# Introduction to the BEAD Challenge Process

Angie Bailey, Broadband Infrastructure Office Director
Division of Broadband and Digital Equity

Aug. 20, 2024

# Welcome

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Agenda

1. Welcome

2. BEAD Overview

3. BEAD Challenge Process Overview

4. Challenge Phase

5. Rebuttal Phase

6. Final Determination Phase

7. CostQuest Licensing for the Challenge Process

8. Challenge Portal Access and Challenge Submission

**NCDIT** | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# BEAD Overview

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# BEAD Overview

**The Broadband Equity, Access, and Deployment (BEAD) program:**

- Created by the **bipartisan Infrastructure Investment and Jobs Act (IIJA)** in 2021

- Allocates **$42.45 billion of federal funding** to all 50 states, Washington D.C., and territories

- Administered by the **National Telecommunications and Information Administration (NTIA)**

- Goal of **expanding high-speed internet access** through infrastructure deployment and broadband adoption programs
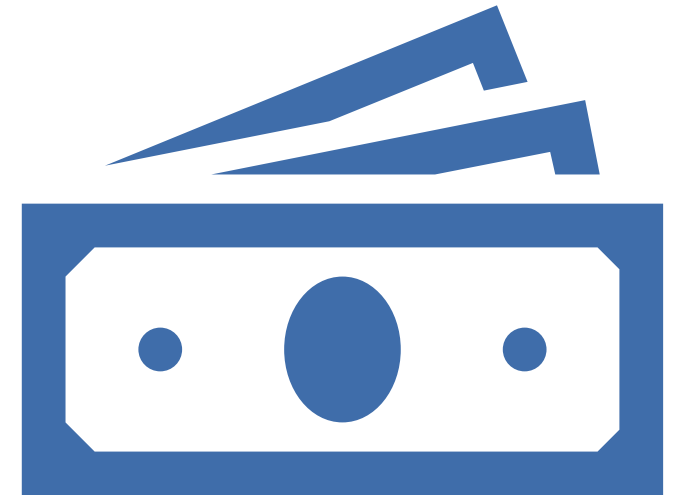
**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Funding Priority

**How will BEAD funding be prioritized?**

1.  **Top priority: Unserved areas** (locations with internet speeds below 25/3 Mbps)

2.  **Second priority: Underserved areas** (locations with speeds between 25/3 and 100/20 Mbps)

3.  **Third priority: Community anchor institutions** (those with internet service under 1 Gbps symmetrical)

**The BEAD program requires the state to deliver service to all unserved and underserved areas**

# The BEAD Program

In June 2023, North Carolina was allocated $1.53 billion in BEAD funds that will become available following completion of the federal planning and approval cycle

NCDIT has submitted the state's required Five-Year Action Plan and Initial Proposal Volumes I & II to NTIA; NTIA approved NCDIT's Initial Proposal Volume I in April 2024

