H.966 Section 13b - COVID-Response

Line Extension
Customer Assistance Program
(“LECAP”) Guidelines
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INTRODUCTION

Bill H.966, Section 13(b), 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 Internet Service Providers (“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. Extending cable and ISP networks to unserved/underserved areas can be expensive. Consumers can request that service providers extend networks to their homes, but the consumer is often asked to pay a portion of the cost to extend a network. This program was created to offer up to $3,000 in financial assistance to offset the consumer portion a line extension cost. Funding from this program comes from the Coronavirus Relief Fund. All extensions funded through this program must be completed on or before December 30, 2020.²

GENERAL PROGRAM GUIDELINES

The LECAP program is available to Vermonters who can demonstrate a COVID-19 related need, such as remote learning/telehealth/telework, lack a minimum of 25/3 broadband internet service, and are “near net” for a cable video provider or other ISP.³ Consumers must request the line extension from the appropriate service provider and apply for the line extension financial assistance. Approval will be based on need, cost-effectiveness, and site-appropriateness of the line extension. Payments from this program will be made by the Department directly to the service provider on behalf of the consumer.

Example. A consumer with remote learning needs requests a line extension form a nearby provider. The provider estimated cost for the line extension is $5833. The estimated consumer portion is $4458. After a $3000 LECAP contribution, the consumer would still be responsible for

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 United States 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 https://publicservice.vermont.gov/.


³ The PSD 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 Vermont Connectivity Initiative and the Get Vermonters Connected Now Initiative in its determination of eligibility.
$1458. The provider may require payment before the construction can begin. Once the LECAP application is approved, and the line extension is complete, the Department will make a payment directly to the service provider on behalf of the consumer.

LECAP contributions may not exceed $3000 per resident, per physical address. If the consumer portion is less than $3000, the LECAP contribution may pay for the entire line extension. The consumer is responsible for costs attributable to the consumer that are above $3,000. $500 of the $3000 LECAP credit may be applied to customer service drops beyond 300’. Reoccurring monthly charges, equipment, and other charges or fees are not eligible for LECAP. The credit may not be used to cover the cable provider’s share of the cost. Applications received under LECAP will be reviewed by the Department on a rolling basis.

**CONSUMER GUIDELINES:**
Consumers must complete the following:

1. The Consumer must contact the appropriate cable provider or ISP and request a line extension.
   a. Reference the Line Extension Customer Assistance Program (“LECAP”) administered by the Department.
   b. School or health care providers may apply on behalf of a consumer in need (see School/Health Care guidelines).
   c. The consumer must provide all information as required by the service provider, including a valid service address, permissions, and contact information.

2. The consumer must apply for LECAP assistance.
   a. The application will be available on the Department website or may be available from the service provider at the service provider’s discretion.
   b. Application approval will be based on need (see Items 3 and 4 below), and the cost-effectiveness site-appropriateness of the line extension.
   c. Applications can be submitted by email to psd.telecom@vermont.gov, uploaded to https://publicservice.vermont.gov/ or by mail to Department of Public Service, 112 State Street FL3, Montpelier, VT 05602

3. Consumers eligible for financial assistance must establish a connectivity need related to remote learning, telehealth, or telework that has arisen as a result of the COVID-19 Emergency.

4. A consumer is only eligible if he or she lacks access to 25/3 Mbps broadband at the service location.

5. Applicants are limited to one line extension per applicant and household. Applicants may only receive a credit for a primary residential address. Locations that are considered both

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4 The cable company provides drops, of up to 300’ from this infrastructure, at no additional cost. Drops in excess of 300’ can be provided, but will come at an additional cost, which is not included in the line extension cost calculation, and are the responsibility of the individual consumer.

5 LECAP applicants must show a COVID-19 related broadband need as defined by the US Department of Treasury guidance.
a business and a residential premises, such as a home business, qualify for a credit. The applicant shall indicate whether the applicant is receiving other government aid to afford the connection. Line extensions already purchased by consumers before the initiation of this program are ineligible.

6. The service location must be located in Vermont.
7. The applicant shall report to the Department when internet service is established
8. Line Extensions funded through this program must be completed on or before December 30, 2020.

School and Healthcare and Long Term Care Facility Guidelines:

A health care provider or long term care facility may apply for assistance on behalf of a patient residing in Vermont for a line extension so that the patient or resident can receive telehealth or telemedicine services from a health care provider. A residential longterm care provider seeking a line extension to its own facility is only eligible for one credit 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 the broadband service to receive remote instruction from the educational institution.

1. A school or health care provider may apply on behalf of a consumer.
2. The school or health care provider must have the written permission of the consumer.
3. The consumer must be part of the process and agree to the terms and conditions set by the service provider.
   a. The consumer signature is required on any documents submitted by a school or health care provider.
   b. Consumer's participation may be verified by the Department before approval.
4. The consumer, 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 rules to provide line extensions. Other service providers who wish to participate should send a letter of intent to psd.telecom@vermont.gov. Service providers are encouraged to refer customers to the LECAP program.

1. Service providers participating in the LECAP program are required to follow Vermont Public Utility Commission Rule 8.313 - Policy on Expansion into Unserved Areas. For providers without a tariff, “H” will be 16.
   a. 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:

   \[ A = \frac{CT}{N} \times \left( 1 - \frac{N}{(H \times L)} \right) \]

   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.

b. 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.

c. 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.

d. The service provider will also comply with requirements in the recently amended PUC pole attachment rule 3.700.

2. The cable company provides customer service drops, of up to 300’ from this infrastructure, at no additional cost. Drops in excess of 300’ can be provided, but will come at an additional cost, which is not included in the line extension cost calculation, and are the responsibility of the individual consumer. $500 of the $3000 LECAP credit can be applied customer service drops beyond 300’.

3. The service provider will provide the line extension estimate to the Department and the consumer.

4. To reduce overall consumer and provider costs, other potential customers along the route should be notified of the line extension and the LECAP program.

5. The provider quote should outline the full cost, indicate the LECAP contribution (up to $3000), and identify any remaining consumer obligations.

6. The provider must provide estimated costs and service terms that need to be fulfilled following activation.

7. The service provider will receive reimbursement directly from the Department after completion of the line extension.

8. All LECAP approved line extensions must be completed no later than December 30, 2020, for the provider to receive payment.

9. If a provider fails to meet the December 30, 2020 completion deadline, the service provider will be responsible for the LECAP portion of the line extension.