

BEAD Program FAQs

Broadband Equity, Access, and Deployment (BEAD) Program

The FAQs below are meant to provide additional clarifications to the <u>BEAD Subgrantee Selection Guidance for Last-Mile Broadband Deployment Projects</u> shared by NCDIT's Broadband Infrastructure Office on July 11, 2025.

We strongly recommend that applicants also review the FAQs being released by the National Telecommunications and Information Administration (NTIA) to provide clarification on federal rules for the BEAD program: https://broadbandusa.ntia.gov/technical-assistance/BEAD FAQs

Eligible Locations:

1. Is the state going to have a process to "De-Obligate" any Broadband Serviceable Locations (BSLs) that are not actual habitable structures like Barns, Garages or outbuildings on parcels with non-BSL structures that are already served?

Yes. NTIA's <u>BEAD Final Proposal Guidance for Eligible Entities</u> provides guidance to states on how to account for the status of every BEAD eligible location when submitting their Final Proposal. This includes locations that do not require BEAD funding using the seven non-service codes from the NTIA. Changes of a location status to a non-BEAD location must include evidence for the change. The requirements and templates for submission of data for this process are posted at: <u>ncbroadband.gov/bead-eligible-locations</u>. Please refer to the section of the web page titled: <u>Modifications to BEAD Eligible Locations prior to submission of Final Proposal</u>. Note the following:

- This process is not part of the application submission because applications are being submitted at the BSL-level.
- Broadband providers and other stakeholders may submit data with supporting evidence.
- The process requires submission of data through the BIO Data Exchange.
- The deadline for submission is July 30 at 11:59 pm.
- 2. Which version of the Fabric should our GIS teams be using, or is all the required information already included in the download package?

The N.C. BEAD program is based in version 4 of the FCC fabric since that is what went into our challenge portal last fall.

3. Do we need to include the "No BEAD" BSL's in our proposals?

Sharing "No BEAD" locations and information is optional but encouraged in a separate template from the proposals. It could be advantageous to make us aware of these locations for your own service area, in part to prevent erroneous or duplicative funding to another entity for those locations. But do not include "No BEAD" locations in your proposal. The process for submission of "No BEAD" locations is outlined here:

ncbroadband.gov/bead-eligible-locations. No BEAD submissions are also due by July 30 at 11:59 p.m. and must be submitted in through the NC BIO Data Exchange.

4. How do the "No BEAD" locations factor into the overall evaluation?

"No BEAD" locations will not impact the overall evaluation of applications and are handled separately. But "No BEAD" locations that are able to be approved will likely simplify our efforts to A) fund locations that actually need service, and B) negotiate to seek service for locations that are not proposed in any application.

5. Can you produce the list of Community Anchor Institutions (CAIs) and representing categories that were removed from the eligible list?

To align with the NTIA restructured CAI definition, we removed 139 CAIs from the eligible list. The categories of the removed entities were:

- Correctional Facilities
- Cultural Sites: Aquarium
- Cultural Sites: Museum
- Historic Sites
- Visitors Centers
- Welcome Centers
- 6. Should we assume that the July 17 Eligible Locations list is the final list to be used for BEAD applications due July 30?

Yes. Although BSLs may still be removed through NTIA's "No BEAD" processes before submission of the Final Proposal.

BSLs and BEAD Proposed Project Data Template:

Data Format Correction for BEAD Proposed Project Data Template

One reference in the guidance says this template should be submitted as a csv file as in previous infrastructure grant programs. That is incorrect; we strongly prefer you to submit this document as an Excel file to better support the multiple tabs in this workbook.

7. Can you clarify the following portion of section 5 A of the BEAD Guidance; "Project locations must be submitted as a CSV file listing the BSL location IDs within the proposed project. Each BSL is also tied to the corresponding hexbin. Projects must be located within or on county boundaries and cannot go outside the county."

Please see the Data Format Correction note above and submit the information as an Excel file. Projects must be submitted within an individual county. The project should be developed by selecting individual eligible BSLs. In downloading the BSL location data from NC One Map, a corresponding hexbin ID will also be included. This hexbin ID is simply a geographic reference for NCDIT; it should not impact your project development.

8. Is the hexabin and/or location data uploaded in the same CSV format as the last round of the Completing Access to Broadband (CAB) program?

This data format is similar to the one utilized in the CAB program, but is different! Please make sure you are using the BEAD Proposed Project Data Template. We will only accept the BEAD template. Relevant BSL and hexbin data should be downloaded as instructed through NC OneMap to ensure accuracy. Please complete all fields and submit proposed project details, BSLs, and CAIs in the corresponding tabs of the Excel template file.