**BEAD program planning**

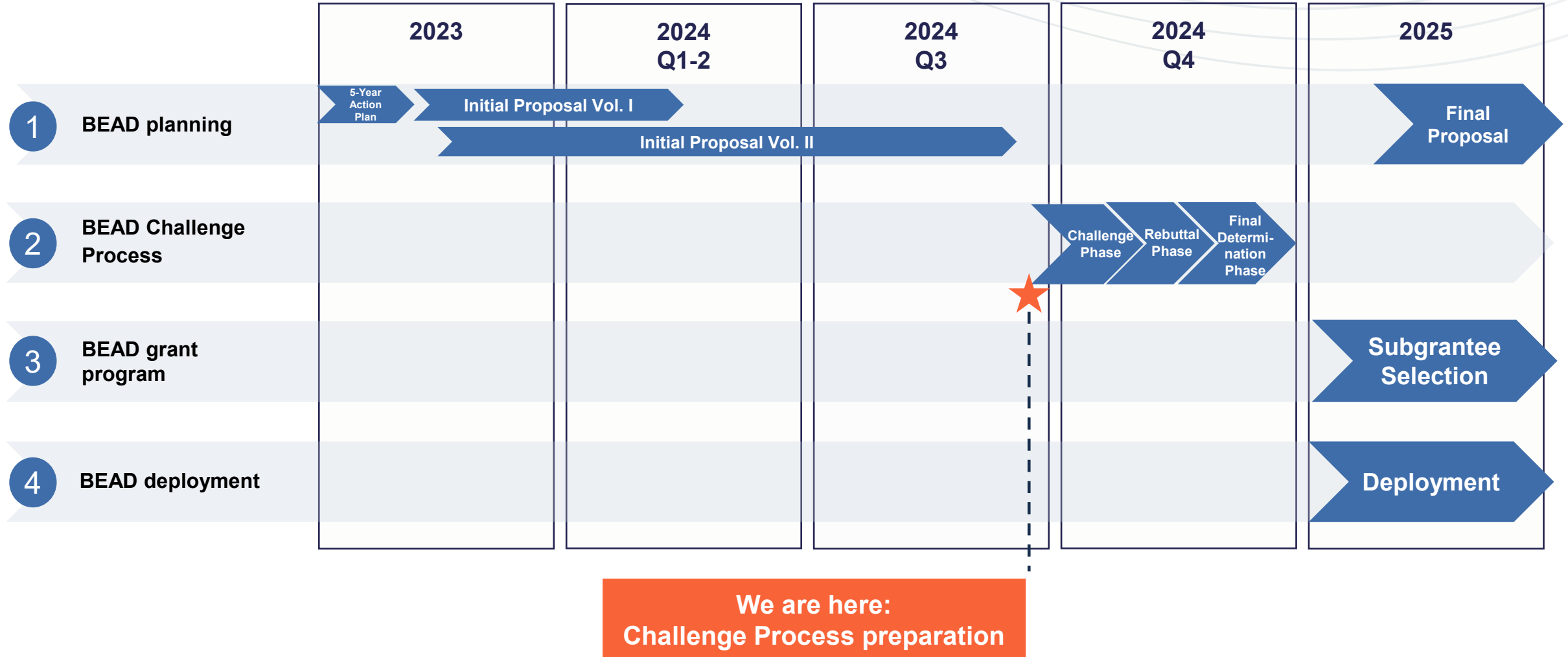**Challenge Process, followed by subgrant program**

**Deployment**

**2023**

**2024**

**2025 + 2026**

NCDIT
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Overall BEAD Status and Timeline

| | 2023 | 2024 Q1-2 | 2024 Q3 | 2024 Q4 | 2025 |
|---|---|---|---|---|---|
| **1 BEAD planning** | 5-Year Action Plan → Initial Proposal Vol. I | Initial Proposal Vol. II | Initial Proposal Vol. II | | Final Proposal |
| **2 BEAD Challenge Process** | | | | Challenge Phase / Rebuttal Phase / Final Determination Phase | |
| **3 BEAD grant program** | | | | | Subgrantee Selection |
| **4 BEAD deployment** | | | | | Deployment |

**We are here: Challenge Process preparation**

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# BEAD Challenge Process Overview

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Purpose

**What is the BEAD Challenge Process?**

- The Challenge Process will determine **locations** and **community anchor institutions** within the state that are **eligible for BEAD funding**

- It is designed to **confirm whether existing data in the federal broadband map are correct** about which locations **lack adequate internet service**

