

Established in 2020 by H.966 Section 13b – A COVID-Response bill.

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2021 Line Extension Customer Assistance Program ("LECAP") Guidelines

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INTRODUCTION

A Line Extension is the construction of a new cable video or Internet service provider ("ISP") line into an unserved neighborhood/street, usually via utility poles. The line can be extended from a nearby endpoint on the existing network. Line extensions range from a few hundred feet to several thousand feet but are generally less than a mile. The Vermont Public Utility Commission ("PUC") has created <u>Cable Television line extension rules</u> that cable operators must follow to extend their networks to unserved consumers within the cable company's franchise area. ISPs are not subject to the cable line extension rules but may participate in the LECAP if they choose to follow the PUC line extension formula.

Extending cable provider and ISP networks to unserved/underserved areas is expensive. Consumers who request a line extension are often asked to pay a portion of the cost. LECAP offers financial assistance to consumers who need a broadband line extension to address COVID-19–related issues such as teleworking, telemedicine, and remote learning.

In 2020, the Vermont legislature under <u>H.966 (2020), Section 13(b)</u>, created the COVID-19 Response Line Extension Customer Assistance Program ("LECAP") to be administered by the Vermont Department of Public Service ("Department").¹ Hundreds of Vermonters without 25/3 Mbps broadband service live just beyond the reach of current cable and ISP networks. This program was established in response to the COVID-19 Emergency because broadband access is a necessity during a global pandemic, especially for



students, patients, and teleworkers such as teachers and medical personnel. LECAP provides up to \$3,000 in financial assistance to offset the eligible consumer portion of the line extension cost. Funding from this program comes from the Coronavirus Relief Fund. All extensions funded through this program needed to be completed on or before December 30, 2020.

In April 2021 <u>H.315 (2021)</u> was enacted. Section 21 allocates funding for a 2021 continuation of LECAP. All line extensions funded under H.315 2021, must be completed by December 30, 2021^2 . Please read this entire document for complete details of the 2021 program.

For 2021, LECAP offers two types of grants.

¹ Section 13(b) directs the Department of Public Service to issue guidelines and procedures to administer this program. This document constitutes the guidelines and procedures. The Department may, without advance notice, change these guidelines to ensure consistency with U.S. Department of Treasury Coronavirus Relief Fund guidance, federal and state laws pertaining to the administration of this program, or to better effectuate the public purpose for which this program was created. Please check the Department's website during your application for any changes to this program by visiting <u>Vermont COVID-19 Line Extension Customer Assistance Program 2021</u> | <u>Department of Public Service</u>.

² The Department may, in its sole discretion, grant extensions of time beyond December 30, 2021 in situations allowed by U.S. Department of Treasury guidance. *See* <u>Coronavirus Relief Fund Guidance for State, Territorial Local,</u> and <u>Tribal Governments</u> (January 15, 2021, pg. 4183):<u>https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf</u>.

1. Funding for an approved, <u>unpaid</u> line extension, wireless, or satellite CPE (customer-premise equipment) solution.

• Upon being approved for a LECAP grant, the funding will be paid to a participating service provider on behalf of the consumer when the extension is complete. This lowers or eliminates the consumer out-of-pocket costs.

2. Reimbursement for qualified line extensions, wireless & satellite CPE LECAP Reimbursement guidelines will be released in June 2021

- Line Extension reimbursement
 - Some previously paid line extension costs may be eligible for a reimbursement grant. Estimates/quotes, proof of purchase, and other documentation will be required. Reimbursement will be considered for extensions purchased from providers that would not accept direct LECAP funding.
- Satellite and Wireless CPE reimbursement
 - Some previously purchased satellite/wireless CPE may be eligible for a reimbursement grant. Estimates/quotes, proof of purchase, speed tests, and other documentation will be required.

LECAP Reimbursement guidelines will be released in June 2021

GENERAL PROGRAM GUIDELINES

The LECAP is available to Vermonters who can demonstrate a COVID-19–related need, such as remote learning, telehealth, or telework; lack a minimum of 25/3 broadband Internet service; and are "near net"³ for a cable provider or other ISP.⁴ Consumers must request the line extension from a participating service provider and apply for the LECAP grant. Locations that are considered both a business and a primary residential premise, such as a Bed and Breakfast, may qualify. LECAP cannot be applied to a retail business. Shops, restaurants, gas stations, etc., are not eligible.

