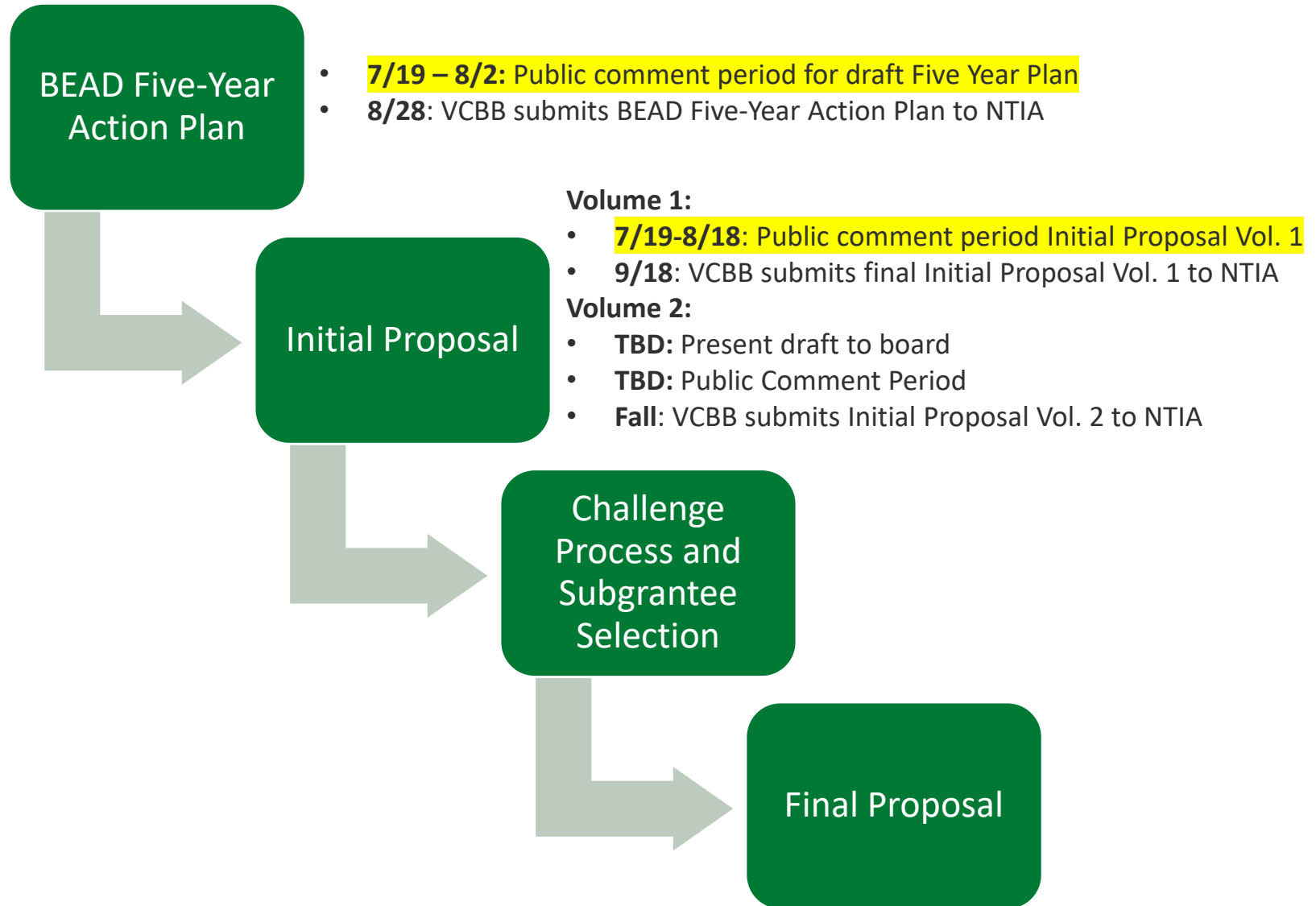# Vermont's Draft Broadband Equity, Access, and Deployment Plan