- Challengers will offer input on **whether specific locations are not accurately reflected** in the datasets and therefore should or should not be **eligible for BEAD funding**
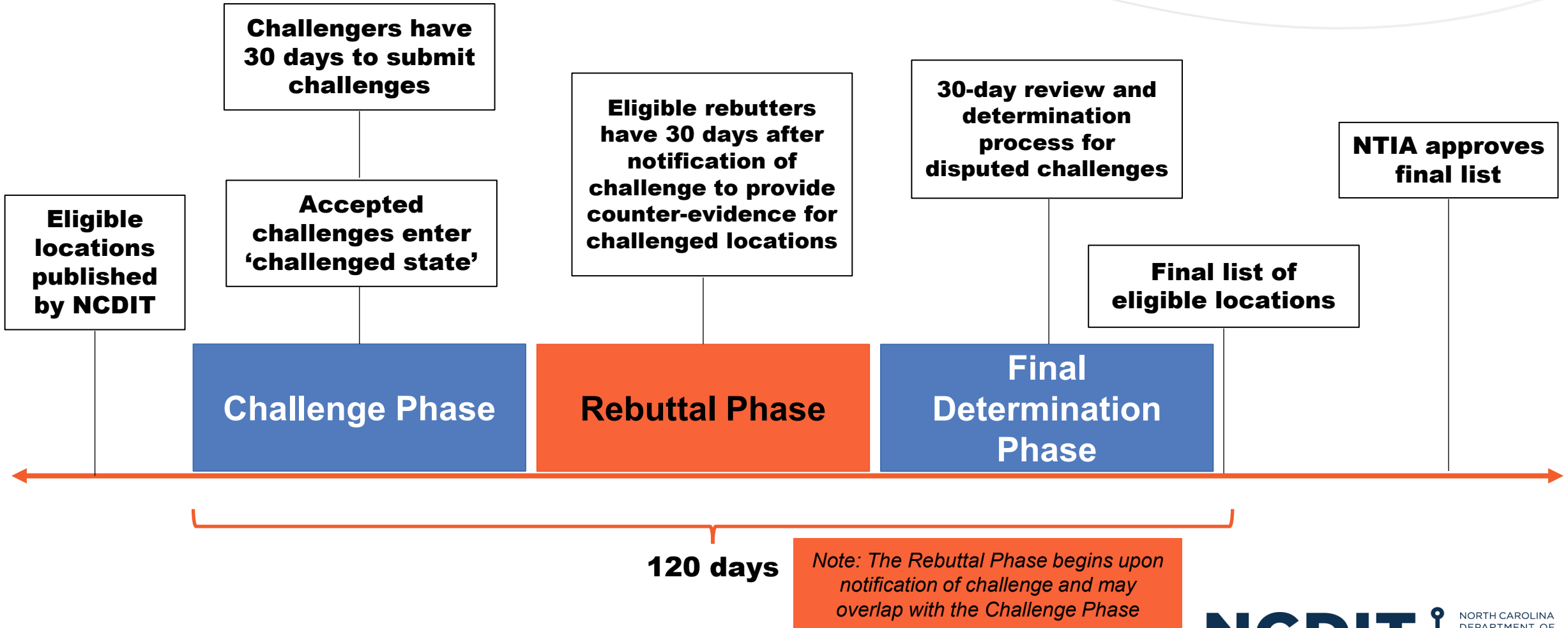
**NCDIT**
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Relevance

**Why is the BEAD Challenge Process so important?**

- It will **determine location eligibility for BEAD funding** (which totals **$1.5 billion** in North Carolina)

- It is the **best chance** to correct the FCC's National Broadband Map

- You can **advocate for your community** by providing evidence that locations are incorrectly shown as served on the FCC's map

- The improved data will help the BEAD Program and future programs **allocate funding to the locations that need it most**

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Process Sequence of Events



**Challengers have 30 days to submit challenges**

**Accepted challenges enter 'challenged state'**

**Eligible locations published by NCDIT**

**Eligible rebutters have 30 days after notification of challenge to provide counter-evidence for challenged locations**

**30-day review and determination process for disputed challenges**

**Final list of eligible locations**

**NTIA approves final list**

**Challenge Phase**

**Rebuttal Phase**

**Final Determination Phase**

**120 days**

*Note: The Rebuttal Phase begins upon notification of challenge and may overlap with the Challenge Phase*