Application approval will be based on need, cost-effectiveness, site-appropriateness, primary residency at the Vermont service location (between March 2020 and the date of application), available funding, and the participation of the service provider. Addresses that are scheduled to or may receive other federal and/or state broadband grants, subsidies, or other funding – such as the Rural Digital Opportunity Fund ("RDOF") and Connectivity Initiative ("CI") grants – may not be eligible for LECAP.⁵ LECAP Reimbursement grants may be applied to non-participating

³ Usually less than one mile from existing cable/ISP infrastructure.

⁴,⁵ The Department reserves the right to determine eligibility of the service location using its own broadband availability data. The Department may consider projects approved or in process under other federal and state grant programs, such as the Rural Development Opportunity Fund, Vermont Connectivity Initiative, and the Get Vermonters Connected Now Initiative, in its determination of eligibility.

providers (LECAP Reimbursement guidelines will be released in June 2021).

LECAP 2021 funding will *first* be offered to consumers who applied in 2020, but could not be approved due to Federal Cares Act funding deadlines. Once all unfunded 2020 applications have been considered the program may be opened to new applicants if time and funding are still available. New this year: LECAP grants may be available for wireless broadband service and satellite broadband using CPE.

Only one LECAP grant for wireline, wireless, or satellite broadband service will be awarded per applicant per address.

Approved LECAP grant payments for unpaid line extensions will be issued directly to the service provider on behalf of the consumer. LECAP Reimbursement grants will be sent directly to consumers.

Example. A consumer with remote learning needs requests a line extension from a nearby provider. The estimated consumer contribution is \$4,458. After a \$3,000 LECAP grant, the consumer would still be responsible for \$1,458. The provider may require the consumer portion not covered by LECAP (\$1,458) to be paid before the construction can begin. With an approved LECAP application, and after the line extension has been completed, the Department will make a payment directly to the service provider on behalf of the consumer.

LECAP grants will not exceed \$3,000. Only one grant per person, per primary Vermont residential address, is allowed. If the consumer portion is less than \$3,000, the LECAP contribution may cover the entire individual cost of a line extension (but will not pay more than the consumer's actual cost). The consumer is responsible for costs not covered by a LECAP grant.

Line extensions that are currently under construction or have previously been paid for are not eligible for this LECAP program but may be eligible for the reimbursement program later this year.

Recurring monthly charges, equipment, and other charges or fees are not eligible for LECAP grants. The grant may not be used to cover the service provider's share of the line extension cost. Applications received under LECAP will be reviewed by the Department on a rolling basis until all the program funding has been awarded *or* until the application deadline (to be determined).

LECAP will help cover the customer cost of line extensions between 500 and 850 feet in length per customer, depending on the number of customers and the total length of the project. For

projects that serve one customer, the program should cover the cost of a line extension approximately 530 feet in length. For projects that serve multiple customers, the program will cover more per customer as the customer per mile density increases. For example, at six customers per mile, it will cover 850 feet per customer; at densities above this (depending on the length of the line extension), LECAP could cover the entire cost for each customer.

CONSUMER WIRELINE GUIDELINES (CABLE/FIBER/OTHER):

Consumers seeking a wireline extension must comply with the following:

- To apply for LECAP consumers <u>must have</u> a line extension/service drop estimate to submit with the application. (Contact your cable provider or ISP to request a line extension estimate.) APPLICATIONS RECEIVED WITHOUT A CURRENT⁶ LINE EXTENSION/DROP ESTIMATE FROM A PARTICIPATING PROVIDER WILL BE REJECTED.
- Consumers must provide all information required by the service provider, including a valid E911service address and contact information.
- The applicant must be a Vermont resident.
- Consumers must complete the LECAP application online at the <u>Department's LECAP</u> <u>2021 webpage</u>.
 - If you are unable to access the application, please email psd.LECAP@vermont.gov or call 800-622-4496 for assistance.
- Consumers must answer all questions on the application.
- Consumers must indicate if they have or will receive other state or federal aid for broadband between March 2020 and December 2021. Addresses that have received or may receive other federal or state funding may not be eligible, including addresses located in Rural Digital Opportunity Fund (RDOF) and Connectivity Initiative (CI) Grant areas. (See the interactive map of RDOF areas and the 2020 CI Grant Locations interactive map to determine whether your address is located in one of these areas.)

LECAP applications will be reviewed based on:

- Completeness of the application.
- Inclusion of required documents such as the line extension estimate and proof of residency.
- COVID-19–related need(s).
- The cost-effectiveness/site-appropriateness of the line extension.
- Primary residency at the Vermont service address between March 2020 and the time of application.
- Participation of the service provider.

