter of Credit Waiver](#) notice and the definition for “Comparable Evidence for Letter of Credit.”

and microwave links.¹⁶ As outlined by the BEAD NOFO (p. 69), any subrecipient that has received VT-BEAD funds for construction of Middle Mile Infrastructure must permit other broadband service providers to interconnect with its funded Middle Mile Infrastructure network facilities on a just, reasonable, and nondiscriminatory basis.

National Telecommunications and Information Administration (NTIA) – An agency within the U.S. Department of Commerce that is responsible for overseeing the BEAD Program and distributing BEAD funding to states.

Notice of Funding Opportunity (NOFO) – The Notice of Funding Opportunity (NOFO) for the Broadband Equity, Access, and Deployment (BEAD) Program describes how NTIA intends to administer the BEAD Program.

Other Last-Mile Broadband Deployment Project – A project that is not a Priority Broadband Project.

Pre-proposal – A Prospective Subrecipient’s submission that notifies the VCBB of its intent to participate in VT-BEAD, identifies any requested modifications to the Initial Project Area(s) for which it intends to submit a Full Proposal, and answers questions to provide basic information about its forthcoming Full Proposal and to indicate readiness to meet BEAD Gating Criteria. In most instances, filing a Pre-proposal for an Initial Project Area is required to have a Full Proposal considered for the corresponding Final Project Area. Filing a Pre-proposal for an Initial Project Area also constitutes a commitment to file a Full Proposal for the corresponding Final Project Area.

Priority Broadband Project – A project that will provision service via end-to-end fiber-optic facilities to each end-user premises. Any project that might otherwise qualify as a Priority Broadband Project may be disqualified from Priority Broadband Project status, with the approval of the Assistant Secretary of Commerce for Communications and Information, on the basis that the Location surpasses the VCBB’s Extremely High Cost per Location Threshold (EHCT), or for other valid reasons subject to approval by the Assistant Secretary.¹⁷

Project – A set of Locations within a Final Project Area to which a subrecipient commits to constructing and deploying infrastructure for the provision of broadband service. The Project must include every Unserved and Underserved Location within the Final Project Area and may also include a subset of served Locations (within the same Final Project Area) that the Prospective Subrecipient has identified as essential to completing the project. The number of served Locations in the Project may in no case exceeds 20 percent of the total number of Locations in the Project.¹⁸

Prospective Subrecipient – An entity that meets VT-BEAD Gating Criteria and, by filing a Pre-proposal, commits to participate in VT-BEAD. For Initial Project Areas where no entity

¹⁶ See the [BEAD NOFO](#) (p. 13–14) for more information about middle mile infrastructure.

¹⁷ See the [BEAD NOFO](#) (p. 14 and 42) for more information about priority broadband projects.

¹⁸ See the [BEAD NOFO](#) (p. 14) for more information about projects.

files a Priority Broadband Project Pre-proposal, a Prospective Subrecipient may also include an entity that files a Full Proposal for the corresponding Final Project Area.

Reliable Broadband Service – Broadband service accessible via (i) fiber-optic technology; (ii) Cable Modem/ Hybrid fiber-coaxial technology; (iii) digital subscriber line (DSL) technology; or (iv) terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum. Technology types that do not constitute Reliable Broadband Service include satellite, services using entirely unlicensed spectrum, and technologies not specified by the FCC for purposes of the Broadband DATA Maps.¹⁹

Scoring Criteria – Evaluation criteria that will be used to assign values or points to Full Proposals from competing Prospective Subrecipients. Scoring criteria are not requirements, but VCBB will determine which proposals to select for funding by allotting points based on these criteria.²⁰

Subrecipient – An entity chosen by VCBB to receive BEAD grant funds from the State of Vermont to carry out BEAD-eligible activities.²¹

Vermont Community Broadband Board (VCBB) – VCBB is the entity responsible for administering Vermont’s NTIA-Approved Broadband Equity, Access and Deployment Program (VT-BEAD). Vermont Act 71 of 2021 established the Vermont Community Broadband Board, consisting of five members and an Executive Director, within the Department of Public Service (PSD). VCBB staff are State of Vermont employees under the PSD.

VT-BEAD – Vermont’s NTIA-approved Broadband Equity, Access, and Deployment (BEAD) Program.

¹⁹ See the [BEAD NOFO](#) (p. 15 and 28) for more information about reliable broadband service.

²⁰ Adapted from NTIA’s [Tricky Topics to Watch Out for in the Initial Proposal](#) (p. 6).

²¹ See the [BEAD NOFO](#) (p. 15) for more information about the term “subrecipient.”

SECTION 2: VT-BEAD SUBRECIPIENT SELECTION PROCESS

SUBRECIPIENT SELECTION PROCESS OVERVIEW

In line with Vermont goals and federal guidelines, The VCBB has developed a transparent, fair, open, and competitive subrecipient selection process for receiving proposals from Prospective Subrecipients for VT-BEAD projects to advance universal broadband connectivity throughout Vermont. This process is open to any cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, or local governments.

The subrecipient selection process enables Prospective Subrecipients to request modifications to Initial Project Areas during the Pre-proposal period. VCBB may consider the modifications in determining Final Project Areas. During the Full Proposal Period, Prospective Subrecipients are required to propose how they will connect all Unserved and Underserved Locations within a Final Project Area, including an optional subset of served Locations consisting of no more than 20 percent of all Locations in the Prospective Subrecipient's proposed Project.

VCBB strongly encourages Prospective Subrecipients to utilize end-to-end fiber networks to each end-user premises (i.e., Priority Broadband Projects) to the extent feasible. Priority Broadband Projects will receive priority for VT-BEAD funding over Other Last-Mile Broadband Deployment Projects (Projects that are not Priority Broadband Projects; see Definitions) to the extent that funding allows. Per NTIA guidance issued after the approval of Vermont's Initial Proposal Volume 2, any changes to a Priority Broadband Project that occur during the Full Proposal negotiation stage and result in utilizing non fiber solutions (for example, to serve high cost Locations with a different technology to ensure a proposal is below the EHCT) will lose its Priority Broadband Project status and will be re-scored against other non-priority proposals. The VCBB encourages Prospective Subrecipients to maximize the number of Locations that they propose to reach with end-to-end fiber, particularly where the cost to deploy fiber is cost-effective.

The VCBB will allow applications from a Consortium. Per NTIA guidance, a Consortium application requires a single lead applicant for each Final Project Area. Consortium applications that span multiple project areas must be separable, *i.e.*, VCBB may select the Consortium as the winner in one project area but not another.²² A Consortium must be documented with a signed memorandum of understanding among the parties that declares the intention to operate as a consortium for the purposes of BEAD and identifies the lead applicant. If a Consortium is awarded a BEAD subaward, VCBB will establish a grant agreement directly with the lead applicant. The grant agreement will cover all awarded grant

²² For example, if a consortium applied to serve PA009 and PA010 with consortium member A serving PA009 and member B serving PA010, the VCBB may select the consortium for PA009 but not PA010.

funds for the entire project, and the lead applicant will serve as the primary contact and responsible party for the subaward. VCBB may create separate agreements for individual members of a Consortium to hold each member accountable for their specific roles and responsibilities. VCBB has discretion in determining the terms of these individual agreements. BEAD match is tied to each specific Final Project Area, meaning Consortium members may not pool or share match across Final Project Areas.

The subrecipient selection process has two phases: (1) Pre-proposal, and (2) Full Proposal. In the Pre-proposal phase, the Prospective Subrecipient notifies VCBB of its intent to participate in VT-BEAD, requests any desired modifications to the Initial Project Area(s) for which it intends to submit a Full Proposal, provides basic information about the forthcoming Full Proposal, and indicates readiness to meet BEAD Gating Criteria. In the absence of the exceptions listed below, failure to file a Pre-proposal for an Initial Project Area will result in disqualification from participating in VT-BEAD for the corresponding Final Project Area.

The exceptions under which a Full Proposal may be considered from a Prospective Subrecipient that did not previously file a Pre-proposal are as follows:

1. The Full Proposal is a Priority Broadband Project for a Final Project Area that received no Priority Broadband Project Pre-proposals.
2. The Full Proposal is a Priority Broadband Project for a Final Project Area that did receive at least one Priority Broadband Project Pre-proposal, but none of the Prospective Subrecipients that filed Priority Broadband Project Pre-proposals meet the necessary gating criteria upon review of their Full Proposals.
3. The Full Proposal is not a Priority Broadband Project and is for a Final Project Area that did not receive any Pre-proposals.
4. The Full Proposal is not a Priority Broadband Project and is for a Final Project Area that did receive at least one Pre-proposal, but none of the Prospective Subrecipients that filed Pre-proposals meet the necessary gating criteria upon filing of their Full Proposals.
5. A new Final Project Area has been created based on input received during the Pre-proposal phase or during final proposal negotiations.

Filing a Pre-proposal constitutes a commitment to filing a Full Proposal. A Prospective Subrecipient that files a Pre-proposal with recommended modifications to the initial project area that are accepted by VCBB in the final project area and fails to file a Full Proposal for the corresponding Final Project Area may be disqualified from receiving funding from VT-BEAD for that Final Project Area during any part of the process. An applicant that files a pre-proposal on a project area that is modified via the pre-proposal process may still apply to serve the resulting project area.²³

²³ For example, initial project area (IPA) 4 receives 2 pre-proposals, A and B. Pre-proposal A does not ask for

After the Pre-proposal filing window has closed, VCBB staff will review Initial Project Areas modification requests and determine the Final Project Areas (as described in the Initial and Final Project Areas section of this RFA). VCBB will then officially provide public notice of the Full Proposal window opening and publish a description of the Final Project Areas. VCBB will also identify which Final Project Areas received at least one Priority Broadband Project Pre-proposal; which Final Project Areas received no Priority Broadband Project Pre-proposals but at least one Other Last- Mile Broadband Deployment Project Pre-proposal; and which Final Project Areas received no Pre-proposals. VCBB may actively solicit Full Proposals for Final Project Areas that did not receive Pre-proposals.

Once the Pre-proposal submission window has opened, VCBB will impose a quiet period lasting until VCBB Board has approved the BEAD project awards. During this quiet period, communications between Prospective Subrecipients and between Prospective Subrecipients and the public regarding the specific nature of a Prospective Subrecipient's participation are prohibited. During the quiet period time, VCBB may continue some types of communications with Prospective Subrecipients. Specifically, VCBB acknowledges that some Prospective Subrecipients may have business arrangements outside of the BEAD context and may need to communicate as part of those arrangements. As noted above, the restriction imposed here is prohibition on communications between VCBB and Prospective Subrecipients and between Prospective Subrecipients on the specific nature of a Prospective Subrecipient's BEAD application. Communications related to business matters that are outside the scope of the BEAD proposal are permitted. Further, where two or more entities are planning to submit a proposal as a consortium, communication among those entities is essential to preparing a proposal and therefore is permitted, provided those entities have signed a MOU per the above requirements for consortium formation. A Prospective Subrecipient that communicates details regarding its proposal in violation of the quiet period will be disqualified from participating in the BEAD Program.

After the Full Proposal submission window has closed, VCBB will begin review of the Full Proposals. BEAD subawards will be awarded to the highest scoring proposals that satisfy all gating criteria and can be negotiated below the Extremely High Cost Per Location Threshold (EHCT) for that Final Project Area. Priority will be given to Priority Broadband Projects.