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Permissible Challenges

- **Internet speeds and other specifications** for Broadband Serviceable Locations included in the FCC's National Broadband Map (to determine BEAD eligibility for those locations)

- **Community anchor institution eligibility and identification**

- **Enforceable commitments** to build new broadband infrastructure to that location

- **Planned service** to that location

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Types

**Availability**

**Speed**

**Latency**

**Data cap**

**Technology**

**Business service only**

**Enforceable commitment**

**Planned service**

**Not part of enforceable commitment**

**Location is a CAI**

**Location is not a CAI**

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Who Can Submit a Challenge?

Local governments

Tribal governments

Nonprofit organizations

Broadband service providers

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Permissible Challengers

According to NTIA's requirements, local governments, tribal governments, nonprofits and broadband service providers:

- **Have full access to the Challenge Portal** once registered

- **Can submit challenges** for specific locations using approved evidence types

- **Can rebut challenges**

Some permissible challengers (local governments, tribal governments, and nonprofits) **can engage individuals** on evidence submission

- Permissible challengers will benefit from actively engaging during the NCDIT's outreach to understand the timeline, acceptable evidence, and the Challenge Portal

*Note: Individuals can submit evidence to be used in potential challenges but will not be able to register for the Challenge Portal; permissible challengers that anticipate using evidence submitted by individuals must pre-register for the portal*

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Can Individuals Participate?

- NTIA requirements do not allow individuals to submit challenges directly

- **Members of the public can play an important role in the Challenge Process** by identifying inaccuracies and working with eligible participating local governments, Tribal governments, or nonprofits that can submit those challenges

- Individuals can:

  - Look at publicly available **broadband map** to see if it is accurate for their address

  - **Submit evidence** through the **Consumer Input Website at https://register.broadband.nc.gov/map-correction** (publicly available website for evidence submission)

  - Take **speed tests** through approved platforms and the Consumer Input Website

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Evidence Submission for Individuals

**Individuals may submit evidence for the following types of challenges:**

- Availability

- Speed

- Latency

- Data cap

- Technology

- Business service only

Note: The most common types of challenges that individuals will submit evidence for will likely be Availability and Speed

NCDIT
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Area and MDU Challenges

**Area and Multiple Dwelling Unit (MDU) challenges can be filed for the following challenge types:**

- Availability
- Speed
- Latency
- Data cap
- Technology

- **If enough similar challenges are submitted** for a particular area or building, **all the locations in that area or MDU become challenged,** and the provider must show they are sufficiently served

- **Area challenges** are triggered if **six or more** Broadband Serviceable Locations using a specific technology and reportedly served by a single ISP within a census block group are challenged

- **MDU challenges** are triggered if challenges are submitted for one unit for MDUs with less than 15 units, two units for MDUs of between 16 and 24 units, and at least three units for larger MDUs

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Sample Challenges

**Per NTIA, all permissible challengers can submit all types of challenges:**

- Example: A nonprofit submits a "speed" challenge claiming a specific location that the FCC's map shows as "served" has speeds of 10/3 Mbps, using approved speed tests as evidence

- Example: A local government submits an "availability" challenge to demonstrate that a location the FCC's map shows as "served" is not served by that provider; the local government submits a letter from the provider denying a service request as evidence

Each type of challenge has its own evidentiary requirements. Please see the NTIA Policy Notice and the state's Initial Proposal Volume I for more information

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Phase

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Challenge Phase Summary

- Will take place within a 30-day period
    - Sept. 3, 2024 – Oct. 3, 2024

- Eligible challengers must **pre-register in the Challenge Portal**

- Challengers can **submit evidence** to the Challenge Portal

- The **challenge types and evidentiary standards** are consistent with NCDIT's Initial Proposal Volume I, approved by NTIA in April 2024