9. Please confirm if the applications are based on hexabin-level passing requirements or individual BSLs? In other words, does the application have to pass a certain percentage of locations in a hexabin or can the application be for just one location in the hexabin?

Projects should be developed based on individual BSLs. A hexbin ID is provided when downloading the BSL data and is required to be included in the relevant BEAD Proposed Project Data Template field. This field is for internal analysis. The hexbin level provided in the download is resolution 13 and essentially equates to one hexbin per BSL.

10. Neither the "Template" or the EBS instructions show a location for the applicant to "request that its application be treated as a Priority." Where can this request be entered? Can you provide screenshots or a breakdown of the items needed to fill in each of the BEAD Program application tabs; Applicant, Project, Certification?

Applicants must indicate whether a project is a Priority Project in the BEAD Proposed Project Data Template. Please carefully review the READ ME tab in this workbook for instructions on how to navigate and complete this template. Instructions on the Priority Project field read as follows:

Field Name: priority_broadband_project: Applicants should respond "Yes" or "No" as to whether they are requesting this specific project be considered a Priority Project as defined by the IIJA and NTIA Guidance.

- If yes, data submitted in the Project Technical Plan and Evidence Submission will be utilized to assess whether the project meets the technical requirements for a Priority Project.
- If the project is deemed to not meet the technical requirements for a Priority Project, it will be evaluated as a Non-Priority Project.

Regarding a breakdown of all items needed to fill in each of the application tabs, we encourage applicants to read all materials carefully. We also encouraged applicants to attend our webinar for BEAD applicants on Tuesday, July 22, 10 – 11 a.m. to answer questions on the Subgrantee Selection Process. This webinar was only for broadband providers prequalified to participate in the BEAD program or those working through the prequalification process.

11. Will the selection of projects for award be at the hexbin level or the county level?

We will be selecting Broadband Serviceable Locations within individual counties.

12. Are providers required to build out the entire hexbin, or can specific locations within the hexbin be excluded from the submission?

Providers are required to build to the Broadband Serviceable Locations submitted and subsequently contracted. Please also note that the hexbins visualized on the mapping tool are only provided as a visualization tool and reference. Specific BSLs within each hexbin can be applied for or excluded as needed. In the downloadable eligible locations data, the hexbin ID field provided refers to a level 13 resolution hexbin and is for internal tracking purposes only. It does not correspond to the hexbins in the mapping tool.

13. Are the official project areas any group of Broadband Serviceable Locations (BSLs) in a single county OR the group of BSLs in a selected groups of hexbins within a county? If it's hexbins, what size hexbin should be used to aggregate BSLs?

The official project areas are any group of Broadband Serviceable Locations in a single county.

14. Can you submit more than one application per county - if using different technologies, or wanting to break up a project into smaller portions for example?

Yes, you may submit more than one project per county. Each application must have all the required application materials or uploads included. Multiple projects submitted by a single applicant must be mutually exclusive (non-overlapping locations with one another). Applicants shall not apply for the same location in more than one application and applicants must be prepared to implement all submitted project proposals within the county concurrently, as any combination of projects may be accepted for the same contracted buildout period.

Project Technical Plan and Evidence Submission:

Clarification on Supplemental/Supporting Documents for Project Technical Plan and Evidence Submission

The instructions for the evidence template state that all supplemental evidence files and documents must be submitted with the completed evidence template. In addition, the NCDIT application materials list "Supporting documentation required by the Project Technical Plan and Evidence Submission document" as a potential upload to the EBS system.

No supplemental or supporting documents are required, and we do not anticipate many supplemental files (except for network diagrams that may be uploaded as a pdf.) If submitting supplemental evidence files or documents, they must be submitted with the completed evidence template and refer to the evidence template. If you reference an external attachment in the evidence template as part of your response, we will consider it part of the submission. If not specifically referenced, we will have discretion on considering supplemental files as part of the application materials.

15. In the "Project Technical Plan and Evidence Submission Template Instructions and Schema" it states that "All supplemental evidence files and documents must be submitted with the completed FTTP Service Evidence template." Can you elaborate on what evidence you are expecting to be provided?

Please see Clarification on Supplemental/Supporting Documents above.

16. If you are doing multiple applications using the same technology, do you have to enter the same "Template" and evidence for each application or can you enter either of them once for all applications?

Each application requires a Project Technical Plan and Evidence Submission. The information provided should be specific to the technology type and specific to the project being submitted.

