



# BEAD PROJECT SCORING

---

May 20, 2024



# INTRODUCTIONS

---

Joanne Hovis – President, CTC

- Leading today's presentation
- [jhovis@ctcnet.us](mailto:jhovis@ctcnet.us)



# Agenda

---

1. Scoring (IPv2 page 39)





# Scoring



# Scoring criteria overview

---

## Priority projects

- a. Primary criteria*
- b. Secondary criteria*

## Non-Priority projects

- a. Primary criteria*
- b. Secondary criteria*





# Priority projects scoring rubric

|  | <b>Maximum Points Possible</b> |
|--|--------------------------------|
| <b>Primary criteria (must be <math>\geq</math> 75%)</b>  |                                |
| <b>Minimal BEAD program outlay:</b> Per project BEAD grant request   | 40                             |
| <b>Affordability:</b> Lowest price for <b>1/1 Gbps</b> service commitment  | 20                             |
| <b>Fair labor practices:</b> Past compliance with fair labor practices and future commitment to prevailing wages     | 15                             |
| <b>Secondary criteria</b>  |                                |
| Speed to deployment (<4 years)   | 1                              |
| <b>Additional prioritization factors</b>   |                                |
| Whether the proposed project area serves unserved or underserved areas, with unserved areas receiving greater weight | 14                             |
| Broadband service providers who have broadband service infrastructure already deployed in the project area           | 4                              |
| The length of time the provider has been providing broadband service in the state                                    | 4                              |
| High-cost areas must be considered for services to the extent terrestrial service is economically viable             | 1                              |
| The number of households, businesses, farms, ranches, and community anchor institutions served                       | 1                              |
| <b>Total score</b>   | <b>100</b>                     |

1. The term "Priority Broadband Project" means a project that will provision service via end-to-end fiber-optic facilities to each end user premises. [BEAD NOFO](#), p. 14.; Source: [BEAD Initial Proposal Guidance](#)

# Priority projects – primary criteria

---

## Minimal BEAD program outlay per project (40 points maximum)

- Subgrantee applicants will provide the list of census block groups (CBGs) and the grant request amount for each project area they are applying for. If a subgrantee chooses to submit multiple applications, each for a different project area composed of one or more CBGs, then for each application, the provider should note the CBGs that comprise the project area and the grant request for each project area. Each application will be scored and evaluated separately.
- The MBO will calculate the reference funding benchmark for each project area by summing up the benchmarks for each CBG included in an individual project area. The benchmark for each CBG will be based on the CostQuest Associates cost model provided by NTIA as a starting point. The reference benchmark for each CBG will be posted publicly as part of the application materials.



# Priority projects – primary criteria

---

## Minimal BEAD program outlay per project (cont'd)

- Points will be awarded to applicants based on the percentage their requested grant funding amount is below or above the benchmark for a given project area. Specifically, points will be calculated as follows:  $40 - (20 * (\text{grant request amount} / \text{benchmark}))$ , with a minimum of 0 points possible and a maximum of 40 points possible.
- For example, assume the benchmark for a particular project area is \$100. If the grant request amount is \$150, then the applicant would receive 10 points:  $40 - (20 * (150/100)) = 10$ . If the grant request amount is \$50, then the applicant would receive 30 points:  $40 - (20 * (50/100)) = 30$ .
- *Note that per NTIA guidance, absent a waiver such as in high-cost areas, the subgrantee's proposed match must cover no less than 25 percent of the project cost.*





# Priority projects – primary criteria

---

**Affordability (20 points maximum)**—Lowest price for 1/1 Gbps service commitment

- Subgrantee applicants who commit to offering 1/1 Gbps service to the customers in BEAD project areas at the same rates they offer in their existing markets will earn 20 points.
- If applicants do not currently offer 1/1 Gbps service, they may make forward-looking commitments to offer the same rates for 1/1 Gbps plans across all locations to earn 20 points.
- Subgrantee applicants who do not make one of these commitments will earn 0 points.
- Applicants who fail to deliver on their pricing commitments will be subject to clawback provisions.