If there are Final Project Areas that do not receive any Full Proposals that meet the necessary gating requirements, or for which all Full Proposals meeting the necessary gating requirements exceed the EHCT and cannot be negotiated to an acceptable price, VCBB will create an inventory of those areas and may work with any known providers to negotiate a plan to ensure that these areas are served. To the extent reasonably necessary to serve these Locations, VCBB reserves the right to include alternative technology types and to run

any modifications to IPA 4, and pre-proposal B asks to add half of initial project area 5 into IPA 4. The entity that submitted a pre-proposal for IPA 4 may submit a final proposal for the newly created final project area comprising the original IPA 4 and half of IPA 5.

multiple competitive application rounds.²⁴

INITIAL AND FINAL PROJECT AREAS

VCBB has defined the Initial Project Areas as the boundaries of a Communications Union District (CUD) in those regions of the state where a CUD has been formed, or the boundaries of a municipality in regions where no CUD has been formed. The Initial Project Areas are shown on the map in Figure 1 at the end of this section. A list of all Unserved and Underserved BSLs can be found on the VCBB [ArcGIS Hub site](#) BEAD page. During the Pre-proposal phase, Prospective Subrecipients may request modifications to the Initial Project Areas in the following circumstances. It is important to note that this will be the only time that Prospective Subrecipients can proactively request project area changes, specified as follows:

1. **Initial Project Areas bounded by a CUD:** Prospective Subrecipients may request project area modifications that would facilitate achieving universal service and maximize the ability to provide a Priority Broadband Project Full Proposal. Prospective Subrecipients must detail the costs and benefits of the proposed changes and avoid leaving Locations in a project area that can only be served by passing through a different project area. Reasons to request a project area modification may include the following:
 - The Location would be reached more cost effectively by moving it to another project area.
 - The Location is marked as a BSL but is not actually a Location requiring service.
 - Including a Location would increase the resiliency or redundancy of the network.
 - The Location would likely be prohibitively costly to serve with fiber.
2. **Initial Project Areas outside of a CUD and bounded by a municipality:** Prospective Subrecipients may request project area modifications for any of the reasons relevant to Initial Project Areas bounded by a CUD, as well as to address instances where a wire center serves only part of a municipality or where other existing network infrastructure delineates the area an existing provider currently serves. In these cases, VCBB will consider Pre-proposals that propose to serve only the portion of the town covered by the network infrastructure, or to add in portions of another town covered by the same network infrastructure and may approve the requested modification on these bases.

Once the Pre-proposal filing window has closed, VCBB will consider the requested modifications to the Initial Project Areas and will make the Final Project Area determinations

²⁴ For more information about alternative technologies, see NTIA'S [Reliable Broadband Services and Alternative Technologies](#) resource and [Draft BEAD Alternative Broadband Technology Policy Notice For Public Comment](#).

based on VCBB's analysis of which Final Project Areas will best advance the state's objective of reaching universal service, as expressed in both [Vermont Act 71](#) of 2021 and the [BEAD NOFO](#). VCBB will ensure that after any project area modifications are made, each Unserved and Underserved Location in the state is still contained within a Final Project Area (unless VCBB determines that an Unserved or Underserved Location does not constitute a BSL and commits to seeking a waiver from the NTIA for that Location on that basis). The project area modifications VCBB may choose to make include but are not limited to the following:

- Adding certain Locations to the Initial Project Area;
- Moving certain Locations out of the Initial Project Area to a different project area;
- Creating a new project area;
- Removing certain Locations from the Initial Project Area that do not meet the requirements for BSLs by verifying that a provider has submitted an FCC challenge and required evidence to enable Vermont to obtain a waiver for these Locations from the NTIA; or
- Denying the requested modification.

VCBB will not consider a request for modification for an Initial Project Area bounded by a CUD if it receives a Priority Broadband Project Pre-proposal committing to serve every Unserved and Underserved Location in one or more Initial Project Area(s).

VCBB will publish a list of Final Project Areas on the VCBB [ArcGIS Hub site](#) BEAD page, along with the corresponding Initial Project Area for each Final Project Area, when applicable. VCBB reserves the right to make adjustments to Final Project Areas during the negotiating process if those changes further the State's goal of maximizing the amount of fiber deployed statewide. Once VCBB has released the Final Project Areas, these boundaries and the set of Unserved and Underserved Locations contained within them may not be modified prior to the negotiation phase.²⁵

Within the boundaries of a Final Project area, Prospective Subrecipients will be required to provide service to all Unserved and Underserved Locations not subject to an enforceable commitment. This includes Locations that are connected to the electric power grid, as well as Locations that are off-grid. Additionally, Prospective Subrecipients will have the option to include certain served Locations within the Final Project Area boundaries. The exact number and identity of the Served Locations is at the discretion of each Prospective Subrecipient; however, the total number of Served Locations may not exceed 20 percent of the total number of Locations included (Unserved + Underserved + Served Locations). As noted above, the set of Locations that includes all the Unserved and Underserved Locations within the Final Project Area, as well as the optional subset of Served Locations within the Final

²⁵ This is a change from Vermont's Initial Proposal Volume 2, which will be amended accordingly pending NTIA approval.

Project Area, together constitute a Project.

Because the VT-BEAD funding requested for each Final Project Area will be directly compared to the number of Unserved and Underserved Locations within that Final Project Area, a Prospective Subrecipient's decision to include or not include additional Served Locations will have no impact on the scoring of the Full Proposal. Thus, Full Proposals must include a plan for reaching each Unserved and Underserved Location in the Final Project Area and may include a plan for reaching additional served Locations (up to 20 percent of the total Project Locations).

In certain instances, Prospective Subrecipients' network designs for a Final Project Area may also require the use of Middle Mile Infrastructure inside or outside the boundaries of that Final Project Area. In accordance with NTIA guidance, a project "may include Middle Mile Infrastructure in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of a project providing service to an unserved Location, Underserved Location, or eligible CAI."²⁶ In instances where Middle Mile Infrastructure is included in project costs, Prospective Subrecipients' network design must minimize BEAD outlays by taking the most efficient route to the Final Project Area. Prospective Subrecipients will be required to provide a map of such routes and a narrative sufficiently explaining why they are necessary and the most efficient routes, subject to VCBB's approval. As outlined by the BEAD NOFO (p. 69), any subrecipient that has received VT-BEAD funds for construction of Middle Mile Infrastructure must permit other broadband service providers to interconnect with its funded Middle Mile Infrastructure network facilities on a just, reasonable, and nondiscriminatory basis.

²⁶ See NTIA's [Frequently Asked Questions and Answers](#) Version 6.0 (p. 49, question 10.1 part 2).

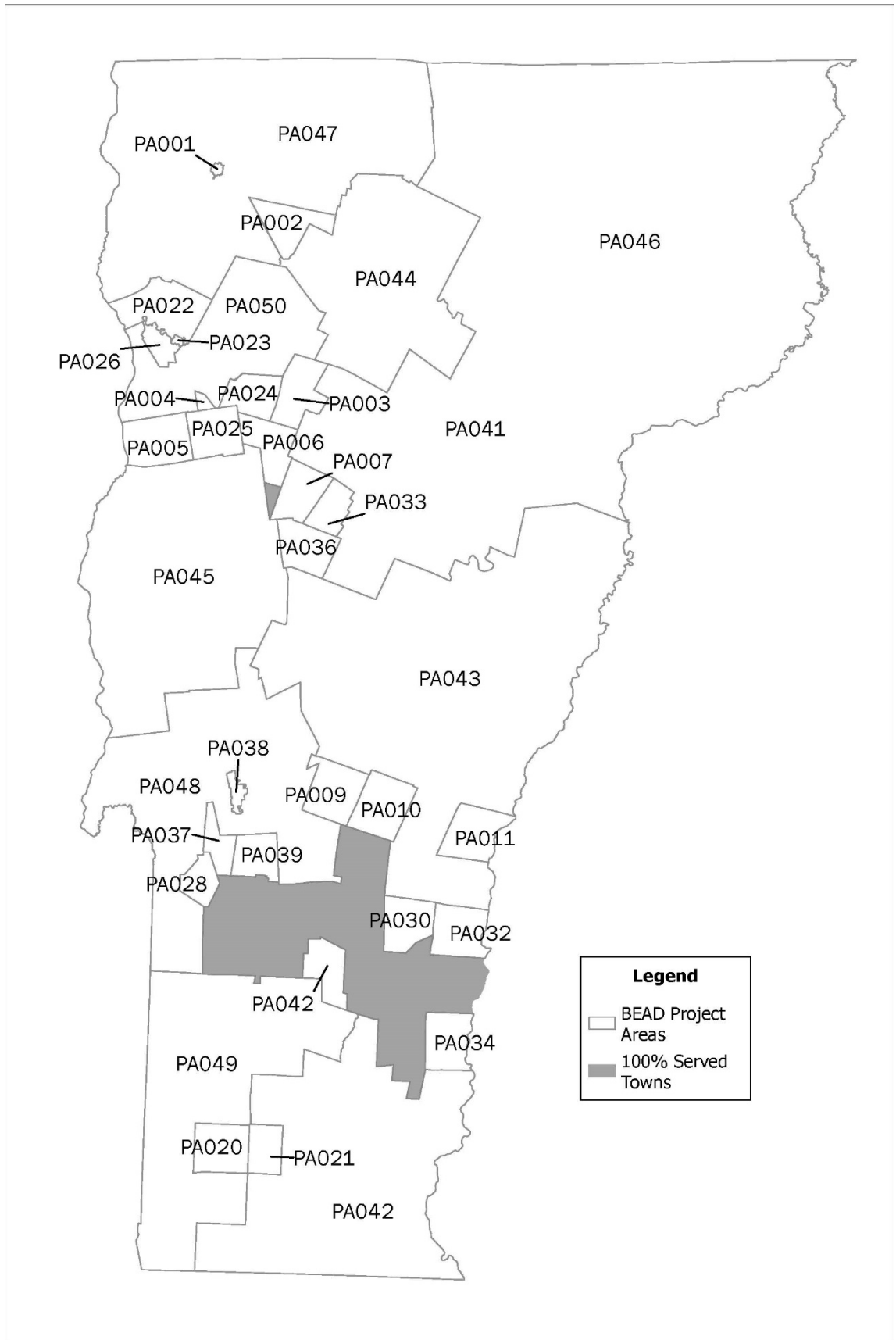


Figure 1: Initial Project Areas

LIMITED PERMISSIBLE PRE-IMPLEMENTATION ACTIVITIES

Implementation activities (site preparation, demolition, construction, ground disturbance, fixed installation, or any other implementation activities) may not begin prior to the completion of all environmental historic preservation (EHP) requirements as outlined in this section. The Subrecipient must comply with all conditions placed on the grant funded activities as the result of National Environmental Policy Act (NEPA) or the National Historic Preservation Act (NHPA) consultation or processes under other applicable laws—e.g., mitigation requirements, best management practices, or other measures necessary to reduce environmental impact. The subrecipient must also provide any information requested by VCBB or NTIA to ensure both initial and ongoing compliance with all requirements described above.

Based on the guidelines outlined by the NTIA, VCBB will allow limited permissible activities under NEPA to proceed using award funds prior to the completion of the environmental and historic preservation review process, including the following:

- Pre-construction planning, including collecting information necessary to complete environmental reviews;
- Applications for environmental permits;
- Studies including, but not limited to, environmental assessments (EA), wetland delineations, biological assessments, archaeological surveys, and other environmental reviews and analyses;
- Administrative costs directly related to the EHP process;
- Application costs directly related to the EHP process;
- Activities supporting consultations required under the NHPA, the Endangered Species Act, and the Clean Water Act; and/or
- Limited, preliminary procurement, including the purchase or lease of equipment, or entering into binding contracts to do so; the purchase of applicable or conditional insurance; and/or funds used to secure land or building leases (including right-of-way easements).

Subrecipients who undertake pre-implementation activities proceed at their own risk even when these activities would be allowable after the start date of a VT-BEAD award.

Undertaking pre-award activities or incurring pre-award costs imposes no obligation on VCBB or NTIA to award funds for such costs. In no case will VCBB pay for work completed or costs incurred prior to the submission of a Full Proposal.

MATCH REQUIREMENT

Consistent with the [BEAD NOFO](#), VCBB's goal is to minimize BEAD program outlays and maximize subrecipient matches in areas where expected operational costs and revenues are likely to justify greater investment by the subrecipient. VCBB is incentivizing Prospective Subrecipients to reduce project costs and to maximize matches by placing significant weighting on the minimal BEAD program outlay primary scoring criteria. At the same time, VCBB is concerned that a 25 percent minimum match requirement may place too great a

burden on certain subaward proposals to extend broadband networks into extremely high-cost Locations in the state. Specifically, VCBB is concerned that a 25 percent match minimum will undermine the commercial feasibility and sustainability of these projects and thus disincentivize investment in higher-cost rural areas, contrary to the stated goals of the Infrastructure Act and the BEAD NOFO.

