

NATIVE AMERICAN BROADBAND ASSOCIATION
Guide to NTIA BIP Broadband Grants
Round Two

- 1. Overview of BIP Broadband Grants**
 - 1.1. Funding – \$2.2 billion dollars available**
 - 1.2. Application Period – February 16, 2010 to March 15, 2010**
 - 1.2.1. No specific date set for funding decisions**
 - 1.2.2. All awards to be announced by September 30, 2010**
 - 1.3. Applicants – Corporations, LLCs, not-for-profits, governments, tribes**
 - 1.4. Funding Options**
 - 1.4.1. Broadband Initiatives Program (“BIP”) for Last Mile Projects in rural areas - \$2.2 billion**
 - 1.4.2. Subsequent round of funding for satellite projects in 8 regions - \$100 million**
 - 1.4.3. Subsequent round for Rural Libraries (\$5 million) and Regional Planning grants**

- 2. Overview of BTOP Broadband Grants**
 - 2.1. Funding – \$2.6 billion dollars available**
 - 2.2. Application Period – February 16, 2010 to March 15, 2010**
 - 2.2.1. Funding decisions on rolling basis starting June 2010**
 - 2.2.2. All awards to be announced by September 30, 2010**
 - 2.3. Applicants – Corporations, LLCs, not-for-profits, governments, tribes**
 - 2.4. Funding Options**
 - 2.4.1. Comprehensive Community Infrastructure Middle Mile Projects to extend broadband to underserved and unserved areas - \$2.35 billion**
 - 2.4.2. Public Computer Centers - \$150 million**
 - 2.4.3. Sustainable Broadband Adoption projects - \$100 million**

- 3. The Government Agencies, Grants, National Broadband Map and Plan**
 - 3.1. U.S. Department of Agriculture’s Rural Utility Service (“RUS”)**
 - 3.1.1. Administers Broadband Initiative Program (“BIP”)**
 - 3.1.1.1. \$2.2 Billion dollars in second round
 - 3.1.1.2. Only for rural areas
 - 3.1.1.3. Only for last mile projects or middle mile projects of prior RUS programs
 - 3.1.1.4. BIP applications and BTOP applications are filed separately in this second round
 - 3.1.1.5. RUS will have a third round for satellite services for remaining unserved areas
 - 3.1.1.6. All funding will be 75% grants/25% loans, but RUS can waive loan requirement
 - 3.2. Department of Commerce’s National Telecommunications and Information Administration**
 - 3.2.1. Administers Broadband Technology Opportunities Program (“BTOP”)**
 - 3.2.1.1. \$2.6 dollars in second round (\$4.7 billion dollars total)
 - 3.2.1.2. Provides up to 80% grants
 - 3.2.1.3. Underserved or unserved areas preferred
 - 3.2.1.4. Middle Mile projects only (must be less than 20% Last Mile)
 - 3.2.1.5. Grants for infrastructure, public computer centers and adoption
 - 3.2.1.6. States and tribes get chance to comment on applications
 - 3.2.2. Tasked with creating the National Broadband Map**
 - 3.2.2.1. \$350 million allocated for mapping
 - 3.2.2.2. Each state gets \$1.2 – 2.2 million to gather map info
 - 3.2.2.3. National map due 2/17/11

3.3. Federal Communications Commission

3.3.1. National Broadband Plan

- 3.3.1.1. FCC has no money for funding projects
- 3.3.1.2. National plan originally to be issued by 2/17/10 now changed to 3/17/10

4. Rural Utility Service's Broadband Initiatives Program – BIP

4.1. **Purpose** provide funding to rural areas that don't have at least 5 megabits per second combined upstream and downstream

4.2. **Funds** - Total of \$2.2 billion available in first round

- 4.2.1. \$1.7 billion for broadband to end-user ("Last mile")
 - 4.2.1.1. 100% Grant to rural remote areas in Round 1 eliminated
- 4.2.2. \$300 million for "Middle Mile" connections for RUS Title 2 borrowers
- 4.2.3. \$100 million for satellite projects
- 4.2.4. \$5 for rural libraries and Technical Assistance projects
- 4.2.5. \$90 million in reserve
- 4.2.6. RUS will fund at least one project in every state
- 4.2.7. RUS will not fund overlapping projects and may cut back applicant areas that overlap

4.3. Types of Funding

- 4.3.1. RUS has traditionally been a lender for utility financing
- 4.3.2. Standard award will be 75% grant / 25% loan
- 4.3.3. RUS gives more points for up to 50% private equity and/or less than 70% grants
- 4.3.4. Applicants can apply to Administrator for up to 100% grants based on
 - 4.3.4.1. Distance from non-rural area
 - 4.3.4.2. High percentage of area is rural
 - 4.3.4.3. Density
 - 4.3.4.4. Median household income
 - 4.3.4.5. Unemployment