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Pre-Challenge Process Modifications

- Pre-Challenge Process modifications are the state's modifications to the initial list of locations eligible for BEAD funding

- Modifications serve the broader goal of updating the list to accurately represent the existing broadband infrastructure landscape

- There are two types of modifications:

  1. **De-duplication of funds:** Eliminates locations already subject to enforceable commitments that will provide qualifying broadband service

  2. **Data modifications:** Incorporates data not already provided by the National Broadband Map

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Type: Availability

**Description: The broadband service identified is not offered at the location, including a unit of a multi-dwelling building**

**Examples of acceptable evidence:**

- Screenshot of ISP webpage

- Service request refused within past 180 days

- Lack of suitable infrastructure

- Letter or email dated within past 180 days that ISP failed to schedule service installation or offer an installation date within 10 business days of a request

- Letter or email dated within past 180 days showing ISP requested more than the standard installation fee to connect location or that ISP quoted an amount above ISP's standard installation charge

- Other evidence, as applicable

**NCDIT** | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Type: Speed

**Description: The actual speed of the service at the location falls below the unserved or underserved thresholds**

**Examples of acceptable evidence:**

• Speed test from customer showing the insufficient speed and meeting the requirements for speed tests

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Speed Test Requirements

- Must conduct **three speed tests on three different days** (none older than 60 days before Challenge Phase begins)

- Can be in the form of:
  - A reading of physical line speed from residential gateway
  - ONT (for Fiber to the Home - FTTH), or fixed wireless subscriber module
  - A speed test from residential gateway web interface or internet service provider's web page
  - A speed test performed on personal computer within immediate proximity of residential gateway using approved speed test application
    - Approved applications include M-Lab, Cloudflare, Ookla/Speedtest.net, RST, and/or the speed test developed for the division in partnership with the Friday Institute for Educational Innovation at NC State University and must include **name, time, date, IP address, street address, certification of speed tier subscription**

- Must subscribe to at least 100/20 Mbps

- An agreement provided by NCDIT that grants access to the speed test results and accompanying information (e.g., name, contact information, IP address) to NCDIT, any contractors supporting the Challenge Process, and the service provider

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Type: Enforceable Commitment

**Description: The challenger has knowledge that broadband will be deployed at this location as part of an enforceable commitment for federal, state, or local funding by the date established in the deployment obligation**

**Examples of acceptable evidence:**

- Enforceable commitment by service provider (i.e., authorization letter)

- For **tribal lands**, challenger must submit a legally binding agreement between the relevant Tribal government and ISP for the location(s) at issue

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Challenge Type: Not Part of Enforceable Commitment

## Description: Location is not covered by an enforceable commitment

**Examples of acceptable evidence:**

- Declaration by ISP subject to the enforceable commitment

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Type: Planned Service

**Description: The challenger has knowledge that broadband was deployed at this location by Dec. 31, 2024, without an enforcement commitment or beyond an enforceable commitment**

**Examples of acceptable evidence:**

- Construction contracts or similar evidence of ongoing deployment, including evidence of permits

- Contracts or similar binding agreement between NCDIT and provider that planned service will meet BEAD requirements, including the expected date deployment will be completed, which must be on or before Dec. 31, 2024

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Type: Community Anchor Institutions (CAIs)
## Qualifying Broadband Available

**Description: The CAI can obtain qualifying broadband**

**Examples of acceptable evidence:**

- Evidence that the CAI can acquire at least 1 gigabit symmetrical service (e.g., invoice/bill, provider gateway, or other evidence)

**NCDIT** | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Type: Community Anchor Institutions
## Qualifying Broadband Unavailable

**Description: The CAI cannot obtain qualifying broadband**

**Examples of acceptable evidence:**

- Evidence that the CAI has tried to acquire qualifying broadband (i.e., at least 1 gigabit symmetrical service) but has been unsuccessful

- Evidence will include information about current internet connection at the location