VCBB therefore urges prospective subrecipients to consider the costs to deploy broadband to all Unserved and Underserved Locations within the Final Project Area, but also to undertake a granular analysis that provides the prospective subrecipient a firm understanding of the cost of each such Location. The VCBB acknowledges that there may be Locations where a 25 percent match is prohibitive to advancing a sustainable business case for service in the Final Project Area. Should a prospective subrecipient determine that there are Locations within the Final Project Area that warrant consideration of a waiver of the 25 percent matching requirement for the Final Project Area the prospective subrecipient is encouraged to submit its proposal and outline the reasons for its determination and request that a project area waiver of this requirement be granted. Such a waiver request is subject to approval by the NTIA and will be narrowly tailored to those Final Project Areas where a waiver is deemed necessary. In addition, VCBB intends to maximize match from ARPA projects to the greatest extent permissible, in accordance with Vermont law, the BEAD NOFO, and 2 CFR Part 200.

VCBB is currently awaiting guidance from NTIA on details of how and when funds or infrastructure can be counted as in-kind match. Consistent with the BEAD NOFO (p. 81), allowable costs are determined in accordance with the cost principles identified in 2 CFR Part 200, including Subpart E of such regulations for States and non-profit organizations, and in 48 CFR Part 31 for commercial organizations, as well as in the grant program's authorizing legislation. The government has established a set of principles for determining eligible or allowable costs. Allowable costs are determined in accordance with the cost principles applicable to the entity incurring the costs. Current guidance from NTIA about match requirements can be found in the [Broadband Equity Access Deployment Program \(BEAD\) Frequently Asked Questions Version 7.0](#) (p.48–51) and the [BEAD Match Primer](#).

FINANCIAL CAPABILITY REQUIREMENT

Prospective Subrecipients must certify their financial qualifications to comply with their obligations under VT-BEAD. Pursuant to Section IV.D.2.a.i. of the BEAD NOFO, the certification must include that they have funds available to pay for all project costs exceeding the amount of the grants. In addition, they must certify that they have sufficient financial resources to cover eligible costs as they achieve project milestones prior to reimbursement by the VCBB.

The [BEAD NOFO](#) includes an initial standby irrevocable Letter of Credit (LOC) for 25 percent of the applicable subaward.²⁷ This LOC requirement was modified in NTIA's

²⁷ For purposes of the application, a bank's commitment to issue the letter of credit is sufficient. See FN #92, BEAD NOFO at p. 73.

conditional programmatic waiver, [Programmatic Waiver of BEAD Letter of Credit Requirement](#) (October 23, 2023). The Programmatic Waiver allows Prospective Subrecipients the option of utilizing a Performance Bond covering 100 percent of the amount of the VT-BEAD subaward as an alternative to the LOC and permits both the LOC and the Performance Bond to be reduced based upon the subrecipient's attainment of specific milestones. See Programmatic Waiver, Section 2.3.²⁸

Thus, each Prospective Subrecipient must establish either its own financial qualifications to participate in the VT-BEAD program with a LOC or obtain a Performance Bond insuring its performance of the subaward. VCBB anticipates that most Prospective Subrecipients will be availing themselves of the opportunity to use Performance Bonds rather than obtaining a LOC. Prior to entering into any subgrantee agreement, Prospective Subrecipients relying on LOCs to meet this requirement must provide the actual irrevocable standby LOC in the required form, as well as an opinion letter from their legal counsel confirming that the LOC or its proceeds will not be treated as the Subrecipient's property in any subsequent bankruptcy proceeding.

The VCBB will require Prospective Subrecipients using a LOC to obtain one that is equal to 25 percent of subaward amount, as stated in the NOFO, to begin receiving funding. If the subrecipient meets the buildout plan set forth in its proposal for the first year, it will be permitted to renew its LOC in an amount that is consistent with Section 2.3 of NTIA's Programmatic Waiver, "Reduction of LOC/Performance Bonds Upon Completion of Milestones." If the subrecipient fails to meet its buildout plan, it will be required to put in place a LOC that is equal to 25 percent of the subaward amount until such time as it is able to demonstrate to VCBB that it has returned to being on schedule with its buildout plan. If the subrecipient continues to meet its buildout obligation. LOC equal to one year of project funding. This structure is consistent with the NTIA's [BEAD Programmatic Waiver of Letter of Credit Requirement](#).

²⁸ The Programmatic Waiver also allows entities which choose to provide a Letter of Credit to obtain such a letter from credit unions in addition to banks.

VT-BEAD IMPLEMENTATION TIMELINE

The above process will be conducted according to the following estimated timeline. Prospective Subrecipients should check the VCBB's [Broadband Equity, Access, and Deployment](#) webpage for the most up-to-date timeline.

Start Date	End Date	Activity	Notes
November 2024	January 2024	Host Subrecipient Preparedness Workshops	
December 3, 2024	January 9, 2025	Pre-proposal window open	Noon deadline on January 9
January 13, 2025	February 13, 2025	Pre-proposal review and final project area determination	Ensure all unserved locations will be included within a full proposal
February 17, 2025		Post final project areas	
March 3, 2025	April 14, 2025	Full proposal window open	
April 15, 2025	June 6, 2025	Subrecipient initial selection and negotiation process	

SECTION 3: SUBMITTING A BEAD PRE-PROPOSAL

The Pre-proposal process requires Prospective Subrecipients to notify VCBB of their commitment to participate in the VT-BEAD funding opportunity and to identify any requested modifications to the Initial Project Area(s) for which they intend to bid. It also requires basic information about the forthcoming Full Proposal and indication that the Prospective Subrecipient is ready to meet the necessary gating requirements to apply for BEAD funding. Filing a Pre-proposal constitutes a binding commitment on the Prospective Subrecipient to submit a Full Proposal, and in most instances is required for VCBB to consider a Full Proposal for a VT-BEAD subaward. The specific instances in which a Pre-proposal is not required to have a Full Proposal considered are outlined in the Subrecipient Selection Process Overview section of this RFA.

The identity of the Prospective Subrecipients submitting Pre-proposals, the exact number of Pre-proposals received for any given project area, and/or the content of the Pre-proposals will be treated as exempt from production under the contract negotiation exemption to the Vermont Public Records Act, 1 V.S.A. § 317(15). VCBB will make public the presence or absence of Priority Broadband Project Pre-proposals and Other Last-Mile Broadband Deployment Project Pre-proposals in a Final Project Area, as well as project areas that received no bids to solicit Full Proposals for any Final Project Areas lacking Pre-proposals.

For Prospective Subrecipients submitting a Pre-proposal as part of a consortium, each entity in the consortium should submit Pre-proposal Preparedness for Gating Criteria; however, only the lead consortium member may submit project area data, including any requests for project area modifications.

QUESTIONS ON THE BEAD PRE-PROPOSAL FORM

The following questions appear in the [VT-BEAD Pre-proposal portal](#), which will open on December 3, 2024.

1. Provide the entity name, main office address, Unique Entity Identifier (UEI) assigned by SAM.gov, FCC Unique Entity ID, State of Vermont Supplier Number (optional), Fiscal Year End Month (MM format), and the primary contact's name, title, phone number, and email address.
2. Which type of entity do you represent? Select all that apply: electric cooperative, nonprofit organization, public-private partnership, private company, public or private utility, public utility district, local government, consortium, other (specify).
3. Preparedness for Gating Criteria questions that will be asked with the Full Proposal:
 - a. Has your entity provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of this proposal submission?
 - If you selected **yes** or **we are a wholly owned subsidiary of such an entity**: specify the number of years your entity or its parent company has been operating

- If you selected **no**: what evidence do you plan to submit at the time of full application to demonstrate that you have obtained, through internal or external resources, sufficient operational capabilities (for example, project descriptions and narratives from contractors, subcontractors, or other partners with relevant operational experience, or other comparable evidence)?
- b. Does your entity have financial statements from the most recent fiscal year that are audited by an independent certified public accountant?
 - If you selected **no**: check the box to confirm that you understand that you may submit unaudited financial statements from the prior fiscal year at the time of Full Proposal submission, but that you must provide audited financial statements from the prior fiscal year if your proposal is selected.
 - c. Does your entity have a business plan that complies with the detailed instructions in Addendum 1?
 - If you selected **no**: explain your plan to develop one by the time of submission of the Full Proposal.
 - d. Does your entity intend to provide a letter from a bank or credit union at the time of Full Proposal submission that agrees to providing a Letter of Credit if your entity is selected for an award?
 - If you selected **yes**: which bank or credit union are you working with?
 - Describe the status of acquiring this letter.
 - If you selected **no** select one of the following: (1) we plan to rely on a Performance Bond issued to us; or (2) we plan to rely on a Performance Bond issued to us and our contractor/s. i consistent with the NTIA's [Conditional Programmatic Waiver of the NOFO's Letter of Credit Requirement](#) notice.
 - e. Briefly describe the work you have done to familiarize yourself with the requirements of the National Environmental Policy Act and how you will ensure that the Full Proposal you file complies with this act.
 - f. Briefly describe the work you have done to familiarize yourself with the requirements of the Build America, Buy America (BABA) Act and how you will ensure that the Full Proposal you file complies with this act.
4. Select the Initial Project Area(s) for which you commit to submitting Full Proposals.
 5. For each project area for which you commit to submit a Full Proposal, answer the following questions:
 - a. Do you plan to submit a Full Proposal for this project area as a Priority Broadband Project?
 - If you selected **yes**: does your entity currently operate a network that meets the VCBB [Outside Plant Design standards](#)?

- If you selected **no**: what is your plan to ensure that the proposed BEAD project complies with VCBB’s Outside Plant Design standards?
- b. Select the technology or technologies that you intend to deploy in this project area: fiber to the premises, cable, DSL, licensed fixed wireless, satellite, other (specify). If you plan to submit a Full Proposal for a Priority Broadband Project, you should only select “fiber to the premises.”
 - c. If more than one technology was selected, describe how the combination will be deployed and what proportion of the network will be built with each technology indicated.
 - d. Provide an estimate of the amount of BEAD funding you anticipate requesting for this project area at the time of Full Proposal. This estimate is confidential, non-binding, and will be used by VCBB for planning purposes only. VCBB understands the estimate is subject to change before submission of a Full Proposal.
 - e. If applicable, you may use this space to provide any additional explanation of the BEAD funding estimate provided above
 - f. Do you request consideration that any of the Initial Project Areas be modified prior to submission of Full Proposals?

If you selected **yes**: complete the mapping section that follows.

VT-BEAD PRE-PROPOSAL MAPPING SECTION

1. Upload a list of Locations in CSV format, which applicants may create by selecting a list of Locations from the map or clicking on each Location on the map separately. Note that this set of Locations could be as small as a single Location, or it could be large enough to fully encompass one or more other Initial Project Areas (if an applicant will subsequently request to combine multiple Initial Project Areas).
2. For each set of Locations selected on the map or uploaded as a list, select from the following options (select only one):
 - a. We request that these locations be removed from the selected Initial Project Area and added to a different existing Initial Project Area.
 - Which Initial Project Area should the Locations be added to? (Select from a list of Initial Project Areas or select “New IPA” if these Locations should form their own new project area.)
 - Provide written justification of how moving the Locations to a different project area as requested would better serve the goal of universal service in Vermont. This could include an analysis of the relative cost to serve the Locations in the Initial Project Area versus after the proposed move, or a description of the risk of Locations being left without a means to reach them if the move is not undertaken.
 - Upload any supplementary documentation, as necessary, to justify the proposed

removal of Locations from this initial project area.

- b. We request that these locations be removed from their current Initial Project Area(s) and added to the selected Initial Project Area.
 - Upload the CSV file containing the list of locations you would like modified.
- c. These Unserved/Underserved Locations within the Initial Project Area do not constitute BSLs and therefore should not be required to be served under BEAD.²⁹ If this option is selected, also answer the following questions:
 - Provide written justification of how these Locations do not meet the definition of BSLs.
 - Upload photographic evidence or equivalent supplementary documentation to justify that these Locations do not meet the definition of BSLs.
- d. These unserved / underserved locations within the selected Initial Project Area have been estimated to be prohibitively costly to serve with fiber and should be added to a new (unspecified) project area.
 - Upload the CSV file containing the list of locations you would like modified. Your file will automatically be renamed upon upload using your entity's name and project area selection.
 - Specify the estimated cost per location.
 - Provide written justification of why these locations are prohibitively costly to serve. This should include an analysis of the relative cost to serve the locations in the Initial Project area.
 - Provide supplementary documentation to justify the high cost associated to serving these locations in the initial project area.

