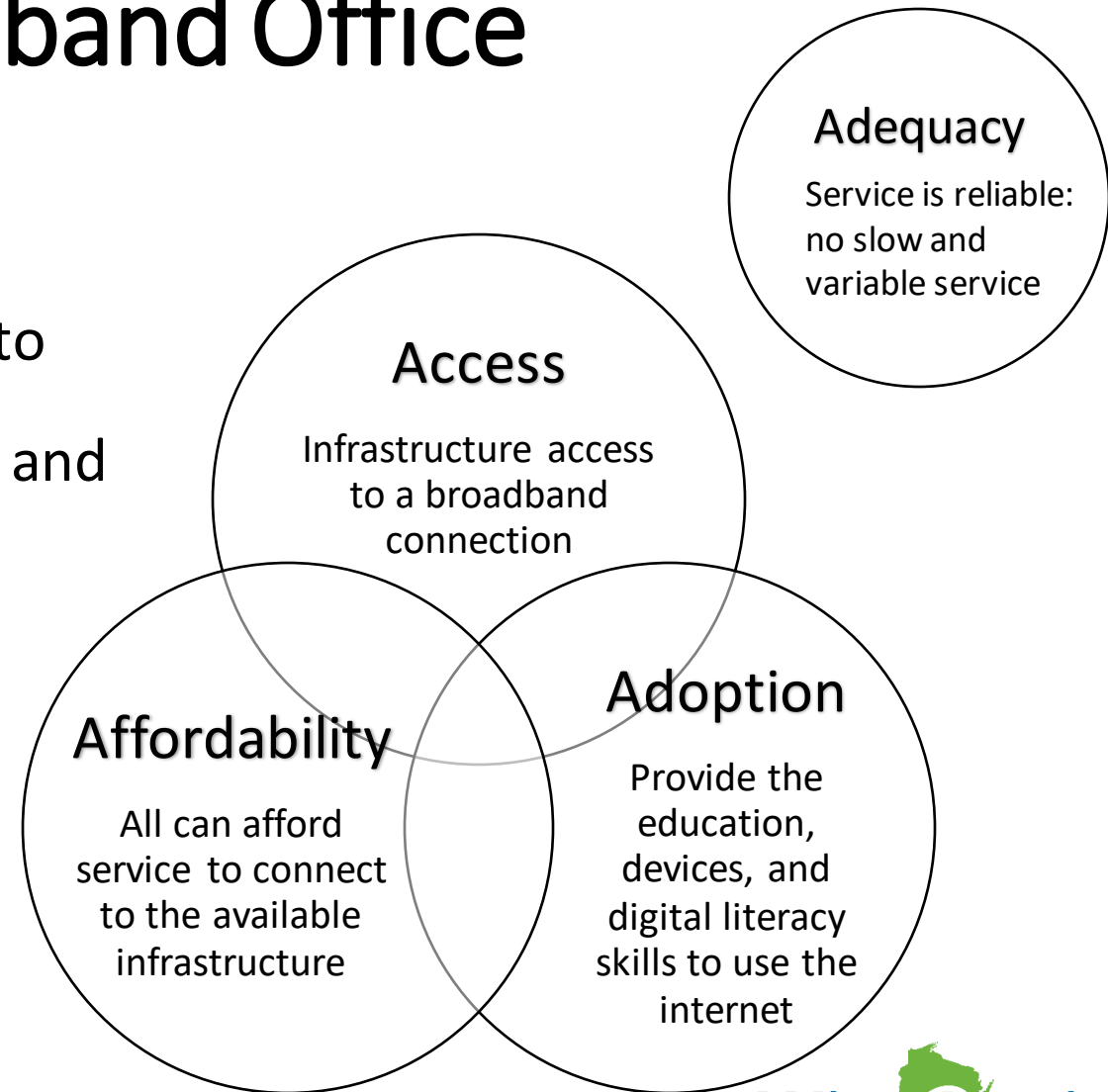# Wisconsin Broadband Office

Preparing for BEAD

Wisconsin Broadband Office

Vision

- All Wisconsinites will have equitable access to affordable broadband service and the capacity to fully engage in a digital society.
High-speed broadband will benefit all residents and communities.

Mission

- Make high performance broadband more accessible, resilient, competitive and affordable for all Wisconsinites.

Adequacy

Service is reliable: no slow and variable service

Access

Infrastructure access to a broadband connection

Affordability

All can afford service to connect to the available infrastructure

Adoption

Provide the education, devices, and digital literacy skills to use the internet

Program Updates

- BEAD Challenge Process (Volume 1): **APPROVED** ☑
- BEAD Allocation Process (Volume 2): PENDING APPROVAL

- Wisconsin Digital Equity Plan: **APPROVED** ☑
- Digital Equity State Capacity: NOFO published; Application due May 28, 2024

- Capital Projects Fund Infrastructure: **AWARDED** ☑, build by 2026
- Capital Projects Fund Digital Connectivity and Navigators: **Due June 19, 2024 at 1:30 PM CDT**

Broadband Equity, Access, and Deployment Program

What?