4.4. Areas to be Funded Rural and Unserved or High Speed Access

- 4.4.1. Rural areas
 - 4.4.1.1. Not in a town with greater than 20,000 people
 - 4.4.1.2. Not in an urbanized area next to a city with more than 50,000 people
- 4.4.2. Unserved Areas - No access to broadband (=at least 768kbps down/200kbps up)
- 4.4.3. High Speed Access - At least 5 Mbps upstream and downstream combined
- 4.4.4. At least 75% of area in application has to be rural
- 4.4.5. No more than 50% have High Speed Access
- 4.4.6. RUS will only fund one project per area including areas of prior Title II borrowers
- 4.4.7. Can't cost more than \$10,000 per premises passed
- 4.4.8. RUS will also fund prior Title 2 borrowers for middle mile projects
 - 4.4.8.1. Not covered in this outline

4.5. Last Mile Application and Funding Process

- 4.5.1. Application window is February 16th to March 15th
- 4.5.2. Tribes
 - 4.5.2.1. Tribes can be applicants
 - 4.5.2.2. All applicants must identify if they propose to serve tribal lands
- 4.5.3. Review
 - 4.5.3.1. In round 2 application are reviewed in a single step
 - 4.5.3.1.1. If RUS has extra funds may send back applications for revision
- 4.5.4. Evaluation of project based on points in 13 categories areas maximum 100 points
 - 4.5.4.1. Percent Rural residents in unserved area (10 points)
 - 4.5.4.1.1. 1 point for each 10% unserved

- 4.5.4.2. Rural Area Targeting (10 points)
 - 4.5.4.2.1. 2 points for each 5% over 75%
- 4.5.4.3. Distance (5 points)
 - 4.5.4.3.1. 1 point for each 10 miles over 10 miles
- 4.5.4.4. Title II Borrower (8points)
- 4.5.4.5. Other Recovery Act Awards (5 points)
- 4.5.4.6. Bandwidth (10 points)
 - 4.5.4.6.1. Wired
 - 4.5.4.6.1.1. 5 Mbps 5 points
 - 4.5.4.6.1.2. 20 Mbps 10 points
 - 4.5.4.6.2. Wireless - 3 Mbps 8 points
 - 4.5.4.6.3. Mobile wireless - 3 Mbps 10 points
- 4.5.4.7. Critical Community Facilities and SDBs (6 points)
 - 4.5.4.7.1. Serve all CCFs at 25% lower rates for 3 years get 4 points
 - 4.5.4.7.2. Critical community facilities for safety, health, and well-being of residents, e.g. public safety activities, hospitals, libraries and schools.
 - 4.5.4.7.3. Socially and Economically Disadvantaged business (SDBs) for 3 years at 25% less 2 points
- 4.5.4.8. Applicant's organization (10 points)
- 4.5.4.9. SDB applicant (3 points)
- 4.5.4.10. Outside equity (10 points)
 - 4.5.4.10.1. Sliding scale
 - 4.5.4.10.2. 50% outside equity 10 points, less than 20% no points
- 4.5.4.11. Lower grant request (15 points)
 - 4.5.4.11.1. Sliding scale
 - 4.5.4.11.2. Less than 15% grant requested 15 points
 - 4.5.4.11.3. More than 70% grant requested 0 points
- 4.5.4.12. Cost per premises passed (8 points)
 - 4.5.4.12.1. Sliding scale
 - 4.5.4.12.2. Greater than \$8,000 per premises no points
 - 4.5.4.12.3. Less than \$5,000 per premises 8 points
- 4.5.4.13. Administrators bonus (10 points)
 - 4.5.4.13.1. Discretionary points for
 - 4.5.4.13.2. provide significant assistance to critical community facilities
 - 4.5.4.13.3. promote rural economic development,
 - 4.5.4.13.4. support persistent poverty counties,
 - 4.5.4.13.5. serve chronically underserved areas,
 - 4.5.4.13.6. demonstrate cost effectiveness,
 - 4.5.4.13.7. offer low-cost service options, and/or
 - 4.5.4.13.8. provide for geographic diversity
- 4.5.5. Awards and documentation
 - 4.5.5.1. All awards will be made by September 10, 2010
- 4.5.6. Completion schedule
 - 4.5.6.1. All projects substantially complete in 2 years
 - 4.5.6.2. All project fully complete in 3 years
- 4.6. Satellite Projects - \$100 million
 - 4.6.1. RFP to be issued
 - 4.6.2. Must serve at least one of 8 regions in US
- 4.7. Technical Assistance Grant
 - 4.7.1. RFP to be issued
 - 4.7.2. Up to \$200K

- 4.7.3. Used to create USDA approved regional planning organizations
- 4.8. Regional Library Broadband Grants - \$5 million
 - 4.8.1. RFP to be issued
 - 4.8.2. Covers cost of connecting rural libraries

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