²⁹ Refer to the FCC description of Broadband Serviceable Location that can be found at the [Broadband Data Collection Help Center](#).

SECTION 4: SUBMITTING A BEAD FULL PROPOSAL

The Full Proposal process requires Prospective Subrecipients to submit a bid for providing broadband service to each Unserved and Underserved Location within the selected Final Project Area(s). For Prospective Subrecipients submitting a Full Proposal as part of a consortium, the lead member must submit the Full Proposal application for the entirety of the Final Project Area.

If Prospective Subrecipients submit any materials in their Full Proposal that they would like to be held confidential by VCBB, there will be an opportunity to upload a memorandum at the end of the Full Proposal that details that material and provides an explanation as to why such material should be exempted from disclosure under the Vermont Public Records Act (1 V.S.A. § 315 et seq.). All such documents must be clearly marked as confidential and the basis for the exemption, generally 1 V.S.A. § 317(15) exempting records concerning the negotiation of contracts. Bold red headers and footers on such records are preferable.

INITIAL INFORMATION

1. Provide the entity name, main office address, Unique Entity Identifier (UEI) assigned by SAM.gov, FCC Provider ID, State of Vermont Supplier Number (optional), Fiscal Year End Month (MM format), and the Primary Contact name, title, phone number, and email address.
2. Which type of entity do you represent? Select all that apply: electric cooperative, nonprofit organization, public-private partnership, private company, public or private utility, public utility district, local government, other (specify).
3. Select the Final Project Area(s) for which your entity will submit BEAD Full Proposals. (Select all that apply.)

GATING CRITERIA QUESTIONS

Managerial and Operational Capability

1. Upload a narrative of your current business that explains in detail how you are prepared to undertake a project of the scale you are proposing. Include at a minimum: (a) your history deploying the technology included in this proposal; (b) a description of your workforce and any operating partners that demonstrate you are capable of building, maintaining, and upgrading the proposed network; (c) lessons learned from past deployments; (d) any anticipated challenges you may face based on your prior experience; (e) past work utilizing federal or state broadband funding and evidence you successfully completed those projects or of your progress to-date; and (f) a statement explaining any enforcement actions in relation to past projects.
2. Check the box to certify that you possess the operational capability to complete and operate the proposed project
3. Upload resumes from your key managerial staff, including leadership, operations, and network construction staff, in a single document. You may also include resumes from

the key managerial staff of your contractors, subcontractors, or other partners as relevant to demonstrate managerial and operational capability for the proposed Project.

4. Upload an organizational chart detailing any parent, subsidiary, or affiliated entities.
5. Has your entity provided a voice, broadband, and/or electric transmission or distribution service for at least two consecutive years prior to the date of this proposal submission? If you are a wholly owned subsidiary of such an entity, explain.
 - If you selected **yes** or **we are a wholly owned subsidiary of such an entity**: Specify the number of years your entity or its parent company has been operating.
 - If you selected **no**: consistent with the [BEAD NOFO](#) (p. 75), you may submit evidence sufficient to demonstrate that as a newly formed entity you have obtained, through internal or external resources, sufficient operational capabilities. This may include project descriptions and narratives from contractors, subcontractors, or other partners with relevant operational experience, or other comparable evidence. Upload additional evidence if necessary, or direct reviewers to evidence already attached elsewhere in the application.
6. Has your entity operated only an electric transmission or distribution service?

If you selected **yes**: Upload qualified operating or financial reports that you have filed with the relevant financial institution for the relevant period, along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution, as described in the BEAD NOFO (p. 75).
7. Do you certify that you have timely filed FCC Form 477s and the Broadband DATA Act submission, if applicable, as required during this period, and otherwise have complied with the FCC's rules and regulations?
 - If you selected **yes**: Upload a screenshot from the FCC Commission Registration System (CORES) website (<https://apps.fcc.gov/cores/userLogin.do>) that indicates that your entity complies with FCC requirements.
 - If you selected **no**: Explain any pending or completed enforcement action, civil litigation, or other matter in which your entity failed to comply or was alleged to have failed to comply with Commission rules or regulations.
 - If you selected **not applicable**: Explain why this requirement is not applicable to your entity.

Financial Capability

1. Does your entity have financial statements from the most recent fiscal year that are audited by an independent certified public accountant?
 - If you selected **yes**: Upload your audited financial statements from the prior fiscal year.
 - If you selected **no**: Upload your unaudited financial statements from the prior fiscal year.

2. Upload information that demonstrates sufficient funds are available for ongoing coverage of project and ongoing operational and administrative costs. This can include bank or credit union statements, open lines of credit, or other financial means by which you can demonstrate sufficient funding available. If you will be applying for multiple Final Project Areas, ensure that this information demonstrates sufficient funds are available for ongoing coverage of operational and administrative costs if all projects were to be awarded.
3. Upload a business plan for your proposal, current within the last six months, that is consistent with the detailed instructions in Addendum 1 of this RFA.
4. Will you be providing a Letter of Credit prior to award?
 - If you selected **yes**: Upload a letter from a bank or credit union that meets eligibility requirements consistent with those set forth in 47 CFR§ 54.804(c)(2) or Section 2.1 of NTIA's [Conditional Programmatic Waiver of the NOFO's Letter of Credit Requirement](#), (LOC Waiver) committing to issue you an irrevocable standby letter of credit, in the required form. At a minimum, the letter must reflect a commitment to provide a dollar amount of at least 25 percent of the value of the subaward and the issuing bank or credit union's agreement to follow the terms and conditions of VCBB model letter of credit in Addendum 2. You may skip question #5.
 - If you selected **no**: Will you be availing yourself of the option provided in the LOC Waiver to substitute the LOC requirement of the NOFO with a Performance Bond? If you selected **yes**: Upload a copy of a letter from a company holding a certificate of authority as an acceptable surety on federal bonds as identified in Department of Treasury Circular 570, committing to issue you and/or you and your contractor with a Performance Bond in the full amount of the subaward.
 - Detail your successful and timely performance on any past state or federally funded broadband deployment projects. This should include the granting agency, grant amount, scope of work, and level of completion. If you have failed to successfully and timely perform on any state or federally funded broadband deployment projects, you will be required to have a Letter of Credit or performance bond to be eligible as a BEAD subrecipient.
5. Upload certification by an officer of your entity with authority to legally bind the entity that meets the following requirements:
 - Certifies that, if selected, you will submit annual audited financial statements prepared by an independent certified public accountant to VCBB within the earlier of 30 days of receiving your audited financial statements or nine months after the end of the audit period during the project.
 - If you did not include audited financial statements in this proposal, certifies that you will provide financial statements from the prior fiscal year that are audited by an independent certified public accountant if your proposal is selected for BEAD

funding.

- Certifies that you will have sufficient financial resources (for example, loans, cash reserves, or BEAD matching funds) to cover your eligible costs for the project until such time(s) as VCBB authorizes disbursement.
- Certifies the truthfulness of the representations being made regarding the financial condition of your entity, upon careful review of the information provided herein.

Relevant Laws, Policies, and Requirements

1. Outline the work you have undertaken to familiarize yourself with the requirements of the Build America, Buy America Act (BABA) and describe how you intend to comply with this act.
2. Outline the work you have undertaken to familiarize yourself with the requirements of the National Environmental Policy Act (NEPA) and describe how you intend to comply with this act.
3. Check the box to certify that your entity will comply with all applicable federal and state laws, including laws related to labor and employment such as the Vermont Occupational Safety and Health Act laws as well as federal laws, environmental and historic preservation including the National Environmental Policy Act (NEPA), and federal and state procurement policies and rules including the Build America, Buy America (BABA) Act.
4. Check the box to certify that your entity will comply with 2 CFR Part 200—[Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards](#) (31 U.S.C. 503), also known as the Uniform Guidance.
5. Check the box to certify that your entity will permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.

Information On Ownership and On Other Public Funding

Upload an attachment with the following information:

- Ownership information consistent with the requirements set forth in 47 CFR § 1.2112(a)(1)-(7), related to competitive bidding for telecommunications applications.
- Name of real party or parties in interest in the applicant or application, including a complete disclosure of the identity and relationship of those persons or entities directly or indirectly owning or controlling (or both) the applicant.
- Name, address, and citizenship of any party holding 10 percent or more of stock in the applicant, whether voting or nonvoting, common, or preferred, including the specific amount of the interest or percentage held.
- In the case of a limited partnership, the name, address and citizenship of each limited partner whose interest in the applicant is 10 percent or greater (as calculated according to the percentage of equity paid in or the percentage of distribution of profits and losses).

- In the case of a general partnership, the name, address and citizenship of each partner, and the share or interest participation in the partnership.
- List, in the case of a limited liability company, the name, address, and citizenship of each of its members whose interest in the applicant is 10 percent or greater.
- All parties holding indirect ownership interests in the applicant as determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain, that equals 10 percent or more of the applicant, except that if the ownership percentage for an interest in any link in the chain exceeds 50 percent or represents actual control, it shall be treated and reported as if it were a 100 percent interest.
- Any Federal Communications Commission-regulated entity or applicant for a Federal Communications Commission license, in which the applicant or any of the parties identified in paragraphs (a)(1) through (a)(5) of this section, owns 10 percent or more of stock, whether voting or nonvoting, common, or preferred. This list must include a description of each such entity's principal business and a description of each such entity's relationship to the applicant (e.g., Company A owns 10 percent of Company B (the applicant) and 10 percent of Company C, then Companies A and C must be listed on Company B's proposal, where C is a Federal Communications Commission licensee and/or license applicant).
- Any other applications your entity and any affiliates have submitted or plan to submit related to broadband deployment during the prospective period of BEAD deployment. List the funds your entity has been provided under the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan of 2021 (Public Law 117-2; 135 Stat. 4), any federal Universal Service Fund high-cost program (e.g., Rural Digital Opportunity Fund, Connect America Fund), and any Vermont funding you have received for each broadband deployment project, including:
 - a. The speeds and latency of the broadband service to be provided (as measured and/or reported under the applicable rules) and how to ensure that these parameters will be maintained and reported.
 - b. The geographic area to be covered.
 - c. The number of Unserved and Underserved Locations committed to serve (or, if the commitment is to serve a percentage of Locations within the specified geographic area, the relevant percentage).
 - d. The amount of public funding to be used.
 - e. The cost of service to the consumer.
 - f. The matching commitment, if any, provided by your entity or your affiliates.

PROJECT OVERVIEW

1. Which Final Project Area are you applying for? (Select only one per proposal.)
2. Will your proposed project serve every Unserved and Underserved Location within the Final Project Area selected above?
 - If you selected **no**: Confirm that you understand that your project will not be considered for this Final Project Area. If there are no eligible Full Proposals received for this Final Project Area, VCBB may choose to negotiate with you under the process outlined in the “Project Areas Without Any Eligible Full Proposals” section of the “BEAD Full Proposal Review, Scoring, and Negotiation” document, but will not be obligated to negotiate with you.
3. Did you submit a Pre-proposal for this Final Project Area?
 - If you selected **no**: Confirm that you understand that your project will only be considered under the specific circumstances outlined in the Subrecipient Selection Process Overview section of this RFA.
4. Is your proposal for a Priority Broadband Project?
 - If you selected **yes**: Check the box to confirm that your project proposes to reach every Unserved and Underserved Location within the Final Project Area selected with end-to-end fiber.
5. Select the technology or technologies that you intend to deploy in this Final Project Area (select all that apply: fiber-to-the-premises, cable, DSL, licensed fixed wireless, satellite, other (specify). If your proposal is for a Priority Broadband Project, please note that you should only select “fiber to the premises.”
6. If you selected more than one technology from the list above, describe how the combination will be employed and what proportion of the network will be built with each technology indicated.
7. Are you submitting this proposal for this Final Project Area as a member of a consortium?
 - If you selected **yes**: who is the lead member of the consortium proposal?
 - If you are the lead member of the consortium, upload the signed memorandum of understanding between the parties.
8. Do you intend to include any served Locations as part of the final Project, in addition to the Unserved and Underserved Locations included within the Final Project Area?
 - If you selected **yes**: Upload a list of the served Locations within the Final Project Area that you would like to include as part of the final Project, as a CSV file. Note that these Locations may only equal up to 20 percent of the total Locations in the Project.
 - How many served Locations will you include in your Project?