Allocate: $1 billion for broadband infrastructure

Goal: At least 100/20 for all homes and businesses

Priority: Homes and businesses lacking 25/3
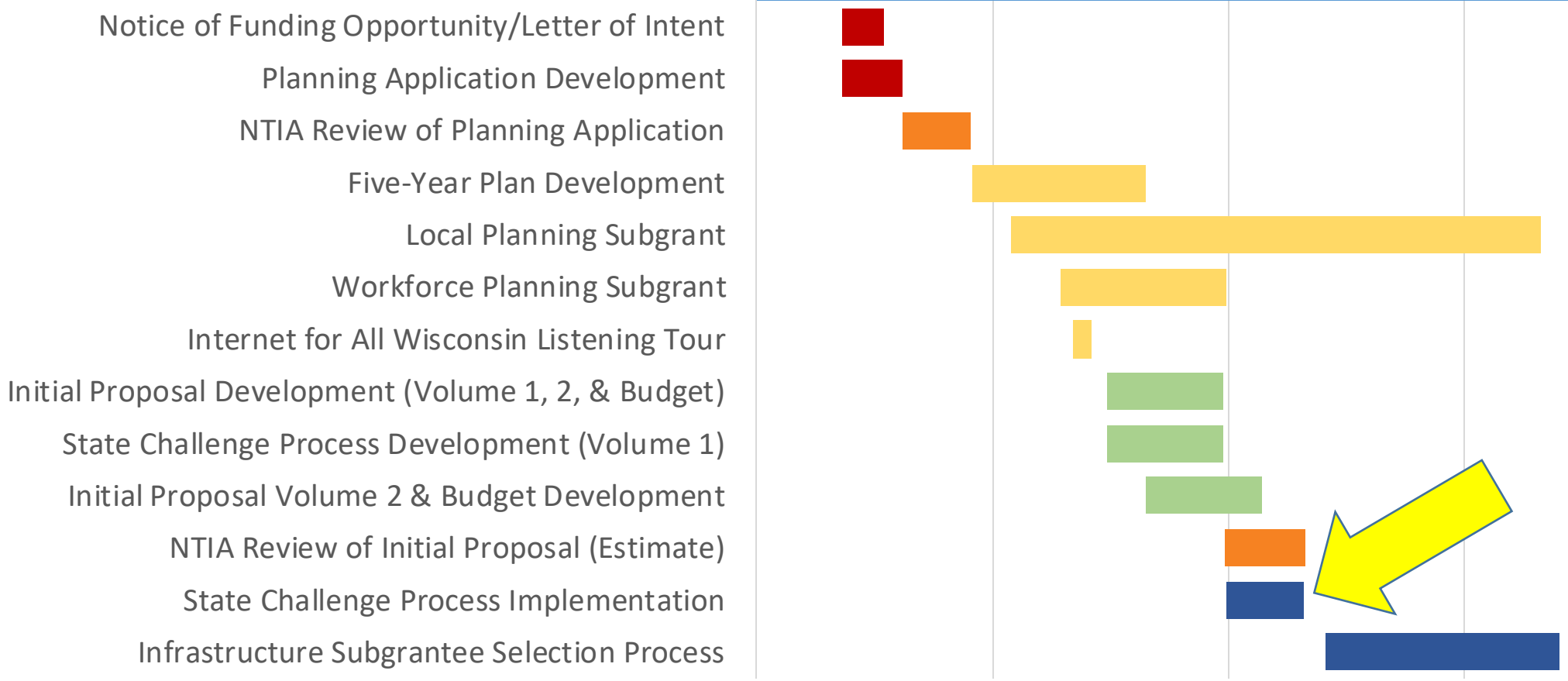
Who?

PSC operates allocation process: reviewing, scoring, and selecting recipients

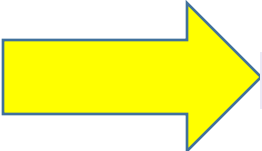**NTIA** oversees to ensure compliance, approves proposals & final allocation

Recipients are entities that will construct, own, and operate broadband infrastructure

Where are we going?

Task	Start Date	Duration (Days)	End Date
Initial Proposal Development (Volume 1, 2, & Budget)	6/30/23	180	12/27/23
State Challenge Process Development (Volume 1)	6/28/23	180	11/3/23
Initial Proposal Volume 2 & Budget Development	8/29/23	180	12/27/23
NTIA Review of Initial Proposal (Estimate)	12/28/23	125	4/1/24
State Challenge Process Implementation	4/29/24	120	8/27/24
Subgrantee Selection Process	7/1/24	365	7/1/25
Final Proposal Review/Post-Award Verification (Estimate)	7/1/25	60	8/30/25
>National Environmental Policy Act Review (Short: 3 mo)	8/30/25	92	11/30/25
>Construction (Short: 1 Season)	11/30/25	366	12/1/26
>Closeout & Reporting (Short)	12/1/26	211	6/30/27
>>National Environmental Policy Act Review (Long: 24 mo)	8/30/25	730	8/30/27
>>Construction (Long: 3 Seasons)	8/30/27	824	12/1/29
>>Closeout & Reporting (Long)	12/1/29	211	6/30/30