DRAFT Five-Year Action Plan and Initial Proposal Volume 1

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Agenda

- Overview of Vermont's Internet for All Plans

- Summary of the BEAD Five-Year Action Plan

- Summary of the BEAD Initial Proposal Volume 1

- Discussion

- Next steps

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BEAD Parts and Process

BEAD Five-Year Action Plan

- **7/19 – 8/2:** Public comment period for draft Five Year Plan
- **8/28**: VCBB submits BEAD Five-Year Action Plan to NTIA

Initial Proposal

Volume 1:
- **7/19-8/18**: Public comment period Initial Proposal Vol. 1
- **9/18**: VCBB submits final Initial Proposal Vol. 1 to NTIA

Volume 2:
- **TBD:** Present draft to board
- **TBD:** Public Comment Period
- **Fall**: VCBB submits Initial Proposal Vol. 2 to NTIA

Challenge Process and Subgrantee Selection

Final Proposal

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	BEAD Five Year Action Plan	BEAD Initial Proposal Volume 1	BEAD Initial Proposal Volume 2 (forthcoming)
What's included (summary)	• Vision, goals, objectives • Current state of broadband and digital inclusion • Challenges to overcome for successful implementation of the plan • Summary of stakeholder engagement activities • Implementation Plan	• Initial identification of unserved and underserved locations • Definition of community anchor institutions classification applied • Proposed pre-challenge process location modifications (e.g., the proposed deduplication process) • Proposed challenge process	• Long-term objectives • Stakeholder engagement process • Detailed plan for use of BEAD funds, including competitive subgrantee process, workforce development, and climate risk assessment. • Intended use of the 20% of total funding allocation that is made available upon NTIA's approval of the Initial Proposal

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Important Notes for Context

- These drafts continue to evolve. There is feedback we have received from NTIA that we are continuing to address; it will evolve further during the public comment period.

- These drafts will be updated with the most recent FCC and survey data prior to their release for public comment.

- The subgrantee selection process is established in Initial Proposal Volume II. It is not included in these documents.

- The Digital Equity Plan will go into much greater detail on proposed solutions to address affordability and accessibility barriers to Internet adoption and use.

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Draft BEAD Five-Year Action Plan

Draft for Board Feedback

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Vision

Every Vermonter in an unserved or underserved area gains access to broadband at speeds of at least 100/100 Mbps, and that Vermonters understand the value Internet connectivity can offer and have the devices and skills they need to meaningfully take advantage of it. Vermont is working toward this vision through coordinating, facilitating, supporting, and accelerating community broadband solutions.

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Goals

Mobilize resources for end-to-end fiber broadband infrastructure deployments to all unserved and underserved locations and community anchor institutions

Ensure sustainable, community-driven solutions across the entire State.

Ensure high-speed broadband services and devices are affordable and advance digital equity for all Vermonters

Enhance workforce development for broadband and the digital economy

Improve socio-economic conditions across Vermont

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Current State

Access
- Approximately 20% of households (70,034 out of 352,588 households) lack access to 100/20 Mbps or better broadband connectivity

Deployment
- Greatest concentration of unserved and underserved communities are in southern and northeastern Vermont
- Anticipated labor shortages in several positions that will be critical to successfully deploy BEAD funds

Adoption
- 73% of Vermont households have a fixed broadband Internet subscription
- Lower rates of subscription among certain demographics (e.g., 60+ years old)

Affordability
- 17% of eligible Vermont households have enrolled in the ACP
- 23,260 Vermont households have access to the Internet but cannot afford it

Digital Equity
- Less than 10% of the VCBB's public survey respondents identified affordability of devices and confidence in digital skills as a barrier
- 18.8% of Vermonters lack access to a computer at home.

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Indicators of Success

- **Goal: Mobilize resources for end-to-end fiber broadband infrastructure deployments to all unserved and underserved locations and CAIs in Vermont.**
  - Indicators of success by December 31, 2028
    - 100/100 Mbps broadband or better available in 100 percent of currently unserved and underserved on-grid locations.
    - 100/20 Mbps broadband or better available in 100 percent of currently unserved and underserved off-grid locations.
    - One Gbps symmetrical broadband is available to 100 percent of CAIs.
- **Goal: Ensure sustainable, community-driven solutions across the entire State.**
  - Indicators of success by December 31, 2028
    - 100 percent of BEAD subgrantees have documented meaningful community support or partnerships.
- **Goal: Enhance workforce development for broadband and the digital economy**
  - Indicators of Success by December 31, 2028
    - 100 new jobs in broadband created in Vermont.
    - 80% of new jobs in broadband filled by Vermont residents.