17. There does not appear to be a "Tab" listed in the "Template Instructions and Schema" to attach your hexabin and/or location IDs that are part of your project area. Where are you supposed to upload the hexabin and locations that make up each of your applications?

All proposed BSLs (and corresponding hexbin IDs) must be listed in the BEAD Proposed Project Data Template. Please see the BSLs and BEAD Proposed Project Data Template section above. We will utilize relevant data from the BEAD Proposed Project Data Template (such as BSL IDs) as we analyze the evidence templates.

18. How should we answer the novel questions on the BEAD application regarding performance calculations? In other states, we have provided information about our network standards in a narrative form. This type of answer does not fit within the "calculation" template.

Responses to the technology templates should be submitted within the template and not in a separate narrative. This allows the review team to review all applications in a fair and standardized way. Please see *Clarification on Supplemental/Supporting Documents* above.

Other Application Materials

19. Where in the application process will we need to add a Professional Engineer certification?

The Professional Engineer stamped materials will not be required until the tentative award notice. Per the Guidance, we will notify applicants of preliminary assignment as soon as possible during the evaluation process. Additional details on individual projects will subsequently be required from applicants for all projects recommended for award including the following items discussed previously: network design, diagram, project costs and budget, build-out timeline, milestones for project implementation, and a capital investment schedule, with certain items requiring certification by a professional engineer.

20. Is a pro forma required at the application stage?

No, the proforma is not required for the materials submitted with the July 30 deadline, but additional individual project details will subsequently be required from applicants for all projects recommended for award including the following: network design, diagram, project costs and budget, build-out timeline, milestones for project implementation, and a capital investment schedule, with certain items requiring certification by a professional engineer.

21. What will the turnaround time be for additional items like the pro forma, letter of commitment, letter of credit, etc.?

We are still determining a reasonable timeline. Note that some additional items will be collected upon notice of a tentative award (such as the pro forma and letter of commitment), other materials such as the letter of credit will be collected at the time of contracting. In either case we will try to allow for reasonable time for applicants to provide materials.

22. What will NCDIT do if there are specific provisions or certifications that conflict with BEAD NOFO or the June 6 Restructuring Policy Notice?

If there are specific application provisions or certifications that conflict with the BEAD NOFO, the June 6 Restructuring Policy Notice, or any other guidance from NTIA, NCDIT will resolve the conflict and include specific requirements or provisions in the grant agreement if the project is chosen for an award. Applicants will not be responsible for resolving any conflicts.

Low-Cost Service Option

NTIA Requirement for Low-cost Service Option

Please make sure you are familiar with the federal requirements for offering low-cost service. Some highlighted information is provided below.

23. What are the parameters of the low-cost option? If we do not have an option labeled low cost in our offerings, do we need to create one? For example, if the lowest cost option currently offered is 250/250 for \$60, does that satisfy the requirement?

BEAD subgrantees must comply with the statutory provision to offer at least one low-cost service option, but NTIA has prohibited Eligible Entities from explicitly or implicitly setting the low-cost service option rate a subgrantee must offer.

Consistent with the Infrastructure Investment and Jobs Act (IIJA), Eligible Entities shall require potential BEAD subgrantees to propose a low-cost service option as part of their applications that meets certain speed and performance criteria. As required by IIJA and the NOFO, the low-cost service option must offer speeds of at least 100/20 Mbps and latency performance of no more than 100 milliseconds. Applicants that already offer a low-cost plan that meets these requirements may satisfy the low-cost service option requirement by proposing to offer their existing low-cost plan to eligible subscribers. Source: BEAD Restructuring Policy Notice, p. 9.

Subgrantees may offer the low-cost service option to all potential subscribers on the BEAD-funded network and are not required to limit the low-cost service option to eligible subscribers only. Potential subgrantees should use their applications to clearly explain which households, in addition to all Lifeline eligible households, may subscribe to the low-cost service option. A low-cost service option is an offering with a lower rate, or additional benefits, compared to what the subgrantee is currently offering to all potential subscribers. As required by IIJA and the NOFO, the low-cost service option must offer speeds of at least 100/20Mbps and latency performance of no more than 100 milliseconds.

If a subgrantee initially agrees to offer the low-cost service option to a broader group of subscribers than what is required by the restructuring policy notice (June 6 BEAD Restructuring Policy Notice), it is not obligated to maintain such offer to the broader group for the entire federal interest period or period of performance. However, if a subgrantee later decides to limit low-cost service option eligibility to eligible subscribers (as defined in the restructuring policy notice), it must begin verifying eligibility as described in the restructuring policy notice.