⁶ Estimate should be less than 90 days old or verified as still valid with the service provider. The estimate must be valid for the address(es). If you are not sure the estimate covers a group application check with your service provider. The Department may validate estimates with the service provider.

- Available funds.
- The ability of the provider to complete the extension by December 30, 2021.

APPLICATIONS RECEIVED WITHOUT A CURRENT⁷, LINE EXTENSION/DROP ESTIMATE FROM A PARTICIPATING PROVIDER WILL BE REJECTED.

Detailed Wireline Qualifications:

- LECAP funds *cannot* be applied to under construction or previously been paid for line extensions.⁸
- LECAP can only be applied to a residential address (addresses that are both a home and business, such as a Bed and Breakfast or a working farm, may apply for service to the residence).
- To qualify for a LECAP grant a consumer must establish a connectivity need related to remote learning, telehealth, or telework that has arisen as a result of the COVID-19 Emergency.⁹
- An address is only eligible if it lacks access to 25/3 Mbps broadband at the service location.
 Address eligibility will be determined by Department map data.
- One LECAP grant will be awarded per qualified address/per qualified Vermont resident.
- The applicant and service provider account holder must be the same person.
- The applicant must indicate if they have received or will receive other state or federal aid for broadband between March 2020 and December 2021.
 - Addresses that may receive other federal or state funding (such as RDOF and Connectivity Initiative Grants awarded to service providers) may be excluded from LECAP.
- The service address must be the applicant's primary Vermont residence between March 2020 and the time of application.
 - If you did not reside at the service address for this entire period, please submit proof of current residency such as a voter registration card, which can be downloaded from the <u>Vermont Secretary of State's website</u>.

CONSUMER WIRELESS CONSIDERATIONS AND GUIDELINES

In areas where 25/3 wireline broadband service is unavailable; a wireless 25/3 broadband solution may qualify for a LECAP grant. LECAP may apply to customer-premise equipment ("CPE") purchased from a satellite company such as HughesNet or Starlink, or fixed wireless providers, such as AT&T, Verizon, or VTel. Equipment charges that may qualify for a LECAP grant can range from \$400 to \$1,600 and must be used to pay for an outdoor satellite/fixed wireless

⁷ Estimate should be less than 90 days old or verified as still valid with the service provider. The estimate must be valid for the address(es). If you are not sure the estimate covers a group application check with your service provider. The Department may validate estimates with the service provider.

⁸ Line extensions under construction or previously purchased line extensions may be eligible for LECAP Reimbursement later this year. LECAP Reimbursement guidelines are scheduled to be released in June 2021.

⁹ LECAP applicants must show a COVID-19–related broadband need as defined by the U.S. Department of Treasury guidance (.e.g., telework, telehealth, remote education).

transceiver (antenna, dish, etc.). Addresses less than two miles from a wireline provider may not be eligible. Addresses that are/will be funded by other state or federal broadband programs may not be eligible¹⁰, including RDOF and Connectivity Initiative grant areas. Consumers are only eligible for one LECAP grant, for wireless or satellite, or wireline broadband.

Consumers seeking a wireless solution must comply with the following:

- To apply for LECAP funding the consumer *must have* a wireless pre-test result and a CPE estimate from a participating wireless provider (See Wireless Provider Guidelines for pre-test and participation details).
- The consumer must provide all information required by the service provider, including a valid service address, permissions, and contact information.
- The consumer must be a Vermont resident. The service address must be the consumer's primary residence.
- The consumer must complete the LECAP application online at the <u>Department's</u> <u>LECAP 2021 webpage</u>.
 - If you are unable to access the application please email <u>psd.LECAP@vermont.gov</u> or call 800-622-4496 for assistance.
- The consumer must answer all questions on the application.
- The consumer must indicate if they have received or will receive other state or federal aid for broadband between March 2020 and December 2021. Addresses that have already received or may receive other federal or state funding may not be eligible. This may include addresses located in RDOF and Connectivity Initiative Grant areas.
- Upon completion and activation, the consumer must submit a speed test.

LECAP applications will be reviewed based on:

- Completeness of the application.
- Inclusion of required documents such as a pre-test result from the wireless provider and an estimate for customer-premise equipment.
- COVID-19–related need(s).
- The cost-effectiveness/site-appropriateness of the customer-premise equipment.
- Primary residency at the Vermont service address between March 2020 and the time of application.
- Participation of the service provider.
- Available funds.
- The ability of the provider to provide CPE and post-install speed test results by December 30, 2021.