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Indicators of Success for Goals

- **Goal: Ensure high-speed broadband services and devices are affordable and advance digital equity for all Vermonters**

  - Indicators of success by December 31, 2028
    - 80 percent of households subscribe to fixed broadband.
    - 60 percent of eligible households signed up for a broadband service subsidy (e.g., ACP).
    - 95 percent of households own a laptop, tablet, or personal computer.
    - 80 percent of population surveyed reports confidence in their digital literacy.
    - 80 percent of ACP eligible households own a laptop, tablet, or personal computer.
    - All Vermonters can choose from multiple service plan options and price points.
  - Indicators of success by December 31, 2030
    - 90 percent of households subscribe to fixed broadband.
    - 70 percent of eligible households signed up for a broadband service subsidy (e.g., ACP).

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Indicators of Success for Goals

- **Goal: Improve socio-economic conditions across Vermont**

  - Since this is a long-term goal there are no 5-year indicators/metrics to assess, but VCBB will monitor indicators in multiple sectors to gauge indirect impact of broadband expansion on socio-economic conditions. These include:

    - Economic:

      - Unemployment rate.

      - Number of remote workers.

      - Household income level.

      - Population change (gain/loss).

    - Health:

      - Utilization rates of telehealth services.

      - Life expectancy.

    - Education:

      - High school graduation rates.

      - Student performance on standardized test scores.

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Existing Funding

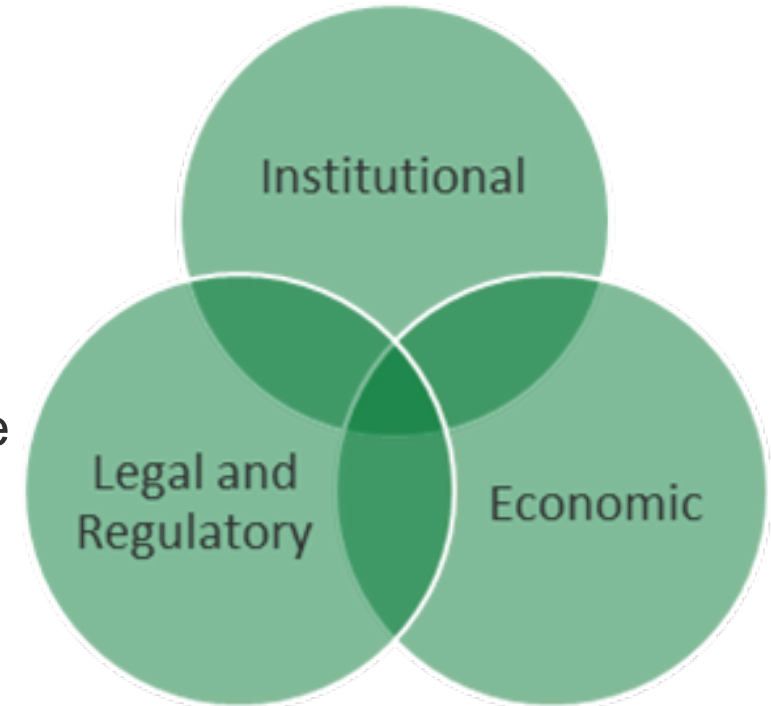| Broadband Related Category	Total	Committed/ Expended	Available	Remaining % of Available
Approved Deployment and Non-Deployment Activities	$559,185,933	$165,088,621	$394,097,312	86.7%
Affordability Programs	$41,770,080	$7,575,840	$34,194,240	7.6%
Planning, Administrative, or Overhead	$18,000,000	$0	$18,000,000	4.0%
Public Connectivity	$10,792,000	$2,721,919	$8,070,081	1.8%
Grand Total	**$629,748,013**	**$175,386,380**	**$454,361,633**	**100%**

Inclusive of Vermont's $228.9M BEAD allocation, the State has approximately $394.1M in existing funding which is available for extending high-speed broadband infrastructure to unserved and underserved locations and CAIs.

