

VERMONT COMMUNITY BROADBAND BOARD

BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (BEAD) PROGRAM

DRAFT REQUEST FOR APPLICATIONS FOR VERMONT BEAD SUBRECIPIENTS

The Vermont Community Broadband Board (VCBB) is publishing this draft request for applications (RFA) for public comment. This RFA is not final and may change before the VCBB launches the Vermont BEAD subrecipient selection process.

Submit questions and comments about this draft RFA to VCBB via the [BEAD Draft RFA Public Comments & Questions](#) form.

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PROGRAM QUESTIONS

Submit questions to VCBB via the [BEAD Draft RFA Public Comments & Questions](#) form.

TECHNICAL ASSISTANCE WITH AMPLIFUND GRANTS MANAGEMENT SYSTEM

[VCBB will provide this information in the final version of this RFA.]

SECTION 1: OVERVIEW

INTRODUCTION

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

The Vermont Community Broadband Board (VCBB)² 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 upon significant stakeholder engagement and aligns Vermont's broadband goals with the federal goals and requirements of BEAD. 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 Commissions
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 have been incorporated, as shown on the VCBB [ArcGIS Hub site](#) BEAD page.

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](#).

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 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 at all or having broadband service offering only speeds below 25 Mbps download / 3 Mbps upload and/or latency above 100 milliseconds, after Vermont 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

Comparable Evidence for Letter of Credit – Evidence of financial capabilities that may be submitted instead of a Letter of Credit by Prospective Subrecipients that have the ability to issue public bonds (e.g. municipalities or municipally-organized entities).⁸ This Comparable Evidence is outlined under Filing a BEAD Full Proposal, Gating Criteria Questions, Financial Capability.

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 eligible entities that jointly apply for one or more project areas.

Funded Network – Any broadband network deployed and/or upgraded with BEAD program funds.¹⁰

Extremely High Cost Per Location Threshold (EHCT) – A cost threshold for the average of each unserved/underserved location in a project area, above which the VCBB may decline to select a proposal or seek to adjust the cost of a proposal if negotiations with a

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 funded networks.

Prospective Subrecipient do not result in a cost commitment below that threshold.¹¹ 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. This process is explained in greater detail in the document titled “BEAD Full Proposal Review, Scoring, and Negotiation”. [This document will be available when the final version of the RFA is published.]

Final Project Area – An area defined by the VCBB including, if applicable, consideration of any requested modifications to the Initial Project Area filed by Prospective Subrecipients during the preproposal period. The Final Project Area may not be modified once set by the VCBB.

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.¹²

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 preproposal period.

Letter of Credit – A potential requirement for most subrecipients prior to entering a grant agreement.¹³ Where applicable, the Letter of Credit must be modeled after the VCBB Model Letter of Credit in Addendum 3. [Addendum 3 will be published with the final version of this RFA.] On October 23, 2023, the NTIA issued a [BEAD Letter of Credit Waiver](#) notice that provides a conditional programmatic waiver of the Letter of Credit requirement and allows subrecipients to instead utilize Performance Bonds.¹⁴

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, and microwave links.¹⁵

National Telecommunications and Information Administration (NTIA) – An agency

¹¹ See the [BEAD NOFO](#) (p. 13) for more information about extremely high cost per location thresholds.

¹² 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.

¹³ See the [BEAD NOFO](#) (p. 72–73) for more information about the letter of credit.

¹⁴ See [BEAD Letter of Credit Waiver](#) notice and the definition for “Comparable Evidence for Letter of Credit.”

¹⁵ See the [BEAD NOFO](#) (p. 13–14) for more information about middle mile infrastructure.

within the U.S. Department of Commerce that is responsible for overseeing the BEAD Program and distributing BEAD funding to states.

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

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 Eligible Entity's EHCT (Extremely High Cost per Location Threshold), or for other valid reasons subject to approval by the Assistant Secretary.¹⁶

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 each and 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 and chosen by the Prospective Subrecipient, such that the number of served locations in the Project in no case exceeds 20% of the total number of locations in the Project.¹⁷

Prospective Subrecipient – An entity that meets VT-BEAD Gating Criteria and seeks to participate in VT-BEAD by filing a Preproposal. Where no entity files a Priority Broadband Project pre-proposal for an Initial Project Area, a Prospective Subrecipient may include an entity that files a Full Proposal for a Final Project Area that consists, in whole or in part, of the geographic area encompassed by the Initial Project Area for which no Priority Broadband Project pre-proposals were received.

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 the VCBB will determine which proposals to select for funding by allotting points based on these criteria.¹⁸

Subrecipient – An entity that is chosen by the Vermont Community Broadband Board to receive BEAD grant funds from the State of Vermont to carry out BEAD-eligible activities.¹⁹

Universal Service Plan – A plan that details a Prospective Subrecipient's approach, and provides binding commitments, for providing broadband service to every unserved and underserved location within a Final Project Area, as detailed in Addendum 2 of this RFA. The concept of a Universal Service Plan was designed in [Vermont Act 71](#) of 2021 to ensure that all Vermonters will gain access to broadband and that publicly funded

¹⁶ See the [BEAD NOFO](#) (p. 14 and 42) for more information about priority broadband projects.