# Priority projects – primary criteria

---

## Fair labor practices (15 points maximum)

- Subgrantee applicants will provide details of their past compliance with federal fair labor laws, according to the requirements outlined in Section 2.7.1 of the IPv2. Subgrantee applicants will have the opportunity to earn points for making forward-looking commitments to offering Montana prevailing wages to their BEAD project workforce.
- Points will be awarded to applicants based on both their past record of compliance and commitment to offer prevailing wages. Applicants who meet all requirements for past compliance with federal fair labor laws will receive 13 points, while applicants with 1 past violation will receive 6 points, and applicants with more than 1 past violation will receive 0 points.



# Priority projects – primary criteria

---

## Fair labor practices (cont'd)

- Applicants who commit to offering prevailing wages (per Davis-Bacon) to their BEAD project workforce will receive an additional 2 points.
- Additionally, applicants who do not have a record of compliance with federal labor and compliance laws (e.g., a new market entrant) may achieve the full 13 points by making forward-looking commitments to abide by all state and federal fair labor laws, and an additional 2 points by committing to offer prevailing wages (per Davis-Bacon) to their BEAD project workforce.
- Applicants who fail to deliver on their forward-looking federal fair labor law commitments will be subject to clawback provisions.



# Priority projects – secondary criteria

---

## Speed to deployment (1 point maximum)

- Subgrantee applicants will provide the timeframe in which they are making a binding commitment to complete deployment of their BEAD-funded broadband project. Completion of a BEAD-funded broadband project means that for all locations within a given project area, construction is completed, and a customer could receive service within 10 days upon request.
- If an applicant commits to completing all of their BEAD-funded deployment in less than 4 years (i.e., 3 years or less), that applicant would receive 1 point. If an applicant does not commit to completing all of their BEAD-funded deployment in less than 4 years (i.e., 3 years or less), that applicant would receive 0 points.
- Applicants who fail to deliver on their deployment commitments will be subject to clawback provisions.



# Priority projects – secondary criteria

---

## Unserved areas (14 points maximum)

- When the MBO releases application materials for the subgrantee process, the list of un- and underserved locations within each CBG will also be published. Subgrantee applicants will create project areas comprised of one or more CBGs. Since subgrantees must bid on all un- and underserved locations in a CBG, the MBO will have the list of un- and underserved locations that each subgrantee applicant is committing to provide with broadband service.
- The MBO believes that encouraging bids in CBGs with a high percentage of unserved locations will encourage coverage of all un- and underserved locations as many underserved locations will be more conveniently served through deployment to unserved locations.



# Priority projects – secondary criteria

---

## Unserved areas (cont'd)

- Points will be awarded to applicants based on the percentage of unserved locations in their proposed project area out of the total broadband serviceable locations in their proposed project area. Specifically, points will be calculated as follows: 1 point will be awarded for every 2% of unserved locations in the project area, up to the maximum threshold of 28% or more. Any project area that has over 28% of unserved locations will receive the maximum 14 points.
- For example, if a project area contains 21% unserved locations, then the applicant would receive 10 points. If the project area contains 40% unserved locations, then the applicant would receive 14 points.



# Priority projects – secondary criteria

---

## Existing infrastructure (4 points maximum)

- To receive points for existing infrastructure, subgrantee applicants will provide a shapefile that shows their existing infrastructure in relation to their proposed network design for BEAD funded infrastructure. Qualifying infrastructure must be existing assets that could be leveraged as a part of the fiber deployment to either increase speed or [decrease] cost of deployment.
- Points will be awarded based on the proposed network design's proximity to the existing service area. Specifically, points will be calculated based on the existing infrastructure's distance to the proposed network design as indicated below.



# Priority projects – secondary criteria

---

## Existing infrastructure (cont'd)

| Proximity to proposed network design | Points |
|--------------------------------------|--------|
| < 1 mile                             | 4      |
| 1 – 5 miles                          | 3      |
| 5 – 10 miles                         | 2      |
| 10 – 15 miles                        | 1      |
| > 15 miles                           | 0      |





# Priority projects – secondary criteria

---

## Length of service in Montana (4 points maximum)

- Subgrantee applicants will provide the length of time they have been providing broadband service in the state, not including legacy companies.
- Points will be awarded to applicants based on the length of time they have been providing broadband service in Montana. Specifically, points will be calculated as follows: 1 point will be awarded for every 10 years that a subgrantee applicant has been providing broadband service in Montana, up to the maximum of 4 points total.
- For example, if a subgrantee applicant has been providing service in Montana for 20 years, that applicant would receive 2 points. If a subgrantee applicant has been providing service in Montana for 40 years, that applicant would receive 4 points.