- How many total Locations are included in your project (equal to the sum of Unserved Locations, Underserved Locations, and served Locations)?

PROJECT BUDGET

Complete the budget form, listing all proposed project costs using the following budget categories:

1. Total Personnel
 - Salary
 - Fringe
2. Travel
3. Equipment
4. Supplies
5. Contractual/Subawards
6. Other Direct Costs

Total Personnel should equal the sum of salary and fringe costs. Indicate which costs will be paid for with grant funds and which will be paid with matching funds.

TECHNICAL CAPABILITY CRITERIA

Technical Capability

1. Upload a network design in the form of a GIS file.
2. Upload a network diagram.
3. Upload a network map.
4. Upload a spreadsheet to accompany the network map listing the project Locations, current level of service, and expected date that service will be available.
5. Will your project require Middle Mile Infrastructure as defined in the “definitions” section of the RFA?
 - If you selected **yes**: Upload a PDF map of these routes accompanied by a detailed narrative explaining why they are necessary and the most efficient routes. Your network design must minimize BEAD outlays by taking the most efficient route to the Final Project Area.
 - Describe your plan to permit other broadband service providers to interconnect with your VT-BEAD funded Middle Mile Infrastructure network facilities on a just, reasonable, and nondiscriminatory basis at any technically feasible point on the Middle Mile Infrastructure network, without exceeding current or reasonably anticipated capacity limitations. This duty includes, at a minimum, the physical interconnection of the subrecipient’s Middle Mile Infrastructure to a requesting party’s facilities for the exchange of traffic. Include your plan to connect to the public internet directly or indirectly and provide requesting parties with an ability to connect to the internet, to ensure that rates and terms for interconnection are reasonable and nondiscriminatory, and to negotiate in good faith with any

requesting party making a bona fide request for interconnection.

6. Describe what, if any, additional services will be offered using the facilities deployed through the proposed project (for example, voice, video, etc.).
7. Explain your drop policy, including the standard installation charge and how you will ensure that service can be activated within 10 days of a customer request. "Drop" refers to the total cost (including labor, materials, equipment, etc.) associated with deploying the final segment of the network that connects the telecommunications infrastructure to the individual Location.
8. Upload a letter from a licensed professional engineer that includes the following components. If you need to upload more than one letter for different portions of the network that in combination represent the entire network, please upload the letters as a single document.
 - a. Certifies and endorses the above attachments and responses.
 - b. Certifies that the entity is technically qualified to complete and operate the project described within this proposal and capable of carrying out the proposed funded activities.
 - c. States that the proposed network can deliver broadband service that meets the requisite performance requirements to all Locations served by the project (100/100 Mbps or better throughput and less than 50 milliseconds of latency to on-grid Locations and to any off-grid Location that can be included while being cost-effective. For other off-grid Locations, the network must be capable of delivering 100/20 Mbps or better throughput and less than 100 milliseconds of latency).
 - d. Certifies that the proposed network will provide all consumers with services that adhere to standards that have been identified by the State in Vermont, including the consumer protection and net neutrality standards outlined in 3 V.S.A. § 348, transparent pricing, and data privacy.
 - e. States that the Prospective Subrecipient will have 72 hours of reserve backup power available for core sites (Optical Line Terminals, Central Office) and will offer residential consumers the opportunity to purchase 24-hour broadband backup power for their home.
 - f. For Priority Broadband Projects, the letter should additionally include the following:
 - i. Describe how the network design shows that the proposed network will support the NTIA performance requirements as well as VCBB [Outside Plant Design Standards](#).
 - ii. Explain the network design choice (Gpon, Xpon, CWDM, etc) and why.
 - iii. Explain key considerations (splitter loading, fiber counts, etc.).
 - iv. Explain hub Location considerations.
 - v. Describe risks and contingencies related to the technology plan.

- vi. Explain the proposed key connection points and dependencies.
- g. For Wireless Non-Priority, Reliable Technology Projects, the letter should additionally include the following base station parameters:
 - i. Antenna/Tower Location (latitude, longitude)
 - ii. Number of base stations on the tower
 - iii. Total backhaul capacity for the tower, e.g., one Gbps (dedicated or shared)
 - iv. Backhaul type: Fiber or Microwave
 - v. Backhaul provider name and proof of claimed backhaul capacity via a speed test.
 - vi. Antenna height (meters) and azimuth (degrees)
 - vii. Number of subscribers served by each base station on the tower
 - viii. Frequency band and frequency range of operation, e.g., Band 2, 41, 48
 - ix. Duplex type: Time Division Duplex or Frequency Division Duplex
 - x. Channel bandwidth, e.g., 10 MHz, 20 MHz, 40 MHz
 - xi. Transmit power in watts and decibel milliwatts
 - xii. Antenna gain in decibels
 - xiii. Effective isotropic radiated power (EIRP) in watts and decibel milliwatts
 - xiv. Oversubscription ratio and number of Locations in the Project that could be served at once
 - xv. Base station transmit power level and EIRP
 - xvi. The presence of any data caps, throttling, or de-prioritization of home broadband service in any of the plans offered in the Final Project Area
 - xvii. Propagation studies and maps that account for foliage, topography, line-of-sight to towers, and other obstacles to radio signal propagation.
 - xviii. Cable broadband must meet the following provisions
 - a. *Speed and latency testing* - Carriers must test the speed and latency of their subscribers' internet service from their premises to a remote test server. The median result of three speed tests taken on peak times during separate days is used to determine service levels.
 - b. Acceptance of cable qualification test results, including -
 - 1. Wiremap checks,
 - 2. Length verification,
 - 3. Attenuation tests,
 - 4. Near-end crosstalk (NEXT),

5. Return loss,
 6. DC loop resistance, and
 7. signal strength analysis.
- c. Network test results, including,
1. Cable testing (test for faults in cables, such as open circuits, shorts, and crossovers),
 2. Visual inspection,
 3. Connectivity tests, and
 4. Port tests.

Low-Cost Broadband Option

1. Certify the following by checking the corresponding box:
 - You agree to accept the Affordable Connectivity Program subsidy, if reinstated by Congress under this or by another name, including any applicable device subsidy program.
 - You will provide access to broadband service to each customer served by the project that desires broadband service on terms and conditions that are reasonable and non-discriminatory.
 - Your low-cost broadband option will be available to all low-income residents in the Final Project Area that meet the definition of “Eligible Subscribers” contained in the BEAD NOFO (pg 12). At a minimum, this option will provide broadband service of at least 100/20 Mbps and at most 100 milliseconds latency, with no data caps, that complies with the State’s consumer protection and net neutrality standards pursuant to 3 V.S.A. §.348. It will be available for 10 years, during which time the cost of this option may increase with the [Consumer Price Index](#) or another industry-recognized measure of inflation. Subscribers of this low-cost option will be allowed the opportunity to upgrade or change their service plan.
2. Briefly describe the parameters of your low-cost broadband option, including download and upload speed, latency, data cap policy, compliance with the State’s consumer protection and net neutrality standards pursuant to 3 V.S.A § 348, committed length of availability of this option, expected annual cost increase of this option, and any other relevant parameters.
3. What process will you use for marketing this option, and how will customer service staff be trained in assisting people with selecting this option?
4. What is the monthly price to the consumer of this low-cost service plan option? (In no instance may low-cost service plans exceed \$75/month.)
5. Plans at or below \$30/month will automatically fulfil the low-cost plan requirement. Plans higher than \$30/month may be allowed to fulfil the low-cost service plan requirement, at VCBB’s discretion. Is the monthly price to the consumer of this low-

cost service plan option at or below \$30/month?

- If you selected **no**: include an explanation as to why you are asserting that a higher rate is reasonably necessary and what efforts you have undertaken to meet the \$30 per month plan over the BEAD-funded network prior to presenting a higher cost plan. This rationale must include documentation of income levels and any other demographic information you have relied on to determine the need to exceed the \$30/month amount, including information used to calculate the average revenue per user needs of the network, anticipated subscription rates for the general population in the Final Project Area, and anticipated low-income subscription rates in the Final Project Area. It must also include a showing that overall rurality and low population density of the proposed Final Project Area demands a higher monthly fee because of the higher cost of deployment. (You may upload attachments to answer this question.)

Middle Class Affordability Option

1. Detail the speed and retail price of all your service plans that will be available in the Final Project Area. Prices shall include additional fees (such as equipment rentals) that could be assessed against consumer accounts.
2. Identify which of these plans is a lower cost, lower speed tier that is available to any consumer in the Final Project Area and would be affordable to any consumer. Describe how these service plans in their entirety comprise a range of options for consumers.
3. Provide demographic data for the area that supports your conclusion that the lower cost, lower speed tier plan is affordable for the Final Project Area.
4. Outline your plan for reinvesting network revenues to help reduce customer rates.
5. Check the box to certify that you will continue to provide a range of service offerings, including the lower cost, lower tier option, for at least 10 years.

SCORING CRITERIA QUESTIONS

Minimal Bead Program Outlay

1. Total BEAD funding requested for this project.
2. Total matching funds committed for this project.
3. Will you be seeking a match waiver due to your total match being less than 25% of the total project cost? (If the percentage of total project cost that is composed of matching funds is less than 25%, then the answer to this question must be yes).
 - If you answered **yes**, justify the need for your entity to receive a match waiver in this Final Project Area. Examples of this justification could include demonstrating how requiring a 25% match could undermine the commercial feasibility, affordability, and sustainability of this projects and thus disincentivize investment in higher-cost and/or lower-income rural areas, which would be contrary to the stated goals of the Infrastructure Act and the [BEAD NOFO](#).

4. What is the source of your matching funds?
 - a. Enter the dollar amount of your matching funds that have already been secured.
 - What is the source of your matching funds that have already been secured?
 - Upload evidence of the matching funds that have already been secured, such as financial records or a letter from a financial institution
 - b. Enter the dollar amount of your matching funds that have NOT already been secured.
 - What is the source of the matching funds that have not yet been secured? Describe your level of certainty that you would be able to secure these funds if you are chosen as a BEAD subrecipient.
 - Will you be seeking any additional financial support for this project, including any federal grants or contracts or contributions from communities to be served? Explain
5. Service reliability has proven to be a major challenge for Vermonters based on VCBB surveys conducted in 2023.³⁰ Additionally, given the harsh winters experienced in Vermont and the effects of climate change on the state, the hazards to infrastructure of fluvial erosion, inundation flooding, and ice are expected to increase and pose threats to BEAD-funded infrastructure in the 20 years following deployment. Couple those hazards with an expected increase in extreme heat events and wildfires, and there is a clear need for reliable and resilient networks. VCBB will consider reliability and resiliency an integral component of the value of a project within the “minimal BEAD program outlay” scoring criterion. Considering these impacts, describe any factors in your project’s network design that might make your project more expensive, but also more scalable, resilient, or reliable. In answering this question, you may reference attachments you have provided in the “Meeting minimum qualifications for technical capability” section of the gating requirements, such as your network design, network diagram, outline of estimated project costs, or letter from a licensed professional engineer. You may upload an additional attachment if necessary. Include steps you are taking to ensure a redundant network that is interoperable with other networks and capable of supporting future growth, as well as plans to provide interconnection Locations. Describe your plan for monitoring, identifying, and responding to issues related to the management of the links between network head-ends, devices, and users, to identify congestion, maximize throughput, and improve network performance.
6. For projects that are not Priority Broadband Projects, describe the scalability and resiliency of your proposed technology.

³⁰ See the [Vermont BEAD Five Year Action Plan](#).

Affordability

1. For Priority Broadband Projects: what will be the total monthly price to the customer for 1 Gbps/1 Gbps service in the Final Project Area? Include any additional fees (such as equipment rentals) that could be assessed against consumer accounts, but do not include any promotions or new customer rates.
2. For Other Last-Mile Broadband Deployment Projects: what will be the total monthly price to the customer for 100 Mbps/20 Mbps service in the Final Project Area? Include any additional fees (such as equipment rentals) that could be assessed against consumer accounts, but do not include any promotions or new customer rates.
3. Describe your commitment to affordability at the service level reported above (1 Gbps/1 Gbps or 100 Mbps/20 Mbps) into the future. For example, your entity could commit to maintain the same price for 10 years; your entity could commit to serve all included Locations in the Final Project Area at a price no higher than the median price for all 1Gbps/1Gbps (or 100 Mbps/20Mbps) service offerings reported in the most recent year's FCC Urban Rate Survey, adjusted annually based on release of the data from the FCC, for 10 years; your entity could describe how its business structure reinvests revenue into affordability; or your entity could certify that it will offer service to the identified Locations in the Final Project Area at the same rates and terms and conditions or better than offered to your existing customers for 10 years.