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

¹⁸ Adapted from NTIA's [Tricky Topics to Watch Out for in the Initial Proposal](#) (p. 6).

¹⁹ See the [BEAD NOFO](#) (p. 15) for more information about the term "subrecipient."

broadband projects in Vermont protect the State’s investments and advance the State’s universal service mission, as described in Vermont’s [BEAD Five-Year Action Plan](#).

Vermont Community Broadband Board (VCBB) – entity responsible for administering Vermont’s BEAD funding and selecting Vermont’s VT-BEAD subrecipients. The Board comprises five appointees and is staffed within the State of Vermont’s Public Service Department.

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

SECTION 2: VT-BEAD SUBRECIPIENT SELECTION PROCESS

SUBRECIPIENT SELECTION PROCESS OVERVIEW

In line with Vermont goals and federal guidelines, Vermont 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 our state. 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% of all Locations in the Prospective Subrecipient's proposed Project.

Prospective Subrecipients are strongly encouraged to utilize end-to-end fiber networks to each end-user premises to the extent technically feasible. Such 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. 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.

Vermont will allow applications from a Consortium. Per NTIA guidance a Consortium application requires a single, lead applicant for each project area and the applications for project areas must be separable, i.e., the eligible entity may select the Consortium as the winner in one area but not another. A Consortium must be documented with a signed memorandum of understanding between the parties and must identify the lead applicant. The lead applicant will be the point of contact and responsible party for the project sub-award. The Eligible Entity will have an agreement with the lead applicant regarding all

awarded grant funds. The state will create additional agreements for individual members of a Consortium to hold each party individually accountable. The terms of the agreements made with the individual consortium members would be at the discretion of the Eligible Entity. BEAD match is tied to each specific project area, meaning Consortium members may not pool or share match across 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 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 answer questions to provide basic information about the forthcoming full proposal and to indicate 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 project area that did not receive any Priority Broadband Project pre-proposals.
2. The full proposal is a Priority Broadband Project for a 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 project area that did not receive any pre-proposals.
4. The full proposal is not a Priority Broadband Project and is for a 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 project area has been created based on input received during the pre-proposal phase.

Filing a pre-proposal constitutes a commitment to filing a full proposal. A Prospective Subgrantee that files a pre-proposal and fails to file a full proposal for the same project area will be disqualified from receiving funding from VT-BEAD for any project area during any part of the process.

After the pre-proposal filing window has closed, VCBB staff will carefully review the requests for modifications to the Initial Project Areas and determine the Final Project Areas as described in the Initial and Final Project Areas section of this RFA. The VCBB will then officially provide public notice of the opening of the full proposal window and publish a description of the Final Project Areas that will be used for the full proposal process. The 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. The VCBB may actively solicit full proposals for project areas that did not receive pre-proposals.

Once the full proposal submission window has opened, the VCBB will impose a quiet period lasting until the 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, the VCBB may continue communications with Prospective Subrecipients. The 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. The restriction imposed here is on the specific nature of a Prospective Subrecipient's bid, therefore, 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 joint proposal, communication among those entities is essential to preparing a proposal and therefore are permitted. 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, the VCBB will begin review of the full proposals. BEAD subgrants will be awarded to the highest scoring proposals that satisfy all gating criteria, with priority given to Priority Broadband Projects that do not exceed the Extremely High Cost Per Location Threshold. This review process is further outlined in the document titled "BEAD Full Proposal Review, Scoring, and Negotiation." [This document will be available when the final version of the RFA is published.]

If there are 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 Extremely High Cost Per Location Threshold and cannot be negotiated to an acceptable price, the 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, the VCBB reserves the right to include alternative technology types and to run multiple competitive application rounds.²⁰

INITIAL AND FINAL PROJECT AREAS

The 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

²⁰ 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](#).

and underserved BSLs within each project area can be found on the VCBB [ArcGIS Hub site](#) BEAD page.. Within the boundaries of a 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 may choose to include certain served Locations within the project area boundaries. The exact number and identity of the served Locations is up to each Prospective Subrecipient, however the total number of served Locations may not constitute more than 20 percent of the total number of locations in the project (unserved + underserved + served locations). As noted above, the set of Locations that includes all the unserved and underserved Locations within the project area, as well as the subset of served locations within the project area that compose up to 20 percent of the total set of locations, constitute a Project.

In certain instances, Prospective Subrecipients' network designs for a project area may also require the use of Middle Mile Infrastructure inside or outside the boundaries of that 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."²¹ 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 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.

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. Per NTIA guidance issued after the approval of Vermont's Initial Proposal Volume 2,²² any subsequent changes that might result, for example, from negotiations to ensure a proposal is below the EHCT **and** that results in utilizing non fiber solutions will result in that proposal having to be re-scored against other non-priority proposals. 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 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

²¹ See NTIA's [Frequently Asked Questions and Answers](#) Version 6.0 (pg. 49, question 10.1 part 2).