¹⁰ The Department reserves the right to determine eligibility of the service location using its own broadband availability data. The Department may consider projects approved or in process under other federal and state grant programs – such as the Rural Digital Opportunity Fund, Vermont Connectivity Initiative, and the Get Vermonters Connected Now Initiative – in its determination of eligibility.

APPLICATIONS RECEIVED WITHOUT A CURRENT¹¹ CPE ESTIMATE AND PRE-TEST FROM THE WIRELESS PROVIDER WILL BE REJECTED.

Detailed Wireless Qualifications:

- Customer-premise equipment eligible for LECAP funding will cost between \$400 and \$1,600.
- LECAP funds *cannot* be granted to wireless equipment already installed or previously purchased wireless equipment.
- LECAP can only be applied to a residential address (addresses that are both a home and business, such as a Bed and Breakfast or working farm, may apply for service to the residence).
- To qualify for a LECAP grant a consumer must establish a connectivity need related to remote learning, telehealth, or telework that has arisen as a result of the COVID-19 Emergency.¹²
- An address is only eligible if it lacks access to 25/3 Mbps wireline broadband at the service location.
 - Address eligibility will be determined by Department map data.
- One LECAP grant will be awarded per qualified address/per qualified Vermont resident.
- The applicant and service provider account holder must be the same person.
- The applicant must indicate if they have received or will receive other state or federal aid for broadband between March 2020 and December 2021.
 - Addresses that may receive other federal or state funding such as RDOF and Connectivity Initiative Grants may be excluded from LECAP.
- The service address must be the applicant's primary Vermont residence between March 2020 and the time of application.
 - If you did not reside at the service address for this entire period, please submit proof of current residency, such as a voter registration card, which can be downloaded from the Vermont Secretary of State's website. Proof of residency may be required.
- The applicant shall submit a speed test to the Department when installation and activation are complete.
- Wireless CPE installations funded through LECAP must be completed on or before December 30, 2021 (as determined by the service provider).

PARTICIPATING PROVIDERS:

Provider participation in the LECAP program is voluntary. Providers are not obligated to accept LECAP funding.

****Before applying please check with your provider for their participation status****

The following wireline service providers participated in the LECAP program in 2020:
 Comcast/Xfinity

¹¹ Estimate should be less than 90 days old.

¹² LECAP applicants must show a COVID-19–related broadband need as defined by the U.S. Department of Treasury guidance (.e.g., telework, telehealth, remote education).

- Charter/Spectrum
- ECFiber
- MC Fiber
- VTel (wireline)
- Waitsfield/Champlain Valley Telecom

New providers who would like to participate in the program can send questions and a letter of intent to <u>psd.LECAP@vermont.gov</u>.

SCHOOL AND HEALTHCARE/LONG-TERM CARE FACILITY GUIDELINES:



A health care provider or long-term care facility may apply for LECAP assistance for a line extension on behalf of a patient residing in Vermont so that the patient or resident can receive telehealth or telemedicine services from a health care provider. A residential long-term care provider seeking a

line extension to its facility is only eligible for one \$3,000 grant for the service location.

Any pre-K or K–12 educational institution, including a public or private school or school district, may apply for a line extension on behalf of a student, provided the student's service location is in Vermont and the student needs broadband service to receive remote instruction from the educational institution.

- The school or health care provider must have the written permission of the consumer or parent/guardian of the student.
- The consumer (or parent/guardian) must be part of the process and agree to the terms and conditions set by the service provider.
 - The consumer's or parent/guardian's signature is required on any documents submitted by a school or health care provider.
 - The consumer's participation may be verified by the Department before approval.
- The consumer (or parent/guardian), school, or health care provider is responsible for making the line extension request to the service provider.

SERVICE PROVIDER GUIDELINES:

Cable companies are required by Public Utility Commission <u>Rule 8.100</u> to provide quotes for line extensions. Other service providers who wish to participate can send questions and should send a letter of intent to <u>psd.LECAP@vermont.gov</u>. Service providers are encouraged to refer customers to the LECAP program at the <u>Department's LECAP 2021 webpage</u>.

Wireline Provider Guidelines

- Wireline service providers participating in the LECAP program are required to follow <u>Vermont Public Utility Commission (PUC) Rule 8.313</u> - Policy on Expansion into Unserved Areas. (For providers without a tariff, "H" will be 16.)
 - "Any line extension policy that requires contributions-in-aid-of-construction shall not require a contribution in excess of the amount required by the following formula:

A = (Ct / N) * (1 - (N / (H * L)))

Where A is the dollar contribution from each new customer; Ct is the actual cost of the line extension; N is the number of verified subscribers on the extension who will be making the contribution-in-aid-of-construction; L is the length of the extension in miles; and H is a number designated by the cable company's tariff representing the number of verified subscribers per mile, counting all the miles proposed on the extension, above which the company will not require a contribution-in-aid-of-construction."