Steps   **Dates**

Program Development | NTIA Review | Subgrantee Selection | Construction | Compliance
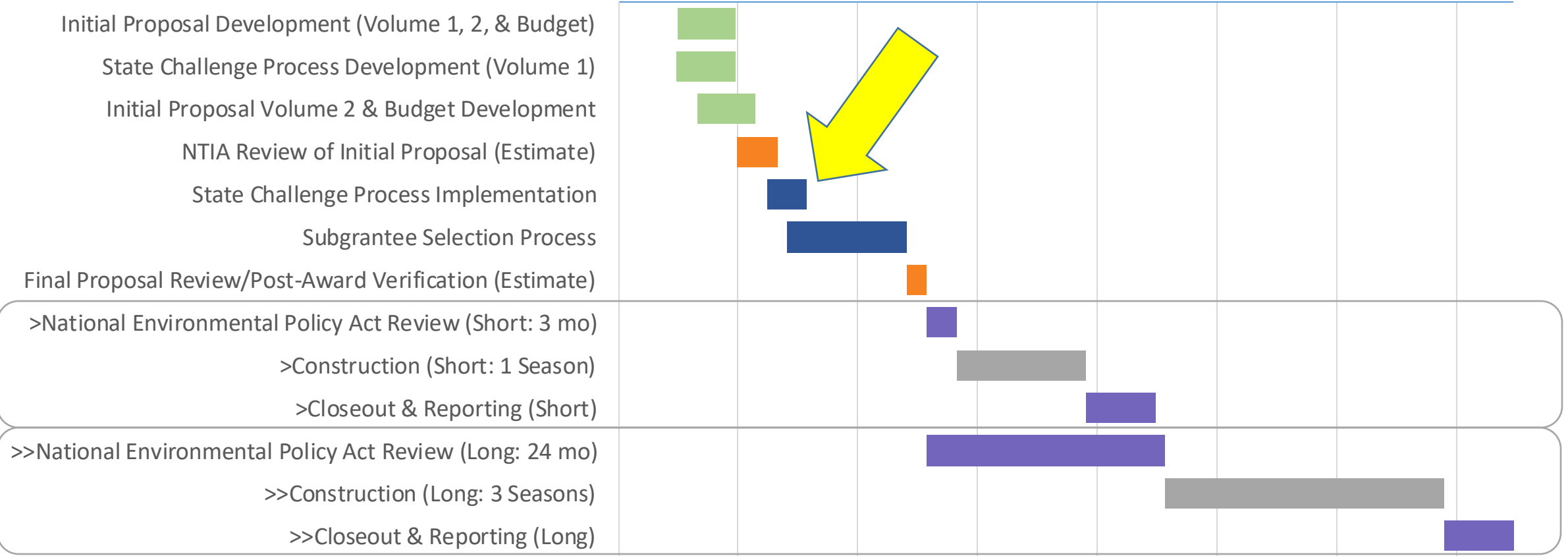
Availability Status

as of June 30, 2023

- 2,300,000 locations in Wisconsin

- 200,000 underserved (blue)
  - 25/3 to 100/20 from wired or licensed fixed wireless

- 225,000 unserved (orange)
  - Lack 25/3 or no service, or only unlicensed fixed wireless

■	100+ Mbps Download/20+ Mbps Upload
■	Between 25/3 and 100/20 Mbps
■	Less Than 25/3 Mbps
■	Even Mix of Speeds
■	No Coverage
☐	No Broadband Serviceable Locations (BSLs)
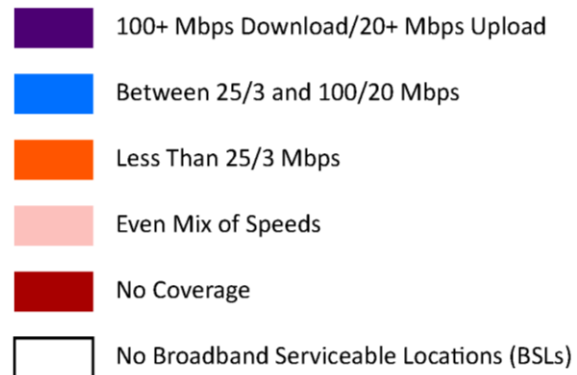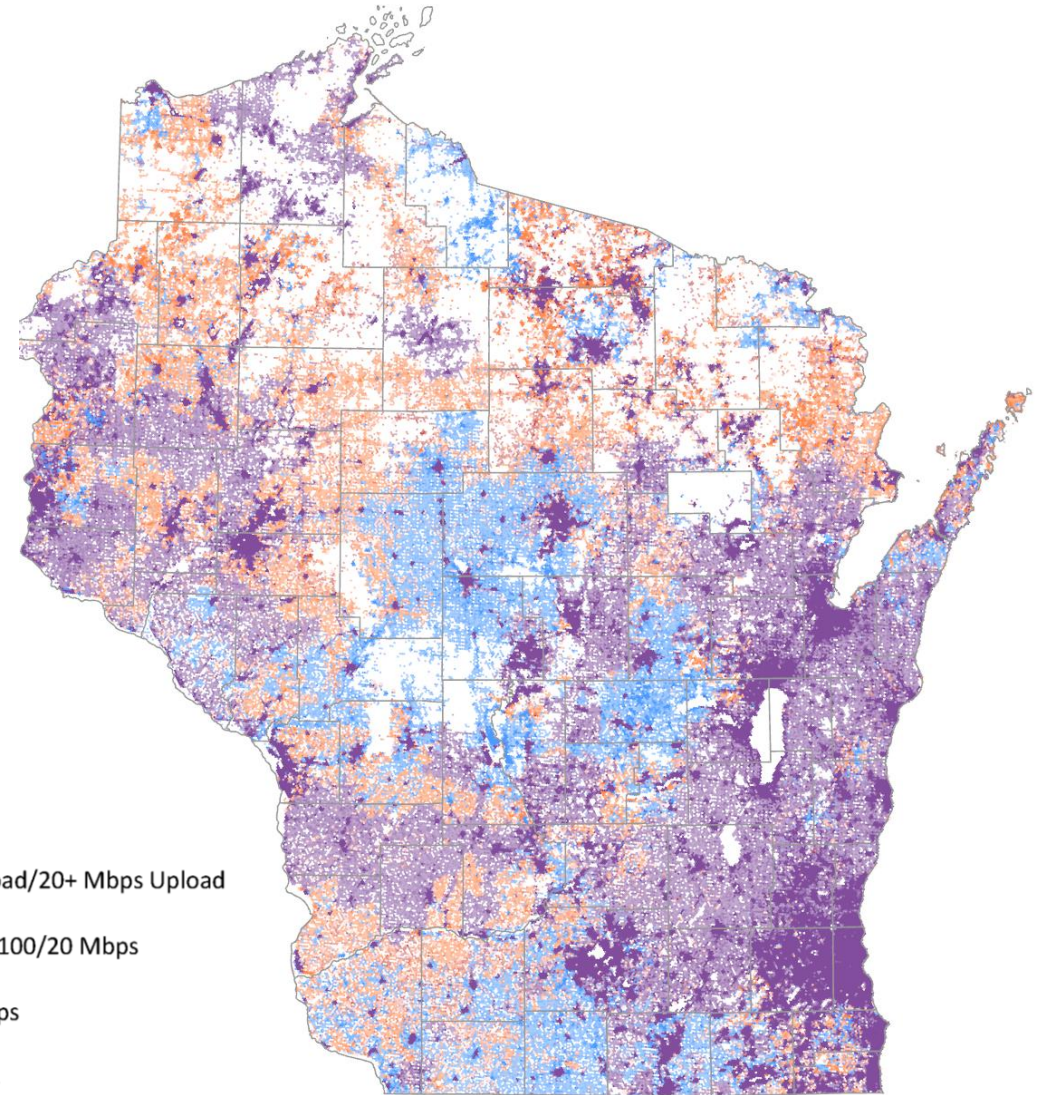
BEAD Challenge Process