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.

2. Initial Project Areas outside of a CUD and bounded by a municipality:

Prospective Subgrantees 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, the 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, the VCBB will consider the requested modifications to the Initial Project Areas and will make the Final Project Area determinations 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](#). The 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 the VCBB may choose to make include but are not limited to the following:

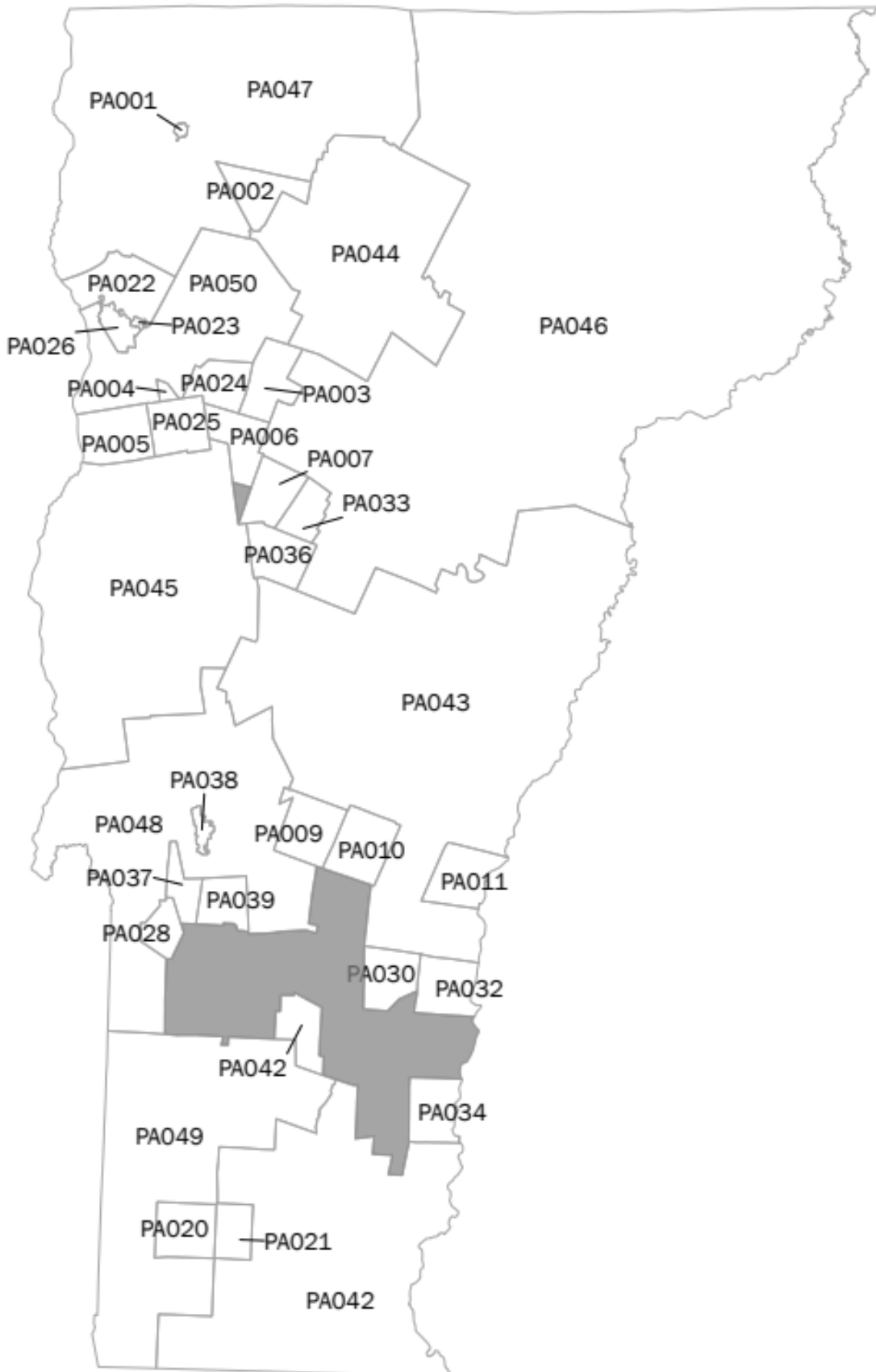
- Adding certain locations to the project area bounded by the CUD;
- Moving certain locations out of the project area bounded by the CUD to a different project area;
- Creating a new project area;
- Removing certain locations from the project areas that do not meet the requirements for BSLs by verifying 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.

The 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).

As described above, Prospective Subrecipients will have the option to include in their Project served locations within the Final Project Area, to the extent that the number of served locations does not exceed 20 percent of the total number of locations in the Project. Any addition of served locations will need to be clearly delineated at the time of filing the full proposal. 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 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% of the total Project locations).