Fair Labor Standards

1. Provide the following documentation of your past record of labor standards, protections, and violations, if applicable:
 - a. Provide a narrative describing your entity's compliance with state and federal labor and employment laws on broadband deployment projects in the last five years (or since inception, if less than five years).
 - b. Disclose your and your contractors' safety protocols and record for the past five years, including record of fatal accidents, serious injuries, days between lost time injuries, workers compensation premiums, safety observations, safety training, and tailboard records and policies.
 - c. Disclose any instances in which your entity or its contractors or subcontractors have been found to have violated laws such as the State and Federal Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding five years (or since inception, if less than five years).
 - d. Disclose any pending litigation related to alleged violations of state or federal labor and employment laws by your entity.
 - e. Disclose any official labor relations complaints acquired by your entity in the past four years.
2. Describe your approach to ensure labor standards and protections during the BEAD

Program:

- a. Describe your policies and standard operating procedures to ensure compliance with state and federal labor protection laws and regulations, including those listed at by the [Vermont Department of Labor's Wage & Hour Program](#).
 - b. Describe your applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network.
 - c. Describe how you will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.
 - d. Describe how you will ensure ongoing compliance and commitment to labor standards and protections. If you are a new entity, use this opportunity to make specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects, to mitigate the lack of an ability to provide a record of labor and employment law compliance for scoring in this criterion.
3. Describe your plan to recruit from historically underrepresented populations facing labor market barriers for apprenticeships and training programs, and to prioritize hiring local workers.
 4. Check the box to certify that you will use an appropriately skilled and credentialed workforce.
 5. Demonstrate your plan for ensuring that the project workforce will be an appropriately skilled and credentialed workforce by providing the following information.
 - a. Document the required skills, level of experience, and certifications for full-time positions.
 - b. Describe how you will ensure the use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor management training programs that serve all workers).
 - c. Describe the steps you will take to ensure that all members of the project workforce will have appropriate credentials (e.g., appropriate and relevant occupational training, certification, and licensure) and if you will require such credential for hiring or if you will support employees to attain such credentials.
 - d. Describe your plan for workforce readiness, retention, and ensuring a quality work environment.
 - e. Describe your customer service training program and accountability measures to ensure quality customer service.
 - f. Describe whether your workforce will be directly employed or whether work will be

- g. performed by a subcontracted workforce.
 - h. List the entities that you plan to contract and subcontract with in carrying out the proposed work and describe their capabilities, or the process that will be used to select these entities and evaluate their capabilities.
 - i. Upload subcontractor reference checks to include analysis of vendor labor performance, including employee satisfaction surveys results, rates of absenteeism and employee turnover, and anticipated reference checks for future subcontractors.
6. Is your workforce unionized?
- a. If you selected **yes**: Skip the following set of questions.
 - b. If you selected **no**: List the job titles required to carry out the proposed work (including contractors and subcontractors) over the course of the project. For each job title, provide the following: (this will be entered into a chart)
 - The size of workforce with this job title (full-time employment positions, including for contractors and subcontractors)
 - The entity that will employ this job title.
 - Safety training, certification, and/or licensure requirements for this job title (e.g., Occupational Safety and Health Act 10, Occupational Safety and Health Act 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications and titles.
 - Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.
7. Upload a certification from an Officer/Director-level employee (or equivalent) with the following components:
- a. Certifying consistent past compliance with federal labor and employment laws by the subrecipient, as well as all contractors and subcontractors, or explaining why this is not applicable to your entity.
 - b. Certifying a commitment to participate in and recruit from VCBB Apprenticeship Program.

Community Input and Engagement

Demonstrate that your proposed project reflects substantive engagement with the residents in the area you propose to serve to ensure your service meets the needs of the community, as well as a commitment to conduct regular engagement into the future. Upload any of the following documentation that is relevant. You will need to provide compelling evidence in 4 of the following categories to receive points for this criterion:

1. Upload letter(s) of support from community organizations, members, and/or local

government, if applicable.

2. Upload minutes from several or more public meetings of municipalities that show substantive and reciprocal engagement over multiple months and that local officials in the Final Project Area engaged in a planning process, if applicable.
3. Upload one or more reports that have been previously submitted to the governance bodies in the communities in the Final Project Area and evidence of two-way community discussions, if applicable.
4. Upload documentation showing how community members are engaged in and contributing to development of plans in the project on an ongoing basis, if applicable.
5. Describe your entity's governance structure and how it involves community members in regular and routine decision making for the project, if applicable.
6. Describe your plans to continue to engage local communities, if applicable.
7. Has VCBB explicitly approved any additional types of evidence you will be offering as a substitute for any of the above items? If you selected yes, provide the evidence.

Local Coordination

Demonstrate that your proposed project reflects coordination with local municipalities and regional planning commissions for the proposed Final Project Area, consistency with state broadband planning efforts to date, and a plan for ongoing local coordination into the future. Upload any of the following documentation that is relevant. You will need to provide compelling evidence in 3 of the following categories to receive points for this criterion.

1. Upload evidence of a written commitment to the project from all towns in the Final Project Area, if applicable.
2. Upload substantive reports and communications between your entity and municipalities in the Final Project Area, if applicable.
3. Upload examples and evidence of municipal or regional entities contributing to project planning on a recurring basis during the preparation of your BEAD subrecipient proposal, if applicable.
4. Upload examples of municipal and regional entities pledging services and funds to the development of the Final Project Area, if applicable.
5. Upload appointment letters of citizens to governance committees of the applicant, if applicable.
6. Has VCBB explicitly approved any additional types of evidence you will be offering as a substitute for any of the above items? If yes, provide the approved evidence here.

Speed to Deployment

Do you intend to begin providing broadband service to each customer that desires broadband service before the end of the four-year period allowed under the BEAD program for deployment? Speed to deployment is measured from the date the subrecipient receives

a signed VT-BEAD grant agreement.

- If you selected **yes**: upload a binding commitment to provision and begin providing broadband service to each customer that desires broadband service by a certain date specified before the end of the four-year period allowed under the BEAD program for deployment. You will be awarded one point for each year that is less than the four years permitted under the BEAD program, for a maximum of two points.

Speed of Network and Other Technical Capabilities

If you are proposing a Priority Broadband Project, skip this section.

1. What percentage of the homes in your network will be served with Fiber to the Premises? You will receive one point for every 10% of fiber in the network.
2. For all Other Last-Mile Broadband Deployment Projects, describe the speeds, latency, and other technical capabilities of the technologies you propose to use. Include ease of scalability, amount of future investment required, costs to upgrade, and capital asset cycles.
3. If applicable, upload evidence to demonstrate the speed and latency that your proposed technology achieves in other areas where you have deployed it. Describe your commitment to upgrade technology as it evolves to deliver faster speeds.

FINAL QUESTIONS

1. Is there any other information you deem relevant to the evaluation of gating or scoring criteria for your proposal?
2. If there are any materials in your Full Proposal that you would like to be held confidential by VCBB, upload a memorandum that details that material and provides an explanation as to why such material should be exempted from disclosure under the Vermont Public Records Act (1 V.S.A. §315 et seq.).
3. Final certification and submission.

SECTION 5: GRANT TERMS & CONDITIONS

GRANT CONDITIONS AND REQUIREMENTS

Prior to Signing a Grant Agreement

- If the Subrecipient did not provide audited financial statements from the prior fiscal year as part of its proposal, the Subrecipient must provide financial statements from the prior fiscal year if its proposal is selected.
- If the Subrecipient has opted provide a Letter of Credit, prior to entering into any grant agreement, they shall provide an irrevocable standby letter of credit for 25 percent of the value of the subaward, modeled on the VCBB Model Letter of Credit in Addendum 2. In addition, they shall provide an opinion letter from legal counsel providing, subject only to customary assumptions, limitations, and qualifications, that in a proceeding under Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the “Bankruptcy Code”), the bankruptcy court would not treat the Letter of Credit or proceeds of the Letter of Credit as the property of the Subrecipient’s bankruptcy estate under Section 541 of the Bankruptcy Code.
- If the Subrecipient has opted to provide a Performance Bond, prior to entering into any grant agreement, they shall obtain a Performance Bond for 100 percent of the value of the subaward.
- The Subrecipient must certify compliance with the cybersecurity and supply chain risk management requirements, as outlined in the [BEAD NOFO](#) (p. 70–71).
 - All Prospective Subrecipients must prepare a cybersecurity risk management plan and have the plan in place prior to receiving a BEAD subaward if the Subrecipient is providing service to the area already, or the Prospective Subrecipient must demonstrate that it is ready to be operationalized upon providing service if it is not yet providing service to the area.
 - The cybersecurity risk management plan must reflect the latest version of the National Institute of Standards and Technology Framework for Improving Critical Infrastructure Cybersecurity (currently Version 2.0) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented.
 - The cybersecurity risk management plan must be submitted to VCBB prior to signing a grant agreement. If the Subrecipient makes any substantive changes to the plan, a new version must be submitted within 30 days.
 - The cybersecurity risk management plan must be reevaluated and updated on a periodic basis and as events warrant.
 - To the extent a Subrecipient relies in whole or in part on network facilities owned or operated by a third party (e.g., purchases wholesale carriage on such facilities), the Subrecipient must also submit the above attestations from its network provider.

- All Prospective Subrecipients must prepare a supply chain risk management plan. As with the cybersecurity risk management plan, the supply chain risk management plan must be in place prior to award of the grant if the Subrecipient is providing service to the area already; or the Subrecipient must demonstrate that it is ready to be operationalized upon providing service. Supply chain risk management plans must meet the following requirements:
 - Supply chain risk management plans must be based on the key practices in the National Institute of Standards and Technology publication NIST IR 8276, [Key Practices in Cyber Supply Chain Risk Management: Observations from Industry](#) (February 2021) and related Supply Chain Risk Management guidance from National Institute of Standards and Technology, including NIST SP 800-161 Rev. 1, [Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations](#) (May 2022), with specification of the supply chain risk management controls being implemented.
 - The supply chain risk management plan must be submitted to VCBB prior to signing a grant agreement. If the subrecipient makes any substantive changes to the plan, a new version must be submitted within 30 days.
 - The supply chain risk management plan must be reevaluated and updated on a periodic basis and as events warrant.
 - To the extent a Subrecipient relies in whole or in part on network facilities owned or operated by a third party (e.g., purchases wholesale carriage on such facilities), the Subrecipient must also submit the above attestations from its network provider.
- Prior to commencement of work and release of any payments, grantee must submit the following:
 - A Certificate of Insurance in accordance with [the State of Vermont's Insurance Specifications](#).
 - A current [IRS Form W-9](#), Request for Taxpayer Identification Number and Certification, signed within the last six months.
 - Documentation verifying pledged matching funds
- Prior to any distribution of any funding, each subrecipient must agree, by binding commitment, to abide by the nondiscrimination requirements set forth in the following legal authorities, to the extent applicable, and to acknowledge that failure to do so may result in cancellation of any award and/or recoupment of funds already disbursed:
 - Title VI of the Civil Rights Act
 - Title IX of the Education Amendments of 1972
 - The Americans with Disabilities Act of 1990
 - Section 504 of the Rehabilitation Act of 1973
 - The Age Discrimination Act of 1975
 - Any other applicable non-discrimination law(s)
 - All applicable state and federal laws, including [VCBB policies](#).

Before Construction Begins

The Subrecipient must receive VCBB approval for the Subrecipient's Detailed Designs for their first construction area to ensure that they conform with the Outside Plant Design standards. Subrecipient will be required to submit GIS files of the final design for each competed distribution area along with final inspection results.