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Stakeholder Engagement Summary (as of July 10, 2023)

- 6 VCBB-organized in-person events (80 attendees total)

- 2 virtual events (65 attendees total)

- 4 community events attended

- 44 RFI responses

- 150+ pieces of email feedback received

- 1,975 survey responses received

- 60+ individual meetings held with stakeholder organizations including all CUDs and major ISPs, other relevant departments and agencies, and interested community-based organizations

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Issues to Overcome for Successful Implementation

- While all reconcilable, Vermont faces three main categories of issues in implementing its BEAD plan:
  - Institutional: Serving historically marginalized and difficult-to-reach populations, ensuring CUDs have capacity to deploy networks and can provide affordable service in a commercially-sustainable way
  - Legal: Balancing compliance with federal statutory requirements to conduct an open and competitive subgrantee selection process while staying true to the municipal CUD structures and community-driven vision of Act 71
  - Economic: Supply chain challenges and labor shortages, tracking and maximizing all available sources of broadband funding, limited funding coupled with Vermont's challenging terrain and low population density

Institutional

Legal and Regulatory

Economic

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Estimated Timeline

August 28, 2023: BEAD Five-Year Action Plan submitted to NTIA
- Vision, goals, objectives
- Strategy

Fall 2023: BEAD Initial Proposal submitted to NTIA.
- Eligible locations
- Challenge process
- Extremely High Cost Per Location Threshold
- Subgrantee and project eligibility requirements
- Scoring criteria

Dec. 2023 – March 2024 (Pending approval from NTIA):
- Process approved modifications and de-duplication of funding
- Conduct challenge process

Timing is dependent on approvals from NTIA

March – August 2024: Conduct subgrantee selection process and submit Final Proposal to NTIA.

September 2024: NTIA approval of Final Proposal and award subgrants

2024 – 2028: Ongoing monitoring, reporting, and performance management

Dec. 31, 2028: Affordable high-speed broadband available to all Vermonters

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Estimated Cost

The estimated cost of extending fiber to Vermont's 49,773 unserved and underserved locations (excluding RDOF funded locations) is $500-700M.

BEAD, ARPA, subgrantee matches, and other funding sources will cover this cost.

Three important variables for ensuring that sufficient funds are available:

- The cost of extending end-to-end fiber connectivity to each unserved and underserved location in the State;

- The amount of matching funds that will be offered by prospective BEAD subgrantees (i.e., how much subgrantees will offer above the statutory minimum of 25% and if the State of Vermont can contribute any additional resources); and

- The amount of funds that the State will set aside to cover any cost overruns (i.e., to account for inflation, supply chain challenges, labor shortages, etc.) or encourage subgrantees to include in their proposed budgets.

This approach prioritizes quality, scalability, and reliability.

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Draft Initial Proposal Volume 1