The two-step process with a pre-proposal and full proposal phase ensures that decisions about the Final Project Areas are made prior to the solicitation of full proposals, and that full proposals can therefore undergo like-to-like comparison for the same set of unserved and underserved Locations. Once the VCBB has released the Final Project Areas, these boundaries and the set of unserved and underserved locations contained within them may not be modified.

DRAFT



MATCH REQUIREMENT

Consistent with the [BEAD NOFO](#), the VCBB's goal is to minimize BEAD program outlays and maximize subgrantee matches in areas where expected operational costs and revenues are likely to justify greater investment by the subgrantee. The 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, the VCBB is concerned that a 25 percent minimum match requirement may place too great a burden on certain subgrant proposals to extend broadband networks into extremely high-cost locations in the state. Specifically, the 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.

The VCBB therefore urges prospective subgrantees to consider the costs to deploy broadband to all unserved and underserved locations within the project area, but also to undertake a granular analysis that provides the prospective subgrantee a firm understanding of the cost of each such location. Should a prospective subgrantee determine that there are locations within the project area that warrant consideration of a waiver of the 25 percent matching requirement for the project area, the prospective subgrantee 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 project areas where a waiver is deemed necessary. In addition, the VCBB intends to maximize match from ARPA projects to the greatest extent permissible, in accordance with Vermont law, the BEAD NOFO, and 2 C.F.R Part 200.

The VCBB is currently awaiting guidance from NTIA on details of how and when funds or infrastructure can be counted as in-kind match.²³ Consistent with the BEAD NOFO (p. 81), allowable costs are determined in accordance with the cost principles identified in 2 C.F.R. Part 200, including Subpart E of such regulations for States and non-profit organizations, and in 48 C.F.R. 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.

FINANCIAL CAPABILITY REQUIREMENT

The [BEAD NOFO](#) includes a Letter of Credit requirement (p. 72–73), subsequently modified in NTIA's conditional programmatic waiver, BEAD Letter of Credit Waiver (October 23, 2023), which provides for letters of credit from credit unions and for the substitution of the Letter of Credit with a Performance Bond covering 100% of the amount

²³ For current guidance see [Broadband Equity Access Deployment Program \(BEAD\) Frequently Asked Questions Version 7.0](#) (p. 48–51).

of the VT-BEAD subaward. Where requested, VCBB may seek NTIA approval to waive this requirement for a Prospective Subrecipient that has the statutory authority to issue public bonds and provides sufficient comparable evidence in support of its financial capabilities. Thus, unless waived, a letter from a bank or credit union will be required from Prospective Subrecipients as a gating criterion to be submitted at the time of filing the full proposal. This letter must include the financial institution's commitment to issuing an irrevocable standby Letter of Credit to the Prospective Subrecipient and the bank or credit union's commitment to follow the terms and conditions of the VCBB's Model Letter of Credit, which is available for reference in Addendum 3. [Addendum 3 will be published with the final version of this RFA.] If selected for VT-BEAD funding, the Prospective Subrecipient must provide the irrevocable standby Letter of Credit and an opinion letter from the Subrecipient's legal counsel clearly stating that the letter of credit or proceeds of the letter of credit would not be treated as the Subrecipient's property in a bankruptcy proceeding, before the grant agreement may be executed.

As outlined in VCBB's Model Letter of Credit [available with the final version of this RFA], the VCBB will require Prospective Subrecipients using a Letter of Credit to obtain one that is equal to one year of projected funding in order 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 Letter of Credit in an amount that is equivalent to the funding for the following year. If the subrecipient fails to meet its buildout plan, it will be required to put in place a Letter of Credit that is equal to 25% of the subaward amount until such time as it is able to demonstrate to the VCBB that it has returned to being on schedule with its buildout plan. If the subrecipient continues to meet its buildout obligation, the VCBB will permit it to maintain a Letter of Credit equal to one year of project funding. This structure is consistent with the NTIA's [BEAD Letter of Credit Waiver](#) notice.

In certain instances, Prospective Subrecipients that are municipally-organized may be allowed to submit Comparable Evidence to the Letter of Credit in support of the entity's financial capabilities rather than a Letter of Credit. The VCBB will require such entities to demonstrate their financial capabilities by showing that they have the authority to issue public bonds, as outlined in the Financial Capability gating criteria section of this RFA.

The VCBB will also allow Performance Bonds or alternative demonstrations of financial capabilities consistent with the NTIA's BEAD Letter of Credit Waiver notice.