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Challenge Type: Community Anchor Institutions
## Location is a CAI

**Description: The location should be classified as a CAI**

**Examples of acceptable evidence:**

- Evidence that the location falls within the definition of CAIs set by NCDIT in the Initial Proposal Volume I

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Challenge Type: Community Anchor Institutions
## Location is not a CAI

**Description: The location is currently labeled as a CAI but is a residence, a non-CAI business, or no longer in operation**

**Examples of acceptable evidence:**

- Evidence that the location does not fall within the definition of CAIs set by NCDIT or is no longer in operation

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Definition of Community Anchor Institution

- **The definition of community anchor institution determines the basis of "Location is a CAI" challenges**

- As stated in the Initial Proposal Volume I, NCDIT defines community anchor institution "to mean a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization (including any public housing agency, HUD-assisted housing organization, or tribal housing organization), or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals"

- Note: Public housing residential units and farms are not included in NCDIT's definition of community anchor institution for the context of BEAD

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Bulk Challenges

- A challenger can submit a challenge for up to 500 locations in a single submission

- The challenger must submit sufficient evidence for each individual location within the bulk challenge, as identified in this section

- NCDIT is permitting bulk challenges for the following challenge types:

  o Availability

  o Data cap

  o Business service only

  o Technology

  o Enforceable commitment

  o Planned service

**NCDIT** | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Important Factors for Permissible Challengers to Remember

- Review the **evidence** necessary for the challenge type

  o **Check that all required information is represented** in evidence, the median is correct for speed tests, the location subscribes to at least 100/20 Mbps for speed tests, and that each attached file is the right file for the challenge

  o Challenges with inaccurate or insufficient evidence will not be accepted

- Submit evidence **before the end of the Challenge Phase**

  o The 30-day Challenge Phase will require quick action

  o Early submission allows more time for communications to correct any errors

NCDIT
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Rebuttal Phase

NCDIT

# Rebuttal Phase Summary

- Designated time for permissible challengers to **provide evidence that counters challenges** submitted during the Challenge Phase

- The Rebuttal Phase **begins once the provider is notified** of the challenge, and thus may occur concurrently with the Challenge Phase

  o Each rebutter has 30 days to respond to a challenge

  o Oct. 15 – Nov. 14, 2024

- Rebuttals will be accepted from providers that have **registered in the Portal**; service providers can register at any point before the Rebuttal Phase closes

- Providers should register **as soon as possible** (before the Challenge Phase) to ensure they will be notified of challenges against them

**NCDIT** | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Who Can Rebut a Challenge?

- **Broadband service providers** are the only entities that can rebut or concede challenges related to reclassification of their service locations (e.g., a speed or availability challenge to their service)

- **All permissible challengers** may rebut certain challenges: these include planned service challenges and enforceable commitment challenges

- **The relevant community anchor institution** may rebut challenges regarding its CAI status or service levels

NCDIT
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Rebuttal Options for Broadband Service Providers

## 1. Rebut

Providers have **30 calendar days** from notification to submit rebuttal **with evidence**, at which point, the location enters the **"disputed" state**

## 2. Leave unrebutted

If challenge satisfies minimum evidentiary standards and **the provider does not submit a rebuttal**, the location enters the **"sustained" state**

## 3. Concede

If a **service provider indicates agreement** with a challenge, the location enters the **"sustained" state**

NCDIT
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Rebut Challenges

- Broadband service providers are the **only entities that can rebut challenges to their service**

  o Example: A challenge is submitted with evidence showing 30/5 Mbps service in an area that the FCC's map claims is "served" (i.e., 100/20 Mbps or more). Only the broadband service provider that provides the relevant service can rebut, for example by providing a countervailing speed test from their internal network management system showing speeds of 100/20 Mbps or more