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What's in Volume 1

- Initial identification of unserved and underserved locations
- Definition of community anchor institutions classification applied
- Proposed pre-challenge process location modifications (e.g., the proposed deduplication process)
- Proposed challenge process
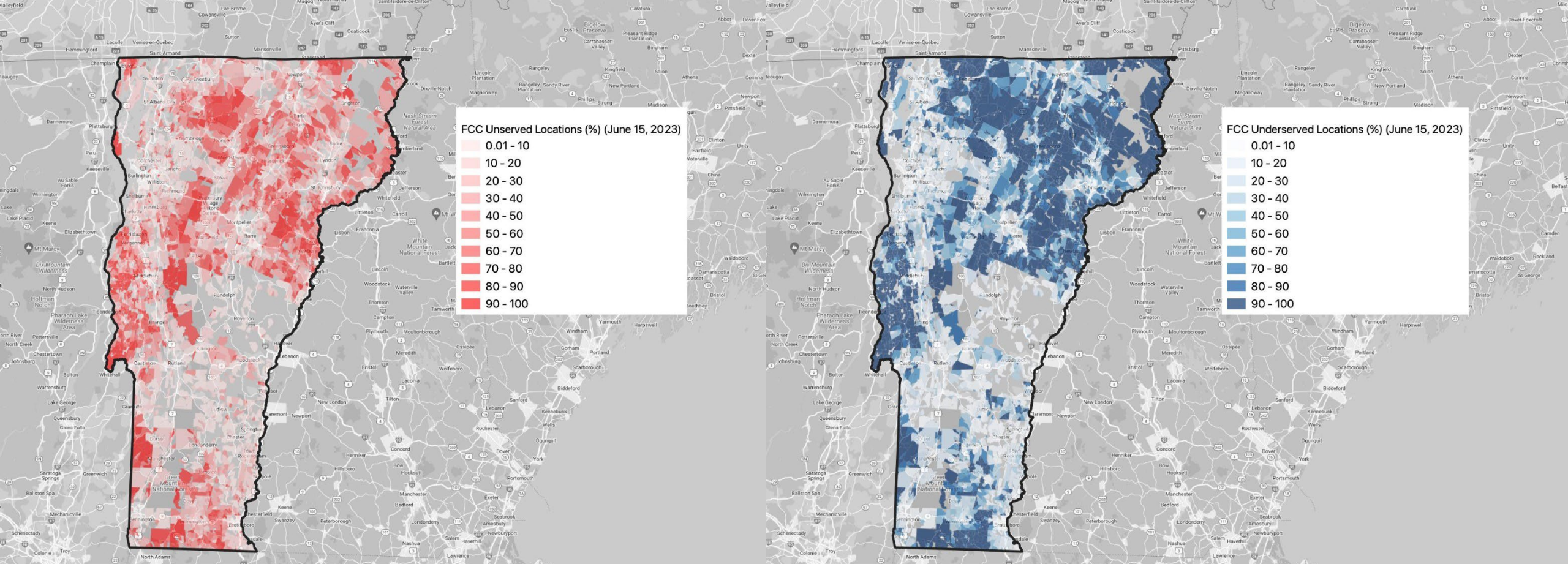
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FCC Maps of Unserved and Underserved Locations (as of June 15, 2023)

Community Anchor Institutions

Vermont's List of Community Anchor Institution Types:

K-12 schools

Higher education institutions (such as University of Vermont, and Community College of Vermont)

Workforce development organizations (such as VT Department of Labor locations, Working Fields, and Pathways VT)

Adult education agencies (such as VT Adult Education, and Central Vermont Adult Basic Education)

Libraries

Health clinics, health centers, hospitals, and other medical providers

Public safety entities (such as police departments, fire departments, and EMS headquarters, Red Cross emergency shelter locations)

Public housing (such as housing and urban development-assisted housing)

Neighborhood organizations and community centers, including community centers and neighborhood gathering spaces located on Tribal lands

Houses of worship (such as churches, synagogues, mosques, and temples)

Local and/or state government buildings (such as town halls, city halls, town clerk offices, and courthouses)

Housing shelters (such as COTS)

Social service agencies (such as Age Well)

Correctional facilities and juvenile detention centers

Public outdoor spaces (such as community gardens and Park and Rides)

Public access television station facilities

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Challenge Process

Prior to Challenge Process: VCBB Challenges FCC Data on Unserved and Underserved Locations

This effort yielded corrections and improvements to the data, adjusting the State's allocation of BEAD funding.

Phase 1: Publication of Eligible Locations

Prior to beginning the Challenge Phase, the broadband office will publish the set of locations eligible for BEAD funding, which consists of the locations resulting from the activities outlined in Modifications to Location Classifications and Deduplication of Funding.

Phase 2: Challenge

A representative of one of the permissible challengers submits a challenge to VCBB, using an online portal maintained by VCBB. Challengers will have 30 calendar days to submit a challenge from the time the initial list of unserved and underserved locations, CAIs, and existing enforceable commitments are posted.

Phase 3: Rebuttal

The challenged service provider may rebut the reclassification of a location or area with evidence, causing the location(s) to enter a "disputed" state. If a challenge is not rebutted, it is substantiated. If a provider agrees with the challenge, it moves to the "sustained" state.

Phase 4: Final Determination

If the challenge for a location is in the "disputed" state, VCBB will make the final determination of the classification of the location, either declaring the challenge "sustained" or "rejected".

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Thank you. We look forward to your feedback.

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