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
September 2024	November 2024	Host Subgrantee Preparedness Workshops	
November 5, 2024	December 3, 2024	Pre-proposal window open	
December 4, 2024	January 3, 2025	Pre-proposal review and final project area determination	Ensure all unserved locations will be included within a full proposal
	January 6, 2025	Post final project areas	
January 20, 2025	March 3, 2025	Full proposal window open	
March 4, 2025	May 9, 2025	Subgrantee initial selection and negotiation process	
May 2025		Special award condition meeting	Review awards with NTIA
No earlier than May 30, 2025		Present winning bids to Board/announce results publicly	
Ongoing	July 15, 2025	Complete and submit Final Proposal to NTIA	
To be announced by NTIA		Final Proposal approved by NTIA	Remaining subrecipients may begin deployment activities

SECTION 3: SUBMITTING A BEAD PRE-PROPOSAL

The pre-proposal process requires Prospective Subrecipients to notify the 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 to have a full proposal considered for a VT-BEAD subgrant. 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). The presence or absence of Priority Broadband Project pre-proposals and Other Last-Mile Broadband Deployment Project pre-proposals in a Final Project Area will be made public in order to solicit full proposals for any Final Project Areas lacking pre-proposals.

QUESTIONS ON THE BEAD PRE-PROPOSAL FORM

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 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 yes/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 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? (i.e., 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 have a Universal Service Plan that complies with the detailed instructions in Addendum 2?

If you selected **no**, explain your plan to develop one by the time of submission of the full proposal

- e. 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 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 are a municipally-organized entity and intend to submit “comparable evidence” to the Letter of Credit or (2) we are not municipally-organized and plan to rely on a Performance Bond or otherwise demonstrate financial capabilities consistent with the NTIA’s [BEAD Letter of Credit Waiver](#) notice and explain.

- f. 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.

- g. 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).
- c. If more than one technology was selected, describe the technologies, their capabilities to meet minimum BEAD requirements, and what proportion of the network will be built with each technology indicated. (open-ended)
- 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 non-binding and will be used by VCBB for planning purposes only. The VCBB understands that it is subject to change before submission of a full proposal for factors including but not limited to additional information received by your entity, more refined analysis conducted by your entity, or modifications to the project area approved by VCBB. (number)
- e. If applicable, you may use this space to provide any additional explanation of the BEAD funding estimate provided above (optional / open-ended)
- f. Do you request consideration that any of the Initial Project Areas be modified prior to submission of full proposals?

If yes, complete the mapping section that follows.

VT-BEAD PRE-PROPOSAL MAPPING SECTION

1. Upload a list of locations in CSV format, which may be created 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, indicating a 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 their current Initial Project Area(s) and added to a new project area. Note that this option could include requests to remove locations from the selected project area and add them to another project area, or to remove locations from another project areas and add them to the selected project area. If this option is selected, also answer the following questions:
 - Which Initial Project Area should the locations be added to? (Select from a list of Initial Project Areas, or select “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 vs. 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. (open- ended)

- Upload any supplementary documentation, as necessary, to justify the proposed removal of locations from this initial project area. (optional file upload)
- b. These unserved/underserved locations within the Initial Project Area do not constitute BSLs and therefore should not be required to be served under BEAD. Refer to the FCC description of Broadband Serviceable Location that can be found at the [Broadband Data Collection Help Center](#). 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

SECTION 4: SUBMITTING A BEAD FULL PROPOSAL

The full proposal process requires BEAD subrecipients to submit a bid for providing broadband service to each unserved and underserved location within the selected Final Project Area(s).

If Prospective Subrecipients submit any materials in their full proposal that they would like to be held confidential by the 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). 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. Upload resumes from your key managerial staff, including leadership, operations, and network construction staff, in a single document.
3. Upload an organizational chart detailing any parent, subsidiary, or affiliated entities.
4. 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 are a wholly owned subsidiary of such an entity, explain.
 - a. 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.
 - b. 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.
5. 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 time 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).
6. Do you certify that you have timely filed FCC Form 477s and the Broadband DATA Act submission, if applicable, as required during this time 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 is in compliance 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 that meets eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue you an irrevocable standby letter of credit, in the required form. At a minimum, the letter must provide the dollar amount of the letter of credit and the issuing bank's agreement to follow the terms and conditions of the VCBB model letter of credit in Addendum 3. [Addendum 3 will be published with the final version of this RFA.]
 - If you selected **no**, are you a municipality-organized?
 - If you selected **yes**: Submit the following Comparable Evidence to the Letter of Credit, in addition to the other information required in this section to demonstrate financial capability.
 - 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.
 - Have you previously been issued a public bond?
 - If you selected **yes**, upload a Limited Offering Memorandum as proof.
 - If you selected **no**, upload an Opinion of Counsel letter that states that

your entity is eligible to issue public bonds and that there are no known impediments to the entity being able to issue such bonds during the performance period of the BEAD program, and that your entity will access the bond market if needed during the BEAD program. The letter will also need to certify that, if selected, your entity agrees to have a special award condition from the VCBB requiring you to certify that you will seek bonds or another financial instrument to cover any cost necessary to complete the agreed-upon scope of work.

- If you selected **no**, also check the box to confirm that the financial statements you submitted above were audited financial statements, including a single audit if that was required by other federal funding sources, and that you submitted the detailed business plan as required above. If you are unable to check this box, you may submit alternative comparable evidence, but it must be approved by the VCBB in order to enable your participation in the BEAD program.
 - If you selected **no**, you must submit alternative demonstrations of financial capabilities consistent with the NTIA's [BEAD Letter of Credit Waiver](#) notice. Upload your alternative demonstrations of financial capabilities.
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 the 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 the 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 C.F.R. 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 C.F.R. § 1.2112(a)(1)-(7), related to competitive bidding for telecommunications applications.
- List the 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.
- List the 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.
- List, 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).
- List, 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.
- List 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.

