



BEAD Volume 2 Summary

VCBB Board Meeting

Sept. 11, 2023

Agenda

1. Review of the Internet for All Plans and where we are
 1. BEAD deliverables
 2. Challenge process overview
 3. Digital Equity Plan
2. Overview of the Initial Proposal Volume 2
 1. Summary of each requirement and topics for feedback

BEAD Five Year Action Plan

BEAD Initial Proposal Volume 1

BEAD Initial Proposal Volume 2

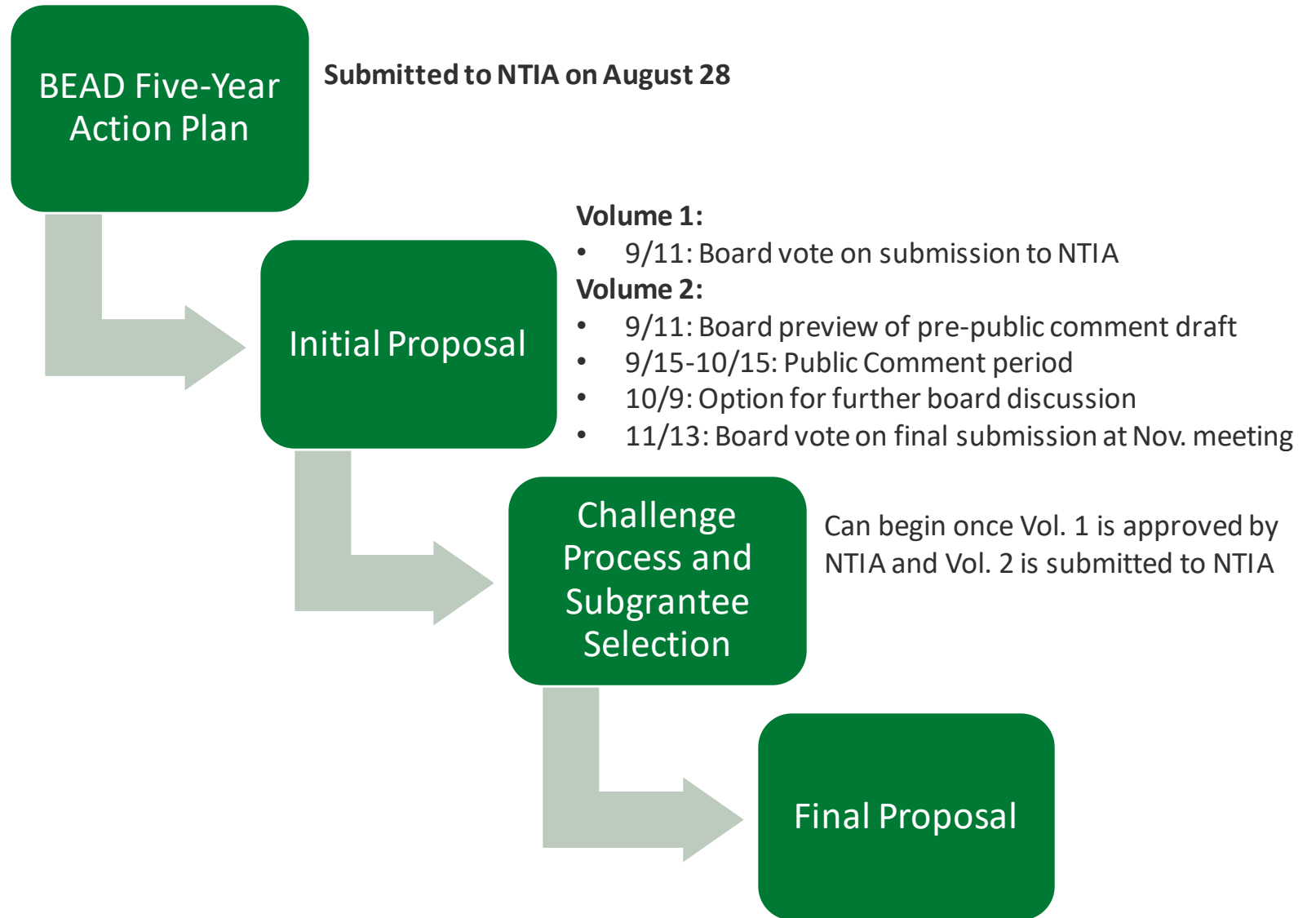
What's included (summary)

- 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

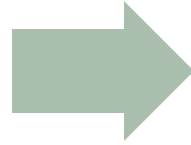
BEAD Parts and Process



Challenge Process Overview (Vol. 1)

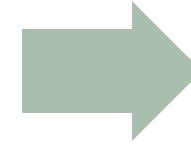
Pre-Challenge Process

- Modifications to locations served by DSL and fixed wireless; speed test and CAI definition modifications
- Deduplication of federal funding process
- Publication of eligible locations



Challenge Process (must be completed within 120 days, est. Nov. - March)

- Challenge Phase (14 days) – Nov. 13 or later (can begin after Vol 2 Board approval and submission to NTIA)
- Rebuttal Phase (14 days)
- Final Determination (within 30 days of Rebuttal)
- Post-Challenge Deduplication and Optional Location Updates
- Submit for NTIA Review



Publication of Final Classifications (60+ days before allocating grant funds)

- Once approved by NTIA (uncertain timeframe), VCBB posts final classifications
- After at least 60 days, the VCBB can allocate subgrant funds

Vermont's Digital Equity Plan

The VCBB is conducting an inclusive process to gather input on the design of Vermont's Digital Equity Plan:



Overview of Draft Initial Proposal Volume 2

Key Content

- BEAD Objectives
- Local Coordination
- Subgrantee Selection
- Labor and Workforce
- Cost and Barriers Reduction
- Climate Assessment
- Affordability Strategy

Objectives (Requirement #1)

These are the BEAD Five-Year action Plan goals:

- Mobilize resources for end-to-end broadband infrastructure deployments to all unserved and underserved locations and Community Anchor Institutions (CAIs) in Vermont.
- 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 both during the BEAD performance period and into the future.
- Enhance workforce development for broadband and the digital economy
- Improve socio-economic conditions across Vermont

Local Broadband Planning Process (#2) and Local Coordination (#4)

- Local coordination is being conducted through Vermont's Regional Planning Commissions (RPCs) and the CUDs
- A representative from the Association of Regional Planning Commissions is on the Digital Equity Core Planning Team
- CUDs have been consistently consulted and kept informed throughout the process
- As both units of local government and potential subgrantees, CUDs are uniquely positioned to ensure that BEAD deployments are coordinated with other local building and planning efforts, and that municipalities are aware of upcoming projects

Deployment Subgrantee Selection (#8)

- Detailed plan to competitively award subgrants that demonstrates how Vermont will ensure timely deployment
- Objective of this portion of proposal is to provide granular detail on the selection process from:
 - Pre-award (solicitation),
 - Award (evaluation of proposals)
 - Post-award (compliance and monitoring)

Deployment Subgrantee Selection (#8) (cont.)

Areas to focus:

- Proposed “project areas” – CUDs or towns if not in a CUD
- On-grid and off-grid distinction
- “Extremely high cost per location threshold” – to be set after proposals are filed
- Scoring criteria – at least 75% of points must be awarded for minimal BEAD fund outlay, affordability, and fair labor practices
- Minimal BEAD funds outlay - 25% match requirement
- Letter of credit – Seek more flexibility from NTIA
- Compliance and reporting obligations – To ensure good stewardship of funds

Non-Deployment Subgrantee Selection (#9) and Eligible Entity Implementation Activities (#10)

- Vermont anticipates that it will use most of its BEAD funding allocation for broadband deployment activities
- For non-deployment activities such as digital equity initiatives, Vermont expects to rely on other resources, namely the Digital Equity Act's capacity-building and competitive grant programs and will provide additional details in the forthcoming Digital Equity Plan
- Up to 2% of BEAD funds will be reserved for VCBB administration and oversight activities
- If additional funds are available, VCBB intends to use them for eligible non-deployment activities

**Labor Standards and
Protections (#11)
Workforce
Readiness (#12)
Minority Businesses,
Women-Owned
Business
Enterprises, and
Labor Surplus Area
Firms Inclusion (#13)**

- Require prospective subgrantees to document labor/workforce records and plans.
- Subgrantees will be required to report on adherence, site visits will be conducted.
- The VCBB will design and share procurement resources to support minority- and women-owned businesses.

Cost and Barrier Reduction (#14)

- Highlighting past efforts by Vermont to develop a regulatory environment focused on deployment
- Pole attachment rules
- Make-ready requirements
- Worker training

Climate Assessment (#15)

- Weather and climate hazards for Vermont include: increased quantities of rainfall, wetter and heavier snow, icing events, severe storms, and drought
- Counties with less geographic redundancy, lower population density, and in low-lying flood-prone river valleys are at higher risk for infrastructure damage
- Mitigation plan focuses on resiliency, including: advanced metering, battery and generator backup, latency of 50 milliseconds or better, and strong preference for fiber
- The VCBB will encourage subgrantees to use existing private resources and assets to prevent unnecessary construction, as well as to use energy efficient technologies and renewable energy sources wherever possible

Low-Cost Broadband Service Option (#16) and Middle-Class Affordability Plan (#20)

Low-Cost Option

- **Cost:** Monthly recurring cost not to exceed \$45 for ACP-eligible households, inclusive of all taxes, fees and charges, and no initiation or installation fees.
- **Speed:** 100/100 Mbps for on-grid; 100/20 Mbps for off-grid
- **Latency:** 50 milliseconds for on-grid locations; 100 milliseconds for off-grid locations
- Require subgrantees to participate in ACP (connectivity and device subsidy)

Middle Class Affordability

- VCBB reviewed income data for the state to determine what middle class is for Vermonters
 - Broad range with a median income of \$72,431
 - Affordability means both cost to get connected and monthly service fees
- Given variation, VCBB would require prospective BEAD subgrantees to offer a range of service plans that vary based on speed and price, including a lower cost, lower speed tier that meets the definition of broadband that the prospective subgrantee identifies as its low-cost plan.
- VCBB will require the prospective subgrantee to provide a basis for its conclusion that the low-cost plan is affordable for the project area based on demographic data for the area.

Use of 20 Percent Funding (#17)

Use the first 20 percent of its BEAD funding allocation for the deployment of last mile broadband infrastructure to unserved and underserved locations in areas that:

- 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 is higher than the national percentage of such individuals.

VCBB has identified two CUDs as well as the town of Warren, VT, 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 (DVFiber) and the NEK Broadband CUD (NEK Broadband).

Eligible Entity Regulatory Approach (#18) and Certification of Compliance with BEAD Requirements (#19)

- The VCBB will not waive any State laws.
- NTIA requires development of accountability procedures
- VCBB looked to state and federal programs including:
 - Act 71 Broadband Construction Grant program
 - BEAD Guidance and ARPA Grant program
 - Bulletin 5, and
 - FCC RDOF program
- VCBB Board input to be sought on these obligations

Thank you for your feedback.

Next step: 30-day public comment period.