# Priority projects – secondary criteria

---

## High-cost area (1 point maximum)

- When the MBO releases application materials for the subgrantee process, it will include the CBGs eligible for funding with the corresponding set of un- and underserved locations. Furthermore, the MBO will also designate which CBGs are classified as high-cost CBGs based on the definition of high-cost areas as determined by NTIA as part of the BEAD allocation process.
- 1 point will be awarded to an applicant if their project area proposal includes at least 1 high-cost CBG.



# Priority projects – secondary criteria

---

## Number of locations served (1 point maximum)

- Applicants will bid on project areas that represent one or more CBGs consisting of a defined set of un- and underserved Broadband Serviceable Locations (BSLs). In addition to the BSLs, the MBO will also publish the list of eligible Community Anchor Institutions (CAIs) within each CBG. Subgrantee applicants will specify in their applications which CAIs they propose to deploy broadband service to.
- Points will be awarded to applicants based on the total number of locations (BSLs and eligible CAIs) in their proposed project area. Once all applications are received, the MBO will calculate the average number of locations (BSLs and eligible CAIs) proposed to be served across all project areas.



# Priority projects – secondary criteria

---

## Number of locations served (cont'd)

- Specifically, points will be calculated as follows: 1 point will be awarded if an applicant's proposed number of locations (BSLs and eligible CAIs) for a particular project area exceeds the average number of locations (BSLs and eligible CAIs) across all project areas. No points will be awarded if the proposed number of locations (BSLs and eligible CAIs) for a particular project area is less than the average number of locations (BSLs and eligible CAIs) across all project areas.
- For example, if the average number of locations (BSLs and eligible CAIs) across all project areas is 5,000 and the number of locations (BSLs and eligible CAIs) proposed for a particular project area is 6,000, the project area would receive 1 point. If the number of locations (BSLs and eligible CAIs) proposed for a particular project area is 4,000, the project area would receive 0 points.





# Non-Priority projects scoring rubric

|  | <b>Maximum Points Possible</b> |
|--|--------------------------------|
| <b>Primary criteria (must be <math>\geq</math> 75%)</b>  |                                |
| <b>Minimal BEAD program outlay:</b> Per project BEAD grant request   | 40                             |
| <b>Affordability:</b> Lowest price for <b>100/20 Mbps</b> service commitment   | 20                             |
| <b>Fair labor practices:</b> Past compliance and future commitment to prevailing wages                               | 15                             |
| <b>Secondary criteria</b>  |                                |
| Speed to deployment (<4 years)   | 1                              |
| Speed of network and other technical capabilities  | 1                              |
| <b>Additional prioritization factors</b>   |                                |
| Whether the proposed project area serves unserved or underserved areas, with unserved areas receiving greater weight | 14                             |
| Broadband service providers who have broadband service infrastructure already deployed in the project area           | 3                              |
| The length of time the provider has been providing broadband service in the state                                    | 4                              |
| High-cost areas must be considered for services to the extent terrestrial service is economically viable             | 1                              |
| The number of households, businesses, farms, ranches, and community anchor institutions served                       | 1                              |
| <b>Total score</b>   | <b>100</b>                     |

# Non-Priority projects – primary criteria

---

## Minimal BEAD program outlay per project (40 points maximum)

- Subgrantee applicants will provide the list of CBGs and the grant request amount for each project area they are applying for. If a subgrantee chooses to submit multiple applications, each for a different project area composed of one or more CBGs, then for each application, the provider should note the CBGs that comprise the project area and the grant request for each project area. Each application will be scored and evaluated separately.
- The MBO will calculate the reference funding benchmark for each project area by summing up the benchmarks for each CBG included in an individual project area. The benchmark for each CBG will be based on the CostQuest Associates cost model provided by NTIA as a starting point. As noted above, the reference benchmark for each CBG will be posted publicly as part of the application materials.