- List 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).
- List 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:
 - 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.
 - The geographic area to be covered.
 - 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).
 - The amount of public funding to be used.
 - The cost of service to the consumer.
 - 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. If there are no eligible full proposals received for this project area, the 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.²⁴

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 project area (select all that apply: fiber-to-the-premises, cable, DSL, licensed fixed wireless, satellite, other (specify).

6. If you selected more than one technology from the list above, describe how the combination will be employed.

7. Are you submitting this proposal for this Final Project Area in partnership with any other entities?

- a) If you selected **yes**, name the entities here and describe the nature of the partnership.

- b) 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 area

- 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)?

TECHNICAL CAPABILITY CRITERIA

Technical Capability

1. Upload a Universal Service Plan for this Final Project Area, consistent with the detailed instructions in Addendum 2.
2. All Universal Service Plans must be either previously approved by the VCBB or approved by the VCBB as it reviews proposals. Was your Universal Service Plan for this area previously approved by the VCBB?

²⁴ This document is currently in development and will be posted with the final version of this RFA.

If you selected **yes**, list the grant or other context in which this Universal Service Plan was previously approved.

3. Upload a network design in the form of a GIS file.
4. Upload a network diagram.
5. Upload a network map.
6. Upload a spreadsheet to accompany the network map listing the project locations, current level of service, and expected date that service will be available.
7. 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 project area.

8. Describe what, if any, additional services will be offered using the facilities deployed through the proposed project (for example, voice, video, etc.).
9. Upload a letter from a licensed professional engineer that includes the following components:
 - 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 design and network will meet the grantee must show that the network design will support the NTIA performance requirements along with VCB [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.
 - vii. Explain drop and end-run considerations.
- 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

Low-Cost Broadband Option

1. Certify the following by checking the corresponding box:
 - a. 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.
 - b. 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.

- c. Your low-cost broadband option will at a minimum provides 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 and will be available for the useful life of the funded network assets or 20 years, whichever is greater. The cost of this option may increase with the [Consumer Price Index](#), or another industry-recognized measure of inflation, over the life of the assets or 20 years, whichever is greater.
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 \$45/month will automatically fulfil the low-cost plan requirement. Plans higher than \$45/month may be allowed to fulfil the low-cost service plan requirement, at the VCBB's discretion. Is the monthly price to the consumer of this low-cost service plan option at or below \$45/month?
6. If you selected **no**, include a compelling rationale to substantiate the higher cost. This rationale must include documentation of income levels and any other demographic information you have relied on to determine the need to exceed the \$45 per 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 project area, and anticipated low-income subscription rates in the project area. (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 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 would be affordable to any consumer and describe how these service plans 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 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 a low-cost option, during the useful life of the network assets or 20 years, whichever is greater.

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).
4. 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](#).
5. 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
 - 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.
 - b. 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
6. Service reliability has proven to be a major challenge for Vermonters based on VCBB surveys conducted in 2023.²⁵ 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 particular threat to BEAD-funded infrastructure in the 20 years following deployment. Couple those hazards with an expected increase in extreme

²⁵ See the [Vermont BEAD Five Year Action Plan](#).

heat events and wildfires, and there is a clear need for reliable and resilient networks. The 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.

7. For projects that are not Priority Broadband Projects, describe the scalability and resiliency of your proposed technology.

Affordability

1. For Priority Broadband Projects, what will be the total monthly price to the customer for 1 Gbps/1 Gbps service in the proposed 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 proposed 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 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. 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.
 - i. Upload subcontractor reference checks to include analysis of vendor labor performance, including employee satisfaction surveys results, rates of absenteeism and employee turnover.
5. Is your workforce unionized?
- a. If you selected **yes**, you may 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.
6. 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 the 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.

- Upload letter(s) of support from community organizations, members, and/or local government, if applicable.
- 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 project area engaged in a planning process, if applicable.
- Upload one or more reports that have been previously submitted to the governance bodies in the communities in the project area and evidence of two-way community discussions, if applicable.
- Upload documentation showing how community members are engaged in and contributing to development of plans in the project on an ongoing basis, if applicable.
- Describe your entity's governance structure and how it involves community members in regular and routine decision making for the project, if applicable.
- Describe your plans to continue to engage local communities, if applicable.
- Has the 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 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.

- Upload evidence of a written commitment to the project from all towns in the project area, if applicable.
- Upload substantive reports and communications between your entity and municipalities in the project area, if applicable.

- 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.
- Upload examples of municipal and regional entities pledging services and funds to the development of the project area, if applicable.
- Upload appointment letters of citizens to governance committees of the applicant, if applicable.
- Has the VCBB explicitly approved any additional types of evidence you will be offering as a substitute for any of the above items? If yes, Provide it 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?