- **Purpose:** Determine what locations & CAIs are eligible for BEAD

- **Eligible participants:** local units of government, internet service providers, 501(c)(3) and 501(c)(6) nonprofits, community anchor institutions

+	425,000 unserved and underserved locations
–	"Enforceable Commitments" (state & federal funding awards)
+	Pre-challenge modifications (DSL & certain locations where advertised ≠ actual)
–	Verified planned private builds by June 30, 2024
+/–	Locations that are challenged
???	Locations eligible for BEAD

BEAD Challenge Process

- **Participate:**
  - Review data & submit challenges
  - Consider Cost Quest license (ask staff)
- **Timeline:** 30/30/up to 30 days, started 4/29/2024

- Learn more: https://psc.wi.gov/Pages/ServiceType/Broadband/BEADChallenge.aspx
- Get up to speed and stay up to date:
  - **Watch the BEAD Challenge Process webinar**
  - **Watch the BEAD Challenge Map webinar**
  - Subscribe to docket 5-BCH-2024: https://apps.psc.wi.gov/ERF/ERF/ERFhome.aspx
  - Subscribe to WBO newsletter: https://lp.constantcontactpages.com/su/Uz6GZis

BEAD Challenge Process Timeline

|	
At least one week prior to start of the challenge process.	Publish lists of unserved, underserved, and CAI BSL identification numbers that are eligible for BEAD
	Publish BEAD Challenge Map
4/29/2024 – 5/29/2024 at 1:30 PM CT	30-day Challenge Submission Window
5/19/2024	Last day to submit challenges for preliminary completeness review
5/30/2024 – 6/5/2024 *(Estimate: 5-7 days)*	Commission staff Review Period
(Estimate: begins after Review Period) **6/6/2024 – 7/6/2024 at 1:30 PM CT**	30-day Rebuttal Submission Window
(Estimate: begins after Rebuttal Window) **7/7/2024 – 8/6/2024**	Final Determination completed by Commission staff

BEAD Challenge Map
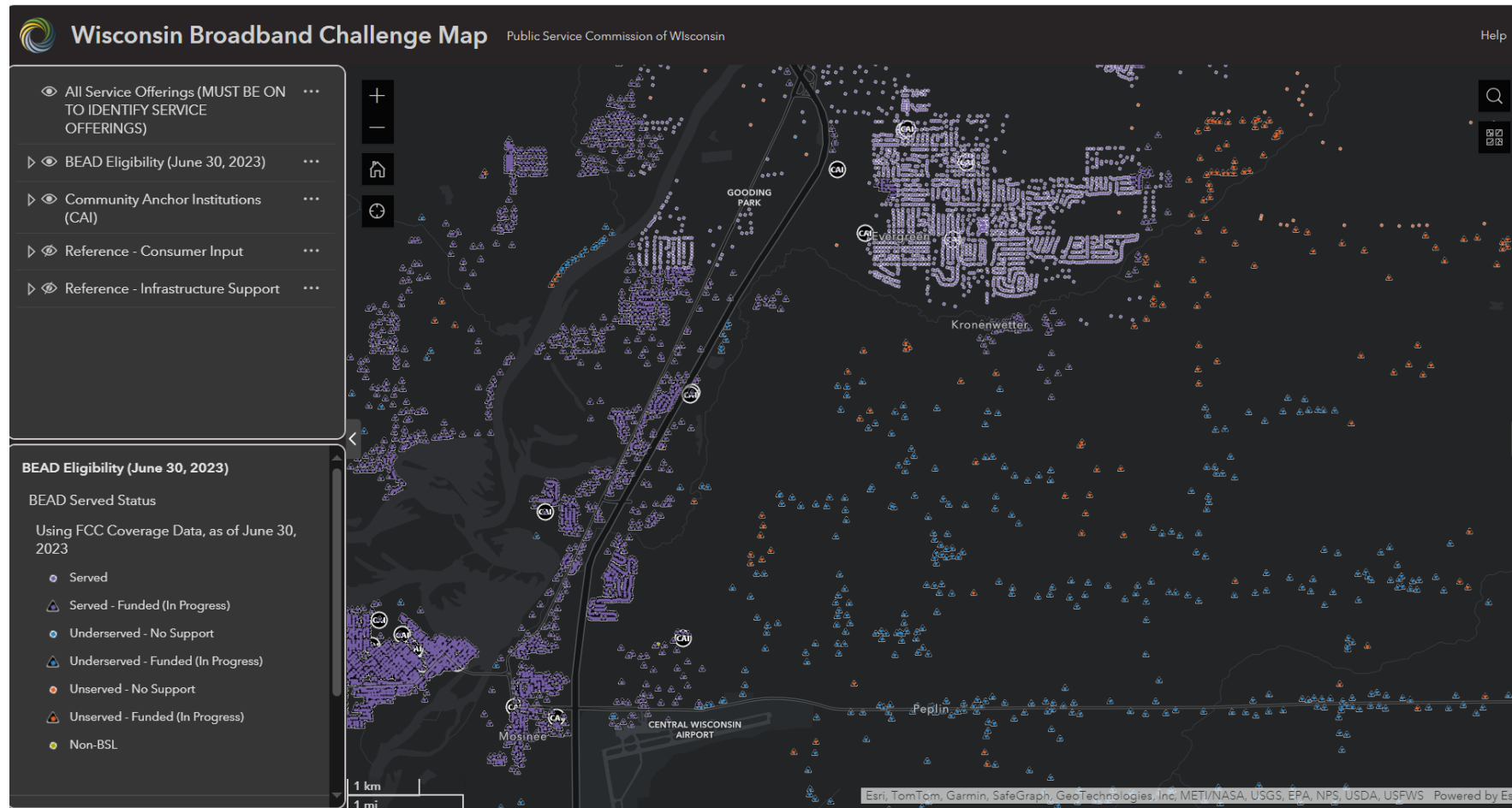
CAI Challenge Process