# Non-Priority projects – primary criteria

---

## Minimal BEAD program outlay per project (cont'd)

- Points will be awarded to applicants based on the percentage their requested grant funding amount is below or above the benchmark for a given project area. Specifically, points will be calculated as follows:  $40 - (20 * (\text{grant request amount} / \text{benchmark}))$ , with a minimum of 0 points possible and a maximum of 40 points possible.
- For example, assume the benchmark for a particular project area is \$100. If the grant request amount is \$150, then the applicant would receive 10 points:  $40 - (20 * (150/100)) = 10$ . If the grant request amount is \$50, then the applicant would receive 30 points:  $40 - (20 * (50/100)) = 30$ .
- *Note that per NTIA guidance, absent a waiver such as in high-cost areas, the subgrantee's proposed match must cover no less than 25 percent of the project cost.*



# Non-Priority projects – primary criteria

---

**Affordability (20 points maximum)**—Lowest price for 100/20 Mbps service commitment

- Subgrantee applicants who commit to offering 100/20 Mbps service to the customers in BEAD project areas at the same rates they offer in their existing markets will earn 20 points.
- If applicants do not currently offer 100/20 Mbps service, they may make forward-looking commitments to offer the same rates for 100/20 Mbps plans across all locations to earn 20 points.
- Subgrantee applicants who do not make one of these commitments will earn 0 points.
- Applicants who fail to deliver on their pricing commitments will be subject to clawback provisions.





# Non-Priority projects – primary criteria

---

## Fair labor practices (15 points maximum)

- Subgrantee applicants will provide details of their past compliance with federal fair labor laws, according to the requirements outlined in Section 2.7.1 of the IPv2. Subgrantee applicants will have the opportunity to earn points for making forward-looking commitments to offering Montana prevailing wages to their BEAD project workforce.
- Points will be awarded to applicants based on both their past record of compliance and commitment to offer prevailing wages. Applicants who meet all requirements for past compliance with federal fair labor laws will receive 13 points, while applicants with 1 past violation will receive 6 points, and applicants with more than 1 past violation will receive 0 points.



# Non-Priority projects – primary criteria

---

## Fair labor practices (cont'd)

- Applicants who commit to offering prevailing wages (per Davis-Bacon) to their BEAD project workforce will receive an additional 2 points.
- Additionally, applicants who do not have a record of compliance with federal labor and compliance laws (e.g., a new market entrant) may achieve the full 13 points by making forward-looking commitments to abide by all state and federal fair labor laws, and an additional 2 points by committing to offer prevailing wages (per Davis-Bacon) to their BEAD project workforce.
- Applicants who fail to deliver on their forward-looking federal fair labor law commitments will be subject to clawback provisions.



# Non-Priority projects – secondary criteria

## Speed to deployment (1 point maximum)

- Subgrantee applicants will provide the timeframe in which they are making a binding commitment to complete deployment of their BEAD-funded broadband project. Completion of a BEAD-funded broadband project means that for all locations within a given project area, construction is completed, and a customer could receive service within 10 days upon request.
- If an applicant commits to completing all of their BEAD-funded deployment in less than 4 years (i.e., 3 years or less), that applicant would receive 1 point. If an applicant does not commit to completing all of their BEAD-funded deployment in less than 4 years (i.e., 3 years or less), that applicant would receive 0 points.
- Applicants who fail to deliver on their deployment commitments will be subject to clawback provisions.



# Non-Priority projects – secondary criteria

---

## Speed of network and other technical capabilities (1 point maximum)

- Subgrantee applicants will provide both the maximum advertised speed they are committing to offer for a proposed project area, as well as the network design and proposed technologies to be used. A qualified engineer will review the speed and network design to ensure the proposed technology can achieve the specified speeds.
- Points will be awarded for projects that exceed the minimum standard required to reach served status (100 Mbps download / 20 Mbps upload). Specifically, points will be calculated as follows: If a subgrantee applicant commits to and can reasonably deliver (based on the network design) speeds of at least 250 Mbps download / 50 Mbps upload, the applicant will receive 1 point for that particular project area.



# Non-Priority projects – secondary criteria

## Unserved areas (14 points maximum)

- When the MBO releases application materials for the subgrantee process, the list of un- and underserved locations within each CBG will also be published. Subgrantee applicants will create project areas comprised of one or more CBGs. Since subgrantees must bid on all un- and underserved locations in a CBG, the MBO will have the list of un- and underserved locations that each subgrantee applicant is committing to provide with broadband service.