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

1. Are you proposing a Priority Broadband Project? (If you selected yes, skip the following questions.)
2. 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.
3. 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.
4. 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 the 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 the Grant Agreement

- If the subrecipient did not provide audited financial statements from the prior fiscal year as part of its proposal, it must provide financial statements from the prior fiscal year that are audited by an independent certified public accountant if its proposal is selected.
- If the subrecipient is required to provide a Letter of Credit, prior to entering into any grant agreement, they shall obtain an irrevocable standby letter of credit modeled on the VCBB Model Letter of Credit in Addendum 3. [Addendum 3 will be published with the final version of this RFA.]
- If the subrecipient is required to provide a Letter of Credit, prior to entering into any grant agreement, they shall also provide an opinion letter from legal counsel clearly stating, 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 property of the winning subgrantee’s bankruptcy estate under Section 541 of the Bankruptcy Code.
- 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 award of the grant 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 prior to the grant award.
 - The plan must reflect the latest version of the National Institute of Standards and Technology Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented.
 - The plan will be reevaluated and updated on a periodic basis and as events warrant.
 - The plan will be submitted to the VCBB prior to the allocation of funds. If the subrecipient makes any substantive changes to the plan, a new version will be submitted within 30 days.
 - To the extent a Prospective Subrecipient relies in whole or in part on

network facilities owned or operated by a third party (for example, purchases wholesale carriage on such facilities), the Prospective Subrecipient must submit the above attestations from its network provider as well.

- All Prospective Subrecipients must also prepare a Supply Chain Risk Management plan. As with the cybersecurity risk management plan, the Supply Chain Risk Management plans must be in place prior to award of the grant 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. Supply Chain Risk Management plans must meet the following requirements:
 - 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.
 - Be reevaluated and updated on a periodic basis and as events warrant.
 - Submitted to VCBB prior to the allocation of funds. If the subrecipient makes any substantive changes to the plan, a new version will be submitted within 30 days.
 - To the extent a Prospective 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 Prospective Subrecipient must submit the above attestations from its network provider as well.
- 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 6 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

Subrecipient must receive approval from the VCBB of the subrecipient's Detailed Designs for their first construction area, to ensure that they conform with the Outside Plant Design standards. If there are no issues with the Detailed Design, it will not be required for future construction areas.

During Construction

- Subrecipient must conduct site visits to ensure labor standards and protections are followed.
- VCBB will provide resources and guidance to BEAD subrecipients to facilitate their recruitment of MBE/WBE and labor surplus area firms 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 MBEs, WBEs, and labor area surplus firms, 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 establishing delivery schedules that encourage participation by MBE/WBE and labor area surplus firms, 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 subgrant, 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 CUD, any such fiber assets may become the property of the State to be managed by the 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 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.
- Any municipally-organized entity that can issue public bonds and that is not offering a letter of credit or performance bond will need to agree 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.
- 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.
- The VCBB reserves the right to include specific award conditions later. The 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 C.F.R. 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

VCBB reserves the right to modify reporting requirements during the project. Failure to adhere to reporting requirements and deadlines may disqualify the subrecipient from future grant opportunities. The VCBB is required under the rules of 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 the 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. The VCBB shall notify the subrecipient if a public records request is made for the information claimed as protected by the subrecipient. The grantee may then proceed to obtain judicial protection for the information.

At a minimum, reporting requirements will include the following:

Quarterly Reporting

Subrecipients must report quarterly to the 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

- The VCBB will require subrecipients to submit annual audited financial statements prepared by an independent certified public accountant to the 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.

MONITORING PRACTICES

The VCBB is required to employ robust subrecipient monitoring practices. Subrecipient monitoring will include regular meetings to discuss project progress, and the VCBB reserves the right to conduct site visits of subrecipient deployment projects in addition to the quarterly reporting filed with the VCBB. The VCBB may conduct random field inspections to ensure compliance by subrecipient. The Board reserves the right to inspect the network before certifying project completion.

GRANTEE PAYMENT SCHEDULE AND INVOICE SUBMISSION

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 plan 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.)²⁶

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: the Deerfield Valley CUD (served by DVFiber) and the NEK Broadband CUD (served by NEK Broadband).

²⁶ [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% of BEAD funding available to extend high-speed broadband services to the unserved locations in these three areas—Deerfield Valley CUD, NEK 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.

Payment Schedules

- Funding for all deployment projects will be disbursed to subrecipients on a reimbursement basis, which would allow the VCBB to withhold funds if the subrecipient fails to take the actions the funds are meant to subsidize.
- The VCBB will consider requests included within a Prospective Subrecipient’s proposal for initial milestones with respect to administrative costs, which 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 the winning subrecipient.

- The VCBB will retain ten percent of an award until all contract obligations have been met.