Types of CAIs

- Schools, libraries, health facilities, public safety entities, institutes of higher education, public housing organizations, community support organizations

Identifying CAI Challenges

- Download the list of CAI locations from the webpage OR navigate the challenge map to view CAIs
- Challenge map CAI details: BSL, primary address, number of units, provider, technology, maximum advertised download and upload speed
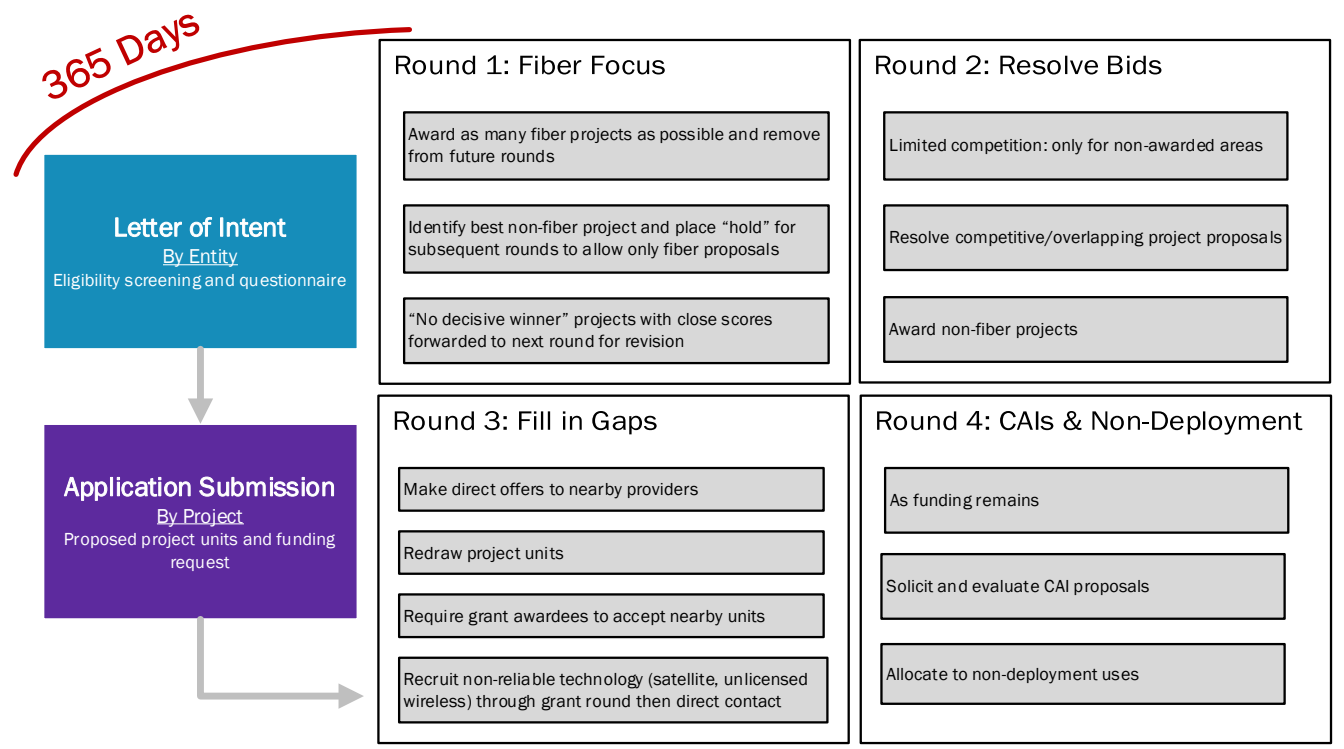
CAI Challenge Process

- Two options to challenge
  - Option A- CAI challenge form submission

    Form can be accessed here: [BEAD CAI Challenge Questionnaire](#)
  - Option B- CAI bulk challenge submission
    - Ensure you have created an ERF account on the PSC website
    - Complete the BEAD challenge participant eligibility and attestation form
    - Complete the CAI challenge submission spreadsheet