During Construction

- Subrecipient must conduct construction site visits to ensure labor standards and protections are followed.
- VCBB will provide resources and guidance to BEAD Subrecipients to facilitate their recruitment of Minority and Women Owned Business Enterprises (M/WBE) and labor surplus area firms (LSAF) for subcontracts, including a compiled list of relevant businesses in each of these categories. BEAD Subrecipients must conduct outreach to that curated list of businesses regarding pertinent solicitations, and additionally post as relevant to communities that reach M/WBEs and LSAFs, including Vermont Releaf Collective (vtreleafcollective.org), AALV (aalv-vt.org), Vermont's two NAACP chapters in Rutland and Springfield, and Vermont Works for Women (vtworksforwomen.org). Subrecipients must shape their scopes of work for solicitations in a way that allows for a potential vendor to propose to cover a discrete subset of the scope, not necessarily the entire scope, and establish delivery schedules that encourage participation by M/WBEs and LSAFs and do not require completing a prohibitively large proportion of the work prior to receiving funding, as feasible. This makes it more feasible for smaller firms to successfully propose to do the work.

After Construction Is Complete

- As required by the [BEAD NOFO](#) (p. 69), in the event that a Subrecipient can no longer provide broadband service to the end user Locations covered by the subaward, Vermont, in consultation with NTIA, will require the Subrecipient to sell the network capacity at a reasonable, wholesale rate on a nondiscriminatory basis to one or more other broadband service providers or public-sector entities or sell the network in its entirety to a new provider who commits to providing services under the terms of the BEAD Program, subject to approval by VCBB, NTIA, and any other federal entity with authority to review the acquisition. In the case of the dissolution of a Vermont Communications Union District (CUD), any such fiber assets may become the property of the State to be managed by VCBB.
- Performance must be demonstrated, verified, and documented at the customer site.

Award Conditions

- Any municipally organized entity that can issue public bonds and that is not offering a Letter of Credit or a Performance Bond will have a special award condition from the VCBB requiring the entity to certify that they will seek bonds or another financial instrument to cover any cost necessary to complete the agreed upon scope of work.

Alternatively, a municipally-organized entity that can issue public bonds and is offering to require that a party it is contracting with provide a Performance Bond covering 100% of the amount of the VT-BEAD subaward will have a special award condition from VCBB requiring the entity to certify that they will seek bonds or another financial instrument to cover any cost necessary to complete the agreed upon scope of work.

- As required by the [BEAD NOFO](#) (p. 69), any Subrecipient that has received VT-BEAD funds for construction of Middle Mile Infrastructure must permit other broadband service providers to interconnect with its funded Middle Mile Infrastructure network facilities on a just, reasonable, and nondiscriminatory basis. Such interconnection must be allowed at any technically feasible point on the Middle Mile Infrastructure network (without exceeding current or reasonably anticipated capacity limitations). This duty includes, at a minimum, the physical interconnection of the subrecipient's Middle Mile Infrastructure to a requesting party's facilities for the exchange of traffic. In addition, subrecipients shall connect to the public internet directly or indirectly and provide requesting parties with an ability to connect to the internet. Rates and terms for interconnection shall be reasonable and nondiscriminatory, and negotiations with any requesting party making a bona fide request for interconnection must be in good faith.
- As required by the [BEAD NOFO](#) (p. 69), in the event that a Subrecipient can no longer provide broadband service to the end user Locations covered by the subaward, VCBB, in consultation with NTIA, will require the subrecipient to sell the network capacity at a reasonable, wholesale rate on a nondiscriminatory basis to one or more other broadband service providers or public-sector entities or sell the network in its entirety to a new provider who commits to providing services under the terms of the BEAD Program, subject to approval by VCBB, NTIA, and any other federal entity with authority to review the acquisition.
- Subrecipient must agree to VCBB monitoring, including regular meetings to discuss project progress and VCBB site visits of Subrecipient deployment projects, in addition to the reporting outlined below.
- VCBB reserves the right to include specific award conditions later. VCBB will convey any changes to subrecipients along with the reason for the change and the specific timeframe in which the revised specific award conditions will take effect.
- Subrecipient must comply with the following terms and conditions throughout the duration of the grant:
 - State of Vermont Attachment C: [Standard State Provisions for Contracts and Grants](#)
 - 2 CFR Part 200—[Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards](#) (31 U.S.C. 503), also known as the Uniform Guidance
 - Department of Commerce [Financial Assistance Standard Terms and Conditions](#)
 - Any other terms and conditions incorporated by reference or fully set forth in the grant agreement.

REPORTING REQUIREMENTS

Failure to adhere to reporting requirements and deadlines may disqualify the subrecipient from future grant opportunities. VCBB is required by the [BEAD NOFO](#) (p. 90) to make every report submitted to it by a subrecipient available to NTIA upon request. Additionally, information submitted in any report to VCBB will be a public record. If the Subrecipient considers any information in the report to be a trade secret protected, the Subrecipient may request that trade secret information be kept confidential and must specifically label the information for which the claim is made. VCBB shall notify the Subrecipient if a public records request is made for the information claimed as protected by the subrecipient. The Subrecipient may then proceed to obtain judicial protection for the information. VCBB reserves the right to modify reporting requirements during the project. At a minimum, reporting requirements will include the following:

Quarterly Reporting

Subrecipients must report quarterly to VCBB on their progress to ensure that sufficient progress is being made towards each construction and/or other specifically identified milestone in the deployment in accordance with the provisions of their grant agreement.

Regular Reporting

- Regular reporting must include an update on how the subrecipient is ensuring a high-quality and safe work environment, including any recruitment from diverse populations, labor area surplus firms, and apprenticeship programs; training offered to workers; labor violations; workforce and safety practices; and any other metrics needed to ensure high-quality jobs and careers are fostered by the BEAD Program. Subrecipients will also need to include in regular reporting the site visits they have conducted to ensure labor standards and protections are adhered to.
- Regular reporting must include any Minority Business Enterprises, Women Business Enterprises, and labor area surplus firms that the subrecipient has contracted with; a description of the efforts that have been taken to solicit bids from these businesses and to reach out to communities that reach these businesses; and to structure bids in a divisible way so that smaller firms can bid on portions of the work.
- Regular reporting must also include all components outlined in the [BEAD NOFO](#) (p. 90–92).

Annual Reporting

- VCBB will require subrecipients to submit annual audited financial statements prepared by an independent certified public accountant to VCBB within the earlier of 30 days of the subrecipient receiving their audited financial statements or nine months after the end of the audit period during the project.
- Annual reporting must include the pricing tiers of service the subrecipient offers so that VCBB can ensure broadband connections remain affordable for middle class families throughout Vermont.

Milestone Reporting

- Final “as built” network designs must be provided upon the completion of construction.
- Subrecipients will be required to report if they fail to meet interim build-out milestones within 10 business days of missing the applicable milestone deadline.

SUBRECIPIENT & PROJECT MONITORING

VCBB will closely monitor subrecipient projects, as required by the State of Vermont and the federal government. Subrecipient monitoring may include, but is not limited to, subrecipient risk assessments, subrecipient reporting, meetings with subrecipients and/or subcontractors, desk reviews, requests for documentation, site visits, speed tests, and field inspections. VCBB will conduct network inspections before certifying project completion.

GRANTEE PAYMENT SCHEDULE

Use of Initial 20 Percent of Funding

Vermont’s total allocation of BEAD funding is \$228,913,019.08. Consistent with Section IV.B.8. of the [BEAD NOFO](#), Vermont may use up to the first 20 percent of its BEAD funding allocation for the deployment of last mile broadband infrastructure to Unserved and Underserved Locations prior to the NTIA’s approval of Vermont’s Final Proposal for BEAD funding, given that the areas funded meet the following conditions:

- Consist of a least 80 percent Unserved Locations; and
- Are in Locations in which the percentage of individuals with a household income at or below 150 percent of the poverty level applicable to a family of the size involved (as determined under Section 673(2) of the Community Services Block Grant (42 U.S.C. 9902(2)) is higher than the national percentage of such individuals.

According to the 2023 [Current Population Survey Annual Social and Economic Supplement](#), approximately 19.4 percent of the United States population (64,764,000 out of 328,191,000 individuals) is living below 150 percent of the poverty level. (This includes all people living in primary families, living in unrelated families, and unrelated individuals.)³¹

VCBB intends to fund BEAD deployment projects at the project area level (roughly CUDs, or towns where no CUD is formed). The VCBB has identified two CUDs which meet the requirement with more than 19.4 percent of the population living below 150 percent of the poverty level:

³¹ [POV-01. Age and Sex of All People, Family Members, and Unrelated Individuals](#). Source: [Current Population Survey \(CPS\)](#) Annual Social and Economic (ASEC) Supplement, 2023. The CPS is a joint effort between the Bureau of Labor Statistics and the Census Bureau.

CUD	Percentage of Individuals Living Below 150% Poverty Level
Deerfield Valley	23.64%
NEK Broadband	22.17%

There is one town in Vermont, Warren, which has more than 19.4 percent of individuals living in households below the 150 percent of poverty level and at least 80 percent of Locations Unserved.

Non-CUD Town	Percentage of Individuals Living Below 150% Poverty Level
Warren	50.30%

The VCBB intends to make the initial 20 percent of BEAD funding available to extend high-speed broadband services to the Unserved Locations in these three areas—Deerfield Valley CUD, NEKCV Broadband CUD, and Warren—prior to approval of Vermont’s Final Proposal by the NTIA.

To the extent that any portion of Vermont’s first 20 percent of BEAD allocation remains, the VCBB intends to use these funds to support deployment of last-mile broadband infrastructure in other Unserved and Underserved Locations, which have similar, albeit slightly lower, poverty levels. Below are examples of CUD with slightly lower poverty levels and poverty levels, but a significant number of Unserved Locations.

CUD	Percentage of Individuals Living Below 150% Poverty Level
Southern Vermont CUD	19.31%
Otter Creek CUD	19.20%
Lamoille FiberNet CUD	18.56%

The use of this initial 20 percent of funding will enable construction to begin as soon as possible to the communities in the state with the most need.

Fixed Amount Subawards

In NTIA’s policy notice titled [Tailoring the Application of the Uniform Guidance to the BEAD Program](#) (12/26/2023), NTIA holds that the BEAD competitive subrecipient selection process will allow states to establish fixed amount subawards for broadband infrastructure projects that are based on a reasonable estimate of actual costs, subject to the requirement that each state monitor “the reasonableness of the subrecipient costs.” As such, VCBB intends to utilize fixed amount subawards to reduce the program’s administrative costs and

promote broad participation in the VT-BEAD program. VCBB may award subawards on a cost reimbursement basis if specific cases warrant this type of agreement.

A fixed amount subaward is a type of subaward agreement where payments are based on meeting specific requirements of the award, such as project milestones, performance measurements, or defined results, rather than actual costs incurred. This type of award reduces some of the administrative burden for both the recipient (VCBB) and subrecipient. Utilizing fixed award subawards renders some requirements in 2 CFR 200 inapplicable, as described below.

- **Cost Principles:** Many federal cost principles (2 CFR 200 Subpart E) do not apply as compliance requirements to fixed amount subawards. Instead, the cost principles or other pricing information are used as a guide when budgeting for the work that will be performed under the fixed amount subaward. (As outlined in 2 CFR 200, §§ [200.400\(g\)](#), [200.402](#) through [200.405](#), and [200.407\(d\)](#) do apply to fixed amount awards.)
- **Procurement:** Subrecipients that receive a fixed amount subaward are not required to comply with the procurement standards of the Uniform Guidance. The State of Vermont may require subrecipients to meet state procurement standards.
- **Property Standards:** Fixed Award Subrecipients that receive a fixed amount subaward have more flexible property standard options including exceptions, adjustments, and clarifications for fixed amount subawards, including title, management and use requirements, liens, encumbrance and disposition.

Monitoring for Fixed Subawards

Fixed amount subawards may reduce the administrative burden for subrecipients but require robust monitoring from the VCBB to mitigate fraud, waste, and abuse. VCBB's monitoring responsibility also means monitoring the non-federal share required by the subaward agreement. In alignment with NTIA's requirements, VCBB shall require the subrecipients to use subaward payments only for the reimbursement of eligible costs in connection with the broadband deployment projects for which the payment is intended.

As required by the BEAD Program, VCBB will monitor award activities for common fraud activities, including but not limited to:

- False claims for materials and labor;
- Bribes related to the acquisition of materials and labor;
- Product substitution;
- Mismatching or mislabeling on products and materials; and
- Time and materials overcharging.