Source: NTIA FAQs, question 3.29.

24. When does the low-cost option need to be in place? At application or time of construction?

Unless further clarified by the NTIA, we plan to require in the grant agreement that the low-cost service option should be available at the time that service is available from the BEAD-funded network.

Total Project Cost and Matching Funds:

25. Is the provider match (25%) cash only or can it include assets?

For BEAD, a matching contribution can either be a cash match or an in-kind match. NCDIT will follow the rules set by NTIA in the BEAD Program and its guidance provided at https://broadbandusa.ntia.gov/sites/default/files/2024-05/BEAD_Match_Primer.pdf.

The preference for the BEAD program in North Carolina is a cash match; however, NCDIT cannot exclude the use of in-kind contributions.

For all in-kind match contributions, providers must adhere to the requirements in 2 CFR 200.306. We will require additional information on the type of assets in question to evaluate and ensure compliance with the referenced 2 CFR 200.306 provision.

26. Can a provider apply for costs for a tower in one county that serves eligible Broadband Serviceable Locations in the adjacent county?

Yes.25 Infrastructure costs incurred for projects do not need to be defined by the county boundaries.

27. Can a broadband provider use materials purchased in 2021 and put into stock on their BEAD projects and get reimbursed (similar to the CAB program rules)?

It does not appear that this would be allowable under the BEAD rules. Per the BEAD NOFO, "Funds committed to an award may only be used to cover allowable costs incurred during the period of performance, except for reasonable pre-award expenses as described above, and for allowable closeout costs incurred during the grant closeout process." An earlier section also states that "Pre-award expenses must be approved by NTIA and the Grants Officer in writing to be considered allowable." Pre-award expenses discussed in the NOFO are more focused on state planning efforts.

Scoring

28. Are there still 5 points in the BEAD scoring if a proposal will serve all unserved Community Anchor Institutions in a county?

No. Please note that the scoring rubric outlined in the Initial Proposal Volume 2 is no longer applicable as the scoring parameters for BEAD changed in the BEAD Restructuring Policy Notice.

Final Proposal

29. What actions are supposed to be taken during the "Public Comment" portion of the bidding process?

The local coordination requirements in the Infrastructure Investment and Jobs Act state that, at a minimum, there must be an opportunity for political subdivisions of an Eligible Entity to comment on the Final Proposal of the Eligible Entity before the Final Proposal is submitted to the Assistant Secretary (at NTIA). As such, NTIA has stated that all states must post their Final Proposals for a 7-day public comment period before submitting their Final Proposal to NTIA.

We will be publishing additional information on how stakeholders may submit comments during this window. Eligible Entities may then consider incorporating comments into the Final Proposal.

30. What is the role of county government in the BEAD process? If tentative BEAD awards are made, is there any action that a county government would need to take before, immediately or in the mid-term?

The role of county government with the BEAD program was primarily during the early Local Coordination planning work across the state and potentially during the BEAD challenge process. There is no specific role for county governments when BEAD awards are made, although we will work to ensure that county leadership is aware of awards that are made for their counties.

31. If tentative BEAD awards are made in a specific county, how might the county government expect to be notified of any awards, and who would be contacted? It sounds like any tentative award announcements would come in late August or early September.

BEAD projects recommended for award by NCDIT will be outlined in the Final Proposal to NTIA. The Final Proposal will be posted for public comment approximately Aug. 27-Sept. 2 before submitting the Final Proposal to NTIA on Sept. 4. Please note that the NTIA then has 90 days to review the recommended awards, and awards cannot be made without approval from the NTIA. Once NTIA approves a state's Final Proposal and recommended awards, then projects can move to the contracting phase.

32. How do we calculate the estimated number of employment opportunities (full time equivalent) that will be created by the project? Is it through construction, after construction, time limited positions, or all the above?

This number is required to be included in the Final Proposal. NTIA does not provide guidance in the BEAD Final Proposal Guidance on how to calculate this number other than "Estimated Number of Jobs: estimated number of employment opportunities created by the project." You may want to consider the following when calculating the estimated full-time equivalent employment opportunities created by BEAD projects:

- <u>Construction Phase</u>: This includes roles directly related to the deployment of broadband infrastructure. Positions might encompass construction labor, engineering, project management, and administrative support. It is important to account for both permanent and time-limited positions during this phase.
- <u>Post-Construction Phase</u>: Following the completion of the infrastructure, there
 will be roles associated with ongoing operations and maintenance. Potential
 positions include technical support staff, maintenance crews, and other roles
 necessary for effective management and operation of the new broadband
 network.