  Submit CAI challenges to docket 5-BCH-2024

BEAD Implementation

1) Qualifications: Letter of Intent

2) Grant rounds

3) Filling gaps through negotiation

4) Approvals:
   - Final Proposal (NTIA)
   - Permitting (fed, state, local)

5) Construction

365 Days

Letter of Intent
By Entity
Eligibility screening and questionnaire

Application Submission
By Project
Proposed project units and funding request

Round 1: Fiber Focus
- Award as many fiber projects as possible and remove from future rounds
- Identify best non-fiber project and place "hold" for subsequent rounds to allow only fiber proposals
- "No decisive winner" projects with close scores forwarded to next round for revision

Round 2: Resolve Bids
- Limited competition: only for non-awarded areas
- Resolve competitive/overlapping project proposals
- Award non-fiber projects

Round 3: Fill in Gaps
- Make direct offers to nearby providers
- Redraw project units
- Require grant awardees to accept nearby units
- Recruit non-reliable technology (satellite, unlicensed wireless) through grant round then direct contact

Round 4: CAIs & Non-Deployment
- As funding remains
- Solicit and evaluate CAI proposals
- Allocate to non-deployment uses

Watch our webinar and read the slides

What is the role of local government in BEAD?

1) Local knowledge
   a) Understanding gaps [challenge process]
   b) Understanding needs [project planning]

2) Incentivize partnerships that meet community needs
   a) Cash & in-kind match
   b) Right of way access, permitting assistance, make ready

3) Formal endorsement: choosing the ISP that's best for your community

4) Accountability:
   a) Keeping projects on-time
   b) Ensuring no members of community are left behind
   c) Assisting in compliance and monitoring

Typical Broadband Construction

Costs $\leq$ Revenue

Construction
- Labor, equipment, supplies
- Make ready, right of way access
- Planning and engineering

Operations
- Network maintenance, technicians
- Marketing, finance, customer support

Return on Investment
- Financing (cost of interest on debt)
- **Provider profit (reasonable risk-adjusted return on capital investment)**

Expected Customer Revenue
- Installation, equipment fees
- Monthly internet subscription
- Ancillary subscriptions (TV, phone)
- * Adjust for subscription rate (lower in competitive areas)

Grant-Funded Broadband Construction

Excess Cost = Subsidy

Excess construction costs
- Due to geography, remoteness, etc.

Compliance
- Permitting, NEPA, Buy American
- Reporting, monitoring costs
- Attorneys, legal fees

Local priorities and enhancements

BEAD Grant Award

Local Partnership Match — OPTIONAL
- Cash
- Loans (BCPL)
- Bonds (conduit, general obligation)
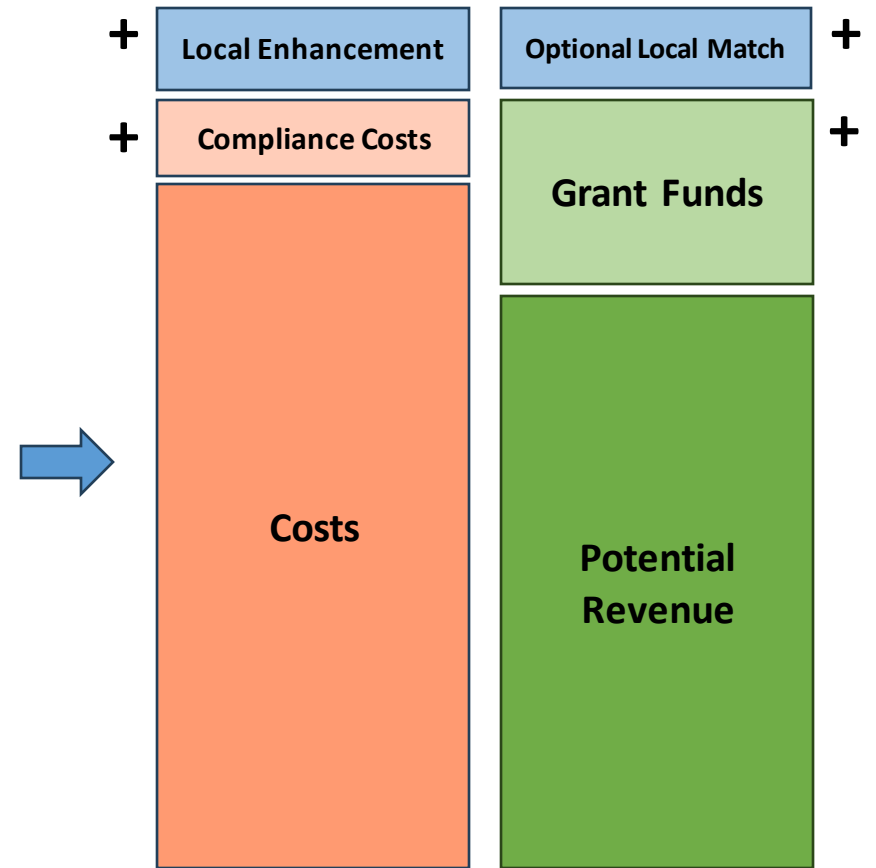- In-kind (permit fees, ROW access, etc)