# Non-Priority projects – secondary criteria

## Unserved areas (cont'd)

- Points will be awarded to applicants based on the percentage of unserved locations in their proposed project area out of the total broadband serviceable locations in their proposed project area. Specifically, points will be calculated as follows: 1 point will be awarded for every 2% of unserved locations in the project area, up to the maximum threshold of 28% or more. Any project area that has over 28% of unserved locations will receive the maximum 14 points.
- For example, if a project area contains 21% unserved locations, then the applicant would receive 10 points. If the project area contains 40% unserved locations, then the applicant would receive 14 points.



# Non-Priority projects – secondary criteria

## Existing infrastructure (3 points maximum)

- To receive points for existing infrastructure, subgrantee applicants will provide a shapefile that shows their existing infrastructure in relation to their proposed network design for BEAD funded infrastructure. Qualifying infrastructure must be existing assets that could be leveraged as a part of the non-priority deployment. The qualifying infrastructure must either increase speed or cost of deployment of the proposed technology.
- Points will be awarded based on the proposed network design's proximity to the existing service area. Specifically, points will be calculated based on the existing infrastructure's distance to the proposed network design as indicated below.



# Non-Priority projects – secondary criteria

---

## Existing infrastructure (cont'd)

| Proximity to proposed network design | Points |
|--------------------------------------|--------|
| < 1 mile                             | 3      |
| 1 – 10 miles                         | 2      |
| 10 – 15 miles                        | 1      |
| > 15 miles                           | 0      |





# Non-Priority projects – secondary criteria

---

## Length of service in Montana (4 points maximum)

- Subgrantee applicants will provide the length of time they have been providing broadband service in the state, not including broadband service provided by any legacy companies.
- Points will be awarded to applicants based on the length of time they have been providing broadband service in Montana. Specifically, points will be calculated as follows: 1 point will be awarded for every 10 years that a subgrantee applicant has been providing broadband service in Montana, up to the maximum of 4 points total.
- For example, if a subgrantee applicant has been providing service in Montana for 20 years, that applicant would receive 2 points. If a subgrantee applicant has been providing service in Montana for 40 years, that applicant would receive 4 points.



# Non-Priority projects – secondary criteria

## High-cost areas (1 point maximum)

- When the MBO releases application materials for the subgrantee process, it will include the CBGs eligible for funding with the corresponding set of un- and underserved locations. Furthermore, the MBO will also designate which CBGs are classified as high-cost CBGs based on the definition of high-cost areas as determined by NTIA as part of the BEAD allocation process.
- 1 point will be awarded to an applicant if their project area proposal includes at least 1 high-cost CBG.



# Non-Priority projects – secondary criteria

---

## Number of locations served (1 point maximum)

- As mentioned above, subgrantee applicants will bid on project areas that represent one or more CBGs consisting of a defined set of un- and underserved Broadband Serviceable Locations (BSLs). In addition to the BSLs, the MBO will also publish the list of eligible Community Anchor Institutions (CAIs) within each CBG. Subgrantee applicants will specify in their applications which CAIs they propose to deploy broadband service to.
- Points will be awarded to applicants based on the total number of locations (BSLs and eligible CAIs) in their proposed project area. Once all applications are received, the MBO will calculate the average number of locations (BSLs and eligible CAIs) proposed to be served across all project areas.



# Non-Priority projects – secondary criteria

---

## Number of locations served (1 point maximum)

- Specifically, points will be calculated as follows: 1 point will be awarded if an applicant's proposed number of locations (BSLs and eligible CAIs) for a particular project area exceeds the average number of locations (BSLs and eligible CAIs) across all project areas. No points will be awarded if the proposed number of locations (BSLs and eligible CAIs) for a particular project area is less than the average number of locations (BSLs and eligible CAIs) across all project areas.
- For example, if the average number of locations (BSLs and eligible CAIs) across all project areas is 5,000 and the number of locations (BSLs and eligible CAIs) proposed for a particular project area is 6,000, the project area would receive 1 point. If the number of locations (BSLs and eligible CAIs) proposed for a particular project area is 4,000, the project area would receive 0 points.



# SCORING Q&A

---



Q&A