Payment Schedules

- In accordance with NTIA guidelines, VCBB will utilize a performance-based reimbursement method of payment in which payments will be made as subrecipients meet project milestones and objectives.
- Funding deployment projects on a reimbursement basis allows the VCBB to withhold

funds if the subrecipient fails to take the actions the funds are meant to subsidize.

- VCBB will consider requests included within a Prospective Subrecipient's proposal to reimburse for administrative costs as an initial milestone. This may include allowing subrecipients to seek reimbursement for costs associated with post-award activities such as environmental reviews, compliance with requirements that are part of the BEAD program but not part of the Subrecipient's normal business operations, and other activities related to preparing to be a VT-BEAD Subrecipient. Administrative costs must be categorized as direct costs and directly tied to the grant-funded project to be reimbursable. VCBB cannot reimburse subrecipients for indirect costs (also known as facilitates and administrative or overhead costs).
- VCBB will retain five percent of an award or \$1,000,000, whichever is greater, until all subaward obligations have been met and the project is certified complete.
- It is the responsibility of the subrecipient to ensure that all contractors and/or subcontractors adhere to the applicable state and federal program rules and regulations.

Missed Milestones and Non-Compliance

- Subrecipients must notify VCBB if they will not meet a project milestone. In such cases, VCBB may grant an extension of time. If a subrecipient fails to meet the revised milestone date, VCBB may assess a penalty.
- VCBB will withhold any funding associated with missed milestones until such time as the subrecipient comes into compliance with the requirements. Failure to meet milestone obligations may result in the VCBB imposing penalties, including but not limited to suspending payments, terminating the grant agreement and/or recapturing grant funds.
- The grant agreement will include a clawback provision (a provision allowing recoupment of funds previously disbursed). A subrecipient's failure to fulfil its obligations under the grant may result in a clawback of funding provided to the subrecipient and/or additional penalties for non-performance. The VCBB will determine the amount of the funding subject to clawback based on the level of noncompliance by the subrecipient.

ADDENDUM 1: DETAILED BUSINESS PLAN INSTRUCTIONS

Your business plan must substantiate the sustainability of your proposed BEAD project(s). If you are submitting proposals for multiple Final Project Areas, you may submit one single business plan if the business plan clearly outlines the viability of receiving any one or any combination of the Final Project Areas proposed. This outline is written for Priority Broadband Projects. For Other Last-Mile Broadband Deployment Projects, provide the most equivalent metrics for your technology type.

Your business plan must include the following elements at a minimum:

COVER

- Who produced the plan?
- Date of initial Plan
- Date of latest update (must be within the last 6 months)
- Financial institution that reviewed feasibility study, if applicable

EXECUTIVE SUMMARY

- Does your plan cover every Unserved and Underserved BSL in each Final Project Area you propose to serve? How many Unserved and Underserved Locations are in each proposed Final Project Area?
- What other entities are you working with (contractors, subcontractors, or other partners) that will ensure a build-out to ALL Unserved and Underserved Locations?
- Provide a brief overview of the operating model.
- Provide the total Project cost – Divided by consortium members if necessary.
- Anticipated pole mileage constructed each year and in total.
- Anticipated BEAD-eligible and total passings constructed each year and in total.
- Overall project mileage broken down by proposed and existing:
 - Middle mile
 - Aerial mileage
 - Underground mileage (assumptions if not known)
- Year 5 take rate and take rate assumption rationale.

CAPITAL BUDGET

Provide an overall budget broken down by the following:

1. Engineering costs

2. Project management
3. Overhead
4. Material costs
5. Contingency
6. Middle mile fiber
 - a. Aerial
 - b. Underground
7. Retail fiber (providing service)
 - a. Aerial
 - b. Underground
 - c. Drops³²
8. Any other relevant capital costs

FINANCIAL PRO FORMA

At a minimum, include the following in your pro forma:

1. Facilities costs (all-in)
2. Administration costs
3. Marketing expenses
4. Technical support (call center, field tech support – onsite) costs
5. Debt service cost
6. Debt service coverage ratio
7. Property taxes
8. Operations and maintenance costs
9. All other costs
10. Revenue plan
 - include take-rate details

³² The cost to the Prospective Subrecipient to deploy drops in order to be able to activate service at every Location within the Project within 10 days of a consumer request, and with the total cost to consumer being no more than the standard installation fee.

11. Funding assumptions and strategy

- Loan and/or bond rates
- IRR

12. Cash-flow positive date

13. Loan payoff date

14. Market analysis

15. Pro forma analyses and at least three years of operating cost and cash flow projections beyond the four-year implementation period of the project

16. Date at which the proposed project will be Net Present Value Positive

TIMELINE

- A build-out timeline and interim milestones for project implementation. Note that these interim milestones may form the basis for grant payment milestones for selected subrecipients.
- A capital investment schedule demonstrating complete build-out and the initiation of service within four years of the date on which the entity receives the subaward.

RISK AND CONTINGENCY PLAN

1. Financial
2. Labor needs and availability
3. Equipment and materials (supply chain management)
4. Make-ready timelines
5. Contractor management plan

ADDENDUM 2: MODEL LETTER OF CREDIT

Bank Letterhead

IRREVOCABLE STANDBY LETTER OF CREDIT No. [Specific Letter Reference Information]

Issuing Bank Name
Address of Issuing Bank

Date of Issuance: [Insert Date]
Grant Amount: [Insert Award Amount]
Expiration Date: [One year from issuance]
Project Area: [Name]

BENEFICIARY

Vermont Community Broadband Board
Attn: Broadband Equity Access and Deployment Program
112 State Street
Montpelier, VT 05620-2601

We hereby establish, at the request and for the account of [Broadband Equity Access and Deployment (BEAD) Program Subrecipient] in your favor, as required under the BEAD Notice of Funding Opportunity, adopted on May 13, 2022, issued by the National Telecommunications and Information Administration (“NTIA”), NTIA-BEAD-2022 (the “BEAD NOFO”), our Irrevocable Standby Letter of Credit [Specific Letter Reference Information] in the amount of [Insert amount in words dollars and no cents; amount in numbers].

This Letter of Credit shall automatically renew for one (1) year periods from the then current Expiration Date unless [Issuing Bank Name] gives written notice of non-renewal to the Vermont Community Broadband Board (“VCBB”) by a nationally recognized overnight delivery service with a copy to VCBB, 112 State Street, Montpelier, VT 05620-2601, at least sixty (60) days but not more than ninety (90) days prior to the expiry thereof, or such earlier date as the Letter of Credit is terminated by VCBB (the “Expiration Date”). Capitalized terms used herein but not defined herein shall have the meanings accorded such terms in the BEAD NOFO.

Funds under this Letter of Credit are available to you against your draft in the form attached hereto as Annex A, drawn on our office described below, and referring thereon to the number of this Letter of Credit, accompanied by your written and completed certificate signed by you substantially in the form of Annex B attached hereto. Such draft and certificates shall be dated the date of presentation or an earlier date, which presentation shall be made at our office located at [Issuing Bank Address] and shall be effected either by personal delivery or delivery by a nationally recognized overnight delivery service. We hereby commit and agree to accept such presentation at such office, and if such

presentation of documents appears on its face to comply with the terms and conditions of this Letter of Credit, on or prior to the terms and conditions of this Letter of Credit, on or prior to the Expiration Date, we will honor the same not later than one (1) banking day after presentation thereof in accordance with your payment instructions. Payment under this Letter of Credit shall be made by check or wire transfer of Federal Reserve Bank of New York funds to the payee and for the account, you designate, in accordance with the instructions set forth in a draft presented in connection with a draw under this Letter of Credit.

Partial drawings are not permitted under this Letter of Credit. This Letter of Credit is not transferable or assignable in whole or in part.

This Letter of Credit shall be canceled and terminated upon receipt by us of the VCBB's certificate purportedly signed by two (2) authorized representatives of VCBB and countersigned by the VCBB's authorized signatory in the form attached as Annex C.

This Letter of Credit sets forth in full the undertaking of the Issuer, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except only the certificates and the drafts referred to herein and the ISP (as defined below); and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts and the ISP.

This Letter of Credit shall be subject to, governed by, and construed in accordance with, the International Standby Practices 1998, International Chamber of Commerce Publication No. 590 (the "ISP"), which is incorporated into the text of this Letter of Credit by this reference, and, to the extent not inconsistent therewith, the laws of the State of New York, including the Uniform Commercial Code as in effect in the State of New York.

Communications with respect to this Letter of Credit shall be addressed to us at our address set forth below, specifically referring to the number of this Letter of Credit.

[Signature]

[Name of signatory]

[Title of Signatory]

ANNEX A: FORM OF DRAFT

To: [Name of Issuing Bank]

DRAWN ON LETTER OF CREDIT [Specific Letter Reference Information]

AT SIGHT

PAY TO THE ORDER OF VERMONT COMMUNITY BROADBAND BOARD (VCBB) BY
CHECK OR WIRE TRANSFER OF FEDERAL RESERVE BANK OF NEW YORK FUNDS

TO:

Account (_____)

As BEAD Fund Program Repayment

[AMOUNT IN WORDS] DOLLARS AND NO/CENTS \$

[AMOUNT IN NUMBERS]

Vermont Community Broadband Board

By: _____

Name: _____

Title: _____

ANNEX B: DRAW CERTIFICATE

The undersigned hereby certifies to [Name of Issuing Bank] (the “Bank”), with reference to (a) Irrevocable Standby Letter of Credit No. [Specific Letter Reference Information] (the “Letter of Credit”) issued by the Bank in favor of the Vermont Community Broadband Board (“VCBB”) and (b) the BEAD NOFO, adopted on May 13, 2022, issued by the National Telecommunications and Information Administration, NTIA-BEAD-2022, pursuant to which [Broadband Equity Access and Deployment (BEAD) Program Subrecipient] has provided the Letter of Credit (all capitalized terms used herein but not defined herein having the meaning stated in the BEAD NOFO), that:

[Broadband Equity Access and Deployment (BEAD) Program Subrecipient] has [Describe the event that triggers the draw.], which is evidenced by a letter signed by the Chair of the VCBB or his/her designee, dated _____, 20__ , a true copy of which is attached hereto. Accordingly, a draw of the entire amount of the Letter of Credit No. [Specific Letter Reference Information] is authorized.

OR

VCBB certifies that given notice of non-renewal of Letter of Credit No. [Specific Letter Reference Information] and failure of the account party to obtain a satisfactory replacement thereof, pursuant to the VCBB’s Request for Proposal’s Terms and Conditions for subrecipients in the BEAD Program [specific document reference for Vermont BEAD RFP], VCBB is entitled to receive payment of \$_____, representing the entire amount of Letter of Credit No. [Specific Letter Reference Information].

IN WITNESS WHEREOF, the undersigned has executed this certificate as of [specify time of day] on the ____ day of _____, 20__.

ANNEX C: CERTIFICATE REGARDING TERMINATION OF LETTER OF CREDIT

The undersigned hereby certifies to [Name of Issuing Bank] (the “Bank”), with reference to (a) Irrevocable Standby Letter of Credit No. [Specific Letter Reference Information] (the “Letter of Credit”) issued by the Bank in favor of the Vermont Community Broadband Board (“VCBB”), and (b) the BEAD NOFO, adopted on May 13, 2022, issued by the National Telecommunications and Information Administration, NTIA-BEAD-2022, (all capitalized terms used herein but not defined herein having the meaning stated or described in the BEAD NOFO), that:

1. [Include one of the following clauses, as applicable.]
 - a. The VCBB’s Request for Proposal’s Terms and Conditions for subrecipients in the BEAD Program [specific document reference for Vermont BEAD RFP] has been fulfilled in accordance with the provisions thereof; or
 - b. [Broadband Equity Access and Deployment (BEAD) Program Subrecipient] has provided a replacement letter of credit satisfactory to the FCC.
2. By reason of the event or circumstance described in paragraph (1) of this certificate and effective upon the receipt by the Bank of this certificate (countersigned as set forth below), the Letter of Credit is terminated.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the ____ day of _____, 20__.

Vermont Community Broadband Board

By: _____

Name:

Title:

By: _____

Name:

Title:

COUNTERSIGNED

National Telecommunications and Information Administration

By: _____

Name:

Its Authorized Signatory