Grant-Funded Broadband Construction

Typical Broadband Project ✅
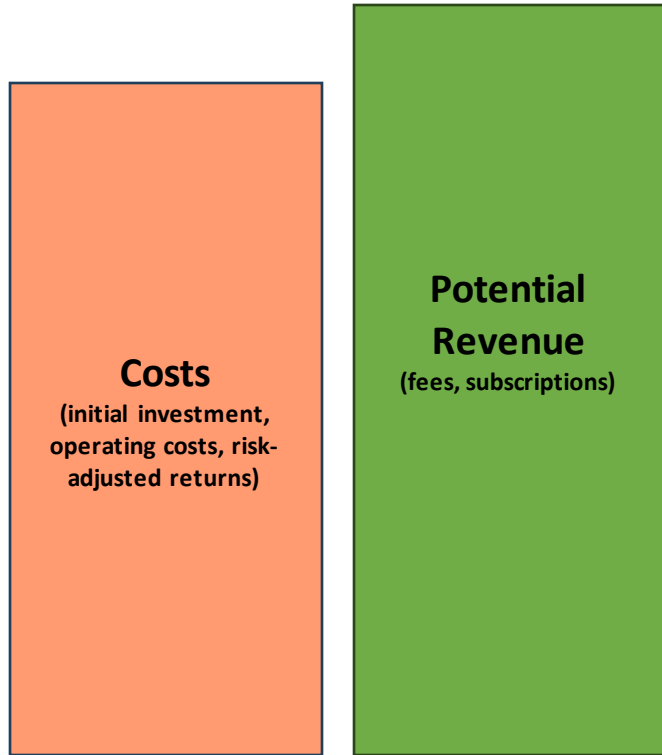
Economically-infeasible Project ❌

Grant-funded Project ✅

Costs
(initial investment, operating costs, risk-adjusted returns)

Potential Revenue
(fees, subscriptions)

Costs

Potential Revenue

Costs

Potential Revenue

\+ **Local Enhancement**

\+ **Compliance Costs**

\+ **Optional Local Match**
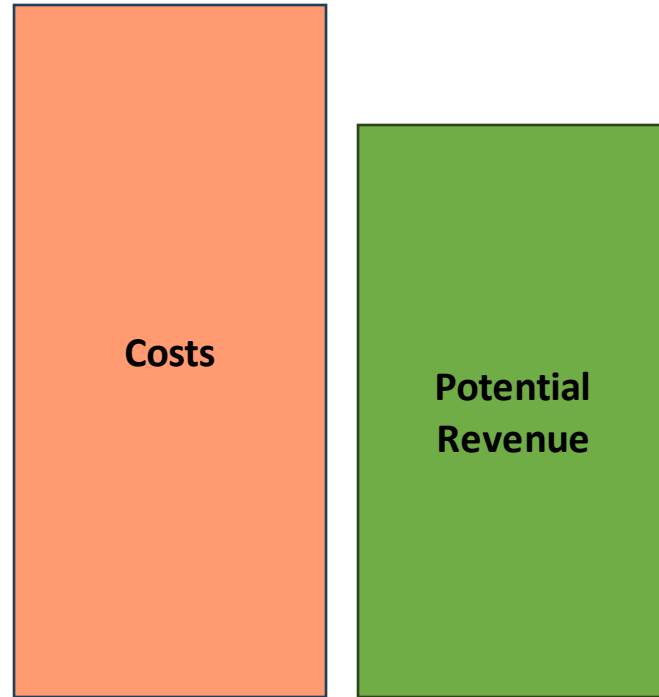
\+ **Grant Funds**

Why Contribute Local Match?

Local government match is <u>not required</u> but could enhance a project:

- Not all networks are the same
  - Adequacy (reliability, bandwidth)
  - Affordability of service

- Customer experience, preferences

- Encourage "whole municipality" solutions

- Ensure bids in your area

- Ensure fiber project
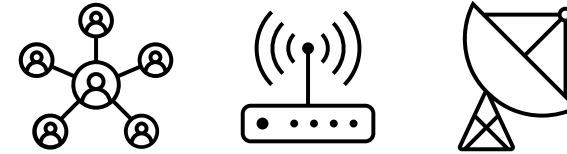
> If a project is not financially viable (private share <25%) it may not receive bids, or only receive fixed wireless or satellite proposals

Permitting & National Environmental Policy Act

What does NEPA do?

- Determines whether a Proposed Action and Alternatives have the potential to **significantly impact the environment**

- Requires the **preparation of environmental documentation** when federal funds, permits, lands, and/or rulemaking are involved

- Addresses **requirements under other environmental and historic preservation laws, regulations, and Executive Orders** without the need for duplicative analysis

- Requires that **environmental effects be considered as decision points** along with technical, economic, and other factors

- Requires **early consideration of the environmental effects** of a Proposed Action

- Provides **interdisciplinary analysis of the effects of a Proposed Action and Alternatives** on the human environment