Missed Milestones and Non-Compliance

- The VCBB will withhold any funding associated with the percentage of missed milestones until such time as the subrecipient comes into compliance with the requirement. Failure to meet interim milestone obligations may result in the VCBB assessing a penalty of up to two times the average amount of support received per location in the project area over the term of the funding for the relevant locations at the time of the assessment.
- The VCBB will withhold any funding associated with the percentage of missed milestones until the subrecipient comes into compliance with the requirement. Failure to meet interim milestone obligations may result in the VCBB assessing a penalty of up to two times the average amount of support received per location in the project area over the term of the funding for the relevant locations at the time of the assessment.
- 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 non-performance by the subrecipient.

Upon notification that a subrecipient has not met a final milestone, the subrecipient must seek permission from the VCBB to be authorized additional time to come into compliance. Such extensions of time cannot exceed six months. If the subrecipient fails to meet the revised final milestone date, VCBB may assess a penalty equal to two times the average amount of support per location that the subrecipient received in the project area.

Invoices

The VCBB will require the subrecipient to submit a remittance request detailing the expenses for which reimbursement is being sought. The VCBB will conduct a thorough review of all invoices provided by subrecipients prior to reimbursement to confirm that the invoiced expenses are allowable and eligible for reimbursement.

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

1. 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?
2. Who are your partners that will ensure a build-out to ALL unserved and underserved locations?
3. Provide a brief overview of the operating model.
4. Provide the total Project cost – Divided by partners if necessary.
5. Anticipated pole mileage constructed each year and in total
6. Anticipated BEAD-eligible and total passings constructed each year and in total
7. Overall project mileage broken down by proposed and existing:
 - a. Middle mile
 - b. Aerial mileage
 - c. Underground mileage (assumptions if not known)
8. 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. Drops
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
 - a. include take-rate details
11. Funding assumptions and strategy
 - a. Loan and/or bond rates
 - b. 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 subgrant.

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: DETAILED UNIVERSAL SERVICE PLAN INSTRUCTIONS

The Universal Service Plan must detail your approach, and provide binding commitments, for providing broadband service to every unserved and underserved BSL within the Final Project Area. The term Universal Service Plan was defined in [Vermont Act 71](#) of 2021 to ensure that all Vermonters will gain access to broadband and that publicly funded broadband projects in Vermont protect the State's investments and advance the State's universal service mission.

Ensure that the following components are included in your Universal Service Plan.

FINAL PROJECT AREA NARRATIVE

1. List the towns that will be included in the Universal Service Plan for the proposed Final Project Area.
2. Indicate the total number of unserved, underserved, and served BSLs in the Final Project Area.
3. Detail of the Final Project Area in which you propose providing universal service to all unserved and underserved locations. This includes describing the demographics, including the overall density of the unserved and underserved areas and whether the area includes any [Qualified Census Tracts or Difficult Development Areas](#).
4. Provide an overview of efforts to engage the local municipality or region subject to the grant proposal.

UNIVERSAL SERVICE PLAN DESCRIPTION

1. Provide a timeline for achieving universal service. If the project requires multiple phases and will take more than two years to complete, provide a map and timeline showing each phase.
2. Provide a map of existing infrastructure deployed by the provider in the project area. This map must highlight routes constructed with private dollars since June 2024 and any BEAD eligible BSLs that were served during this expansion.
3. Indicate the total cost estimate for serving every unserved and underserved location in the Final Project Area with broadband. Describe how you estimated the cost and what factors will influence the final cost to serve the entire Final Project Area.
4. Describe known or reasonably anticipated additional financial support that will be provided for this project. This support could include any federal grants or contracts, contributions from communities to be served, or private capital to be invested by the applicant.

5. Explain who will be serving each unserved and underserved location in your Final Project Area, whether it is your entity directly or is another entity with whom you are partnered or contracted.
6. Explain who will own the resulting infrastructure.
7. If you are proposing to serve a town or towns that are part of a CUD, describe your relationship with the CUD.
8. Provide an overview of any unique obstacles to serving all unserved and underserved locations with broadband in your Final Project Area and steps to be taken to mitigate these obstacles. This could include information such as the following:
 - Several locations are served by another carrier entering from another state, and we have attempted to contact the provider, but the provider has not responded.
 - These locations are within a federal jurisdiction (on a national guard base) or in a national forest
 - The map data is likely incorrect, and certain locations marked as BSLs do not meet the definition of BSLs.
9. If applicable, provide a Letter of Commitment from any partners on the project that confirms the partner's intent and provides as much detail as possible, including the partner's timeline and cost to provide service as well as private investment or other grant funding necessary to provide universal service in the areas described.

OTHER INFORMATION

1. **Network Performance and Monitoring:** Describe a plan for monitoring, identifying, and responding to issues related to the management of the links between network head-ends, devices, and users. The purpose of this plan is to identify congestion, maximize throughput, and improve network performance.
2. **Other Information:** Any information relevant to demonstrate the technical, financial, and economic feasibility of the project and the qualifications and capabilities of the project team.
3. **Statement of commitment** to complete the Universal Service Plan.