- All **permissible challengers can rebut "planned service" and "enforceable commitment"** challenges and CAIs may rebut challenges related to their service or status

  o Once a challenge is rebutted, NCDIT will analyze the evidence submitted and issue a final determination at the end of the Challenge Process

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Final Determination Phase

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# State and NTIA Review

- The state conducts **final review** of the challenge and rebuttal

- Final decision is made, in which a **challenge is labeled "sustained" or "rejected"**

- Final determinations are made after the end of the Rebuttal Phase on a rolling basis

  - Nov. 18 – Dec. 18, 2024

- Following state review and determination, NTIA will review and approve the list of eligible locations

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# CostQuest Licensing for the Challenge Process

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Challenge Process Datasets

- FCC Broadband Serviceable Location Fabric **(FCC Fabric)** is a **dataset of all locations** where fixed broadband is or could be deployed (i.e., **Broadband Serviceable Locations**)

  - Developed by the FCC in coordination with CostQuest

  - Contains Location IDs that are attached to addresses and coordinates

  - The Challenge Process uses the location data but cannot change the data

  - Requires a license, available at **no-cost**, to access Fabric dataset directly

- **Broadband Data Collection** records **broadband availability and service** data at each location

  - Developed by the FCC

  - Locations are tagged by Location ID only, not by addresses or coordinates

  - Results of the Challenge Process can change the status from served to unserved or underserved

**Note: The Challenge Process cannot add or remove Broadband Serviceable Locations**

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Licenses for FCC Fabric

- A license is necessary to download the complete FCC Fabric (dataset of all locations)

- Licenses are **free** to permissible challengers

- These licenses are offered through NTIA's partnership with CostQuest and come in various tiers, each designated for a different set of eligible licensees

- Tier C, Tier D, and Tier E are the relevant licenses for the Challenge Process:
    - **Tier C** is for **states and Tribal governments** (issuers of subgrants)
    - **Tier D** is for **broadband service providers** (recipients or prospective recipients of federal broadband program funding)
    - **Tier E** is for **local governments, Tribal governments, and nonprofits**

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# What Can I Do with and without a Fabric License?

## Without a license

- Submit a challenge

- Rebut a challenge

- Access Fabric data through the Challenge Portal map, where you can see location dots and service status but cannot download the dataset

## With a license

- Match downloaded location IDs to addresses to research and prepare a challenge

- Download full dataset to incorporate into your own GIS visualizations to analyze potential challenges

- Prepare bulk challenges using downloaded data (for the challenge types that accept bulk challenges)

NCDIT
NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Why are FCC Fabric Licenses Important?

They enable licensees to glean more information than what can be found by accessing the Fabric data in the Challenge Portal map:

- Research potential challenges using your own GIS tools, datasets, and layers

- Conduct field research using downloaded datasets and addresses

- Streamline bulk challenges with downloaded location data

**NCDIT** | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# How to Get a CostQuest Fabric License

1.  Ensure you have an **FCC Registration Number** (FRN) and contact details for who will administer the account

2.  Go to **NTIA's CostQuest License Request site** (specific to your Tier):
    a.  Tier D (for ISPs): NTIA Tier D License Request
    b.  Tier E (for local governments, Tribal governments, nonprofits): NTIA Tier E License Request

3.  Enter **basic information** about your organization (including FRN) and validate the email address

4.  Follow the emailed link to the next step and **insert detailed organization information**

5.  Input information about the **federal programs and geographical areas** of challenges you plan on submitting

6.  Select **"submit"** and **complete the account creation process** and license information form sent via email from the support system.

**Note: Tier C Licenses (for states and Tribal governments administering subgrants) are only available upon request through NTIA. If you need a license specifically for Challenge Process purposes, apply for a Tier D or Tier E License**

**NCDIT** NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

# Challenge Portal Access and Challenge Submission

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# Questions?

NCDIT

NORTH CAROLINA
DEPARTMENT OF
INFORMATION
TECHNOLOGY

# NCDIT

**NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY**

## Thank You