- Aids in **decision making**

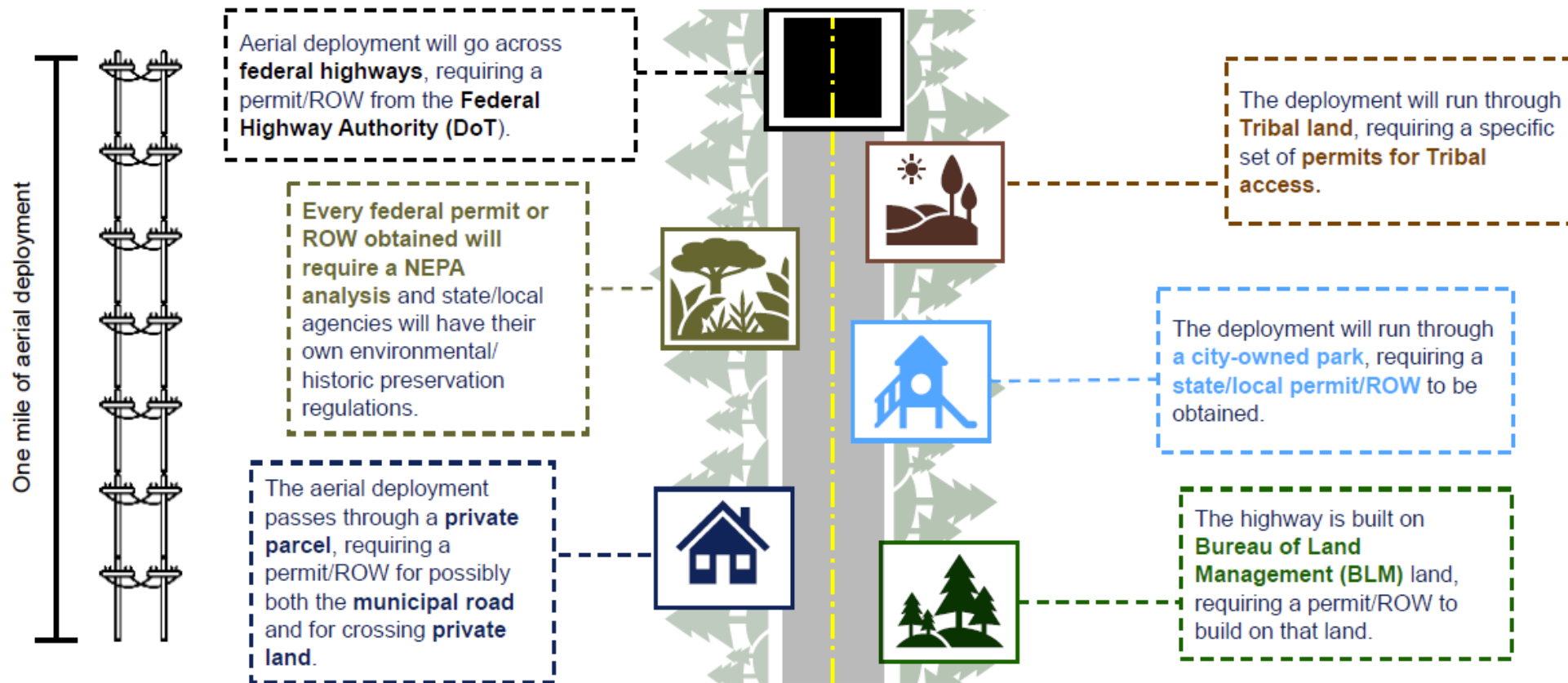- Requires **public involvement**

TYPES OF ASSETS

- State/Locally-Owned Land
- Privately-Owned Land
- Federally-Owned Land
- Tribal-Owned Land
- Railways
- Bridges/Overpasses
- Poles and Towers (Aerial Deployment)
- Ducts and Conduits (Buried Deployment)
- Federal Road/Highways

*Slide compliments of NTIA

*Slide compliments of NTIA

Permitting: The Bottom Line

- **Planning:** consider as you design projects

- **Timing:** permitting starts after grant awards

- **Roles:** all levels of government influence permitting

- **Process:** State will facilitate process, federal govt approves NEPA documents

- **Help:** Every case is unique, we have expertise to help navigate

TYPES OF OWNERS

- Internet Service Provider
- Federal Government
- State, Local, or Tribal Government
- Telecommunications Company
- Private/Personal Ownership
- Utility Company
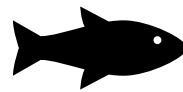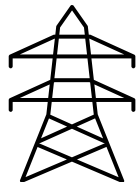
WBO is here as a ==RESOURCE==

Ask us about…

- BEAD Challenge process
- Mapping & data collection
- Federal guidance
- BEAD timelines
- Partnerships with ISPs
- County profiles
- What ISPs are in your area

- How to host outreach events
- Digital inclusion
- Grant reimbursement
- How to use the Wisconsin Broadband Planning Map
- Leveraging WISER

Check out our data:

- County profiles
- Broadband Planning Map
- Lists of:
  - Lists of unserved, underserved locations
  - Enforceable funding commitments

Wisconsin Broadband Office

Contact Us: PSCStateBroadbandOffice@wisconsin.gov
Website: https://psc.wi.gov/Pages/ServiceType/Broadband.aspx
Subscribe to our Newsletter! https://lp.constantcontactpages.com/su/Uz6GZis

Alyssa Kenney – Alyssa.Kenney@wisconsin.gov, 608-267-9138

Rory Tikalsky – Rory.Tikalsky@wisconsin.gov, 608-206-4397

Engagement & Formal Endorsement

- Tip the scales

- Formal Endorsement: 7 Points
  - Official action by county board and/or Tribal government
  - Example: county board resolution

- Community Engagement: 5 Points
  - Public meetings
  - Letters of support
  - Conversation w/ community orgs

7MbZ.z*W

DRAFT: Pending Approval

Primary Criteria	Points	Description
Minimum BEAD Outlay	40	Based on % of the reference BEAD match threshold, cost model for the technology and quality of the network for the cost
Priority Affordability	18	Based on the total non-promotional cost of 1 Gbps / 1 Gbps service
Fair Labor Practices	17	Based on prior compliance record and future workforce plans

Secondary and Additional Criteria	Points	Description
Speed to deployment	1	Points for enforceable deployment plans faster than 36 months
Local and Tribal Coordination Support and Engagement	5	Points for demonstrated community support and local and/or Tribal coordination
Endorsement by local government and/or Tribe	7	Points for formal endorsement by County and/or Tribal government through public action
Affordability middle class and low-cost plan	10	Based on cost of service to the customers and reach of required low-cost plan
Community Anchor Institutions	2	Based on inclusion of CAIs without a symmetrical gig of service.

Local match does not influence engagement/endorsement scoring