



H.966 Section 13b - COVID-Response

Line Extension
Customer Assistance Program
("LECAP") Guidelines

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INTRODUCTION

Bill H.966 (2020), 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 eligible consumer portion of the 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”³ for a cable provider or other ISP.⁴ Consumers must request the line extension from the appropriate service provider and apply for the line extension financial assistance. Application approval will be based on need, cost-effectiveness, site-appropriateness, available funding, and the participation of the service provider.

Payments from this program will be made by the Department directly to the service provider on behalf of the consumer.

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/content/vermont-covid-19-line-extension-customer-assistance-program>

² The Department may, in its sole discretion, grant extensions of time beyond December 30, 2020 in situations allowed by United States Department of Treasury guidance. See Coronavirus Relief Fund Guidance for State, Local, and tribal government (June 30, 2020) at 2. <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

³ In this case usually less than one mile from existing Cable/ISP infrastructure.

⁴ 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.

Example. A consumer with remote learning needs requests a line extension from a nearby provider. The provider estimated cost for the line extension is \$5833. The estimated consumer portion is \$4458. After a \$3000 LECAP credit, the consumer would still be responsible for \$1458. The provider may require a portion of the payment before the construction can begin. With an approved LECAP application, and the line extension complete, the Department will make a payment directly to the service provider on behalf of the consumer.

LECAP contributions will not exceed \$3000 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 \$3000. A portion of the LECAP credit can also be applied to customer service drops beyond 300'.⁵ Up to \$500 of the \$3000 LECAP credit may be applied. The total combined LECAP credit will not exceed \$3000.

Line Extensions: *Extension of the provider network into an unserved neighborhood/street, usually via utility poles.*

Service Drops: *Individual cables connecting each subscriber home to the provider network. A typical service drop is from a utility pole to the home via an aerial or underground cable.*

Recurring monthly charges, equipment, and other charges or fees are not eligible for LECAP. The credit may not be used to cover the service provider's share of the line extension. **Applications received under LECAP will be reviewed by the Department on a rolling basis until all the program funding has been awarded or September 15th, whichever comes sooner.**

How will LECAP help you? The LECAP program will help cover the customer cost of line extensions of between 500 feet and 850 feet per customer, depending on the number of customers and the length of the project. For a single customer, the program should cover approximately 528 feet. 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, LECAP could cover the entire customer cost.

CONSUMER GUIDELINES:

Consumers must comply with the following:

1. To apply, the Consumer **must** have a line extension or service drop estimate. (Contact the appropriate cable provider or ISP to request a line extension estimate.)

⁵ The cable companies provide service drops of up to 300' from their 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 is the responsibility of the individual consumer. ISPs' service drop charges will vary.

- a. School or health care providers may apply on behalf of a student or consumer in need (see School/Health Care Guidelines).
 - b. 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 complete the LECAP application.
 - a. The application will be available on the Department’s website or may be available from the service provider at the service provider’s discretion.
 - b. Application approval will be based on:
 - i. Completeness of the application.
 - ii. Inclusion of the cable/ISP estimate.
 - iii. Covid-19 related needs (see Items 3 and 4 below).
 - iv. The cost-effectiveness/site-appropriateness of the line extension.
 - v. Participation of the service provider.
 - vi. Available funds.
 - vii. The ability of the provider to complete the extension by December 30th.
 - c. Applications can be submitted by email to psd.telecom@vermont.gov, uploaded via the online contact form at <https://publicservice.vermont.gov/content/vermont-covid-19-line-extension-customer-assistance-program> or by mail to Department of Public Service, 112 State Street FL3, Montpelier, VT 05620-2601.
 3. To qualify for LECAP financial assistance 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.⁶
 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 or service drop per address. Applicants may only receive credit for a primary residential address. Locations that are considered both a business and a residential premises, such as a home business, may qualify. The applicant shall indicate whether s/he is receiving other government aid to afford the connection. Line extension agreements signed or purchased by consumers before the initiation of this program are ineligible.
 6. The service location must be in Vermont.
 7. The applicant shall report to the Department when the line extension is complete or service is established.
 8. Line extensions funded through this program must be completed on or before December 30, 2020.

SCHOOL AND HEALTHCARE/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 long term care provider seeking a line extension to its own facility is only eligible for one \$3000 credit for the service location.

⁶ LECAP applicants must show a COVID-19–related broadband need as defined by the U.S. Department of Treasury guidance.

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. The school or health care provider must have the written permission of the consumer.
2. 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. Consumers’ participation may be verified by the Department before approval.
3. 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 at <https://publicservice.vermont.gov/content/vermont-covid-19-line-extension-customer-assistance-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:

$$A = (CT / N) * (1 - (N / (H * L)))$$

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.

- 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 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](https://puc.vermont.gov/sites/psbnew/files/doc_library/Rule-3.700-pole-attachment.pdf) (https://puc.vermont.gov/sites/psbnew/files/doc_library/Rule-3.700-pole-attachment.pdf).
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 to customer service drops (both aerial and underground) 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 to all participating consumers the 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 costs.