Example:						
	Average Cost per mile			\$ 30,000.00		
	Ext in Feet			1,000		
	Ext in Miles		L =	0.189394		
	Cost of Construction		Ct =	\$ 5,681.82		
	Qualifying Density	H =		16.00		
	Number of Consumers	N=	1	\$ 3,806.82		
		N=	2	\$ 965.91		
		N=	3	\$ 18.94		

- The provider should provide preliminary estimates within 15 business days of receiving the requests. A final estimate should be provided within 30 days of receiving written approval of the preliminary estimates by all included potential subscribers.
- The provider should apply for any necessary pole attachment agreements within thirty (30) days of its receipt of the contribution-in-aid-of-construction from all verified subscribers, and shall make service available within ninety (90) days from the receipt of the pole attachment agreements and other necessary permits or easements, subject to weather.
- The service provider will also comply with requirements in the recently amended PUC Pole Attachments rule 3.700.
- The cable company provides customer service drops, of up to 300' from its infrastructure, at no additional cost. Drops in excess of 300' may have an additional cost. LECAP may cover a portion of the drop, but may not exceed the total grant amount of \$3,000.
- The service provider will provide the line extension estimate to the Department and the consumer.
- To reduce overall consumer and provider costs, providers are encouraged to identify other potential customers along the route and notify them of the line extension and the LECAP program.
- The provider quote should outline the full cost of the line extension, indicate the LECAP contribution (up to \$3,000), and identify any remaining consumer cost obligations.

- The provider must provide to all participating consumers the estimated costs and service terms that need to be fulfilled following activation.
- The service provider will accept LECAP funding directly from the Department after completion of the line extension.
- All LECAP-approved line extensions must be completed no later than December 30, 2021, for the provider to receive payment.

Wireless Providers Guidelines

Satellite, and fixed wireless providers, may participate in the LECAP 2021 program. To participate, a wireless provider must be willing to accept LECAP funding from the Department of Public Service on behalf of the consumer. Wireless providers who would like to participate in the program can send questions and a letter of intent to psd.LECAP@vermont.gov.

A participating wireless/satellite provider agrees to:

- Accept LECAP grant funding from the Department only for the consumer's costs of eligible customer-premises equipment (CPE).
- Provide a pre-install estimate and speed test.
- Not apply LECAP grant funding to <u>provider</u> costs, monthly recurring charges, other charges not related to CPE, or fees.
- Provide eligible CPE with an outdoor satellite/fixed wireless transceiver (dish, antenna, etc.).
- Offer a solution with latency that meets the <u>RDOF low latency standard</u>.

Customer-premise equipment eligible for LECAP funding will cost between \$400 and \$1,600.

Fixed wireless or satellite service providers who agree to accept a LECAP grant will receive up to \$600¹³ on behalf of an approved consumer application. Grant payments will be issued after installation is complete and post-install speed test results have been submitted to the Department.

To participate, the fixed wireless or satellite provider will need to supply the consumer with an estimated cost for a CPE solution and pre-testing speed data for their address. The pre-testing data must be completed before installation and must show a reasonable expectation of 25/3 Mbps (download/upload) or better speeds. If actual post-installation speeds do not meet the 25/3 requirements, funding may be withheld from the service provider.

Estimate and pre-testing speed data:

- The wireless CPE estimate will be itemized and contain a description of the CPE, a list of charges, and include the total cost.
- Eligible wireless CPE must include an outdoor transceiver (dish, antenna, etc.).
- The pre-install speed test must be conducted at the customer's address, in the proposed CPE location.

¹³ Fixed wireless and satellite grant awards up to \$600, or the cost of the CPE, whichever is lower.

- A valid pre-install speed test will include the following in a CSV file:
 - Consumer address in the form of an ESITE ID
 - Test device (IMEI, etc.)
 - Test location latitude
 - Test location longitude
 - o Test date
 - o Test time
 - Upload speed (Mbps)
 - Download speed (Mbps)
 - \circ Test height at which 25/3 Mbps or better speed throughput was recorded.
 - CPE used to record 25/3 Mbps or better throughput result
 - Test server IP address.
 - Latency/round trip time (RTT).

Any questions regarding wireless service provider requirements can be sent to psd.LECAP@vermont.gov.