

# **BEAD Benefit of the Bargain Round**

# **How-To Apply Webinar**

June 25, 2025







### **Overview & Agenda**

Elimination of Regulatory Requirements
Technology Neutrality
Benefit of the Bargain Round
Optimizing BEAD Locations
Other Provisions and Clarifications
Question and Answer Session





#### **Elimination of Regulatory Requirements**

Through the Policy Notice issued by NTIA on June 6, certain regulatory requirements were eliminated. Note, this is a list of the amended regulatory requirements that either directly or indirectly relate to the Virginia BEAD application process.

- Labor, Employment, and Workforce Development Requirements
- Open Access/Net Neutrality
- Middle Class Affordability Plan
- Low-Cost Service Option
  - Note: Applicants must still comply with the statutory provisions to offer at least one low-cost service option, but the Va OoB will not be explicitly or implicitly set the low-cost service option.





### **Elimination of Regulatory Requirements**

- The previous application narratives are available on CAMS. The elimination of regulatory requirements are not reflected.
- DHCD cannot alter a CAMS application after applications are received (software limitations).
- New applicants in CAMS do not need to respond to requirements eliminated by NTIA's June 6<sup>th</sup> Policy Notice, even though the questions are still in CAMS.
- These specific questions, attachments, and certifications that applicants do not need to reply to are listed in the Va OoB's June 13<sup>th</sup> Policy Notice.



### **Technology Neutrality**

- All broadband technologies that meet the performance requirements of IIJA and the NOFO must be eligible to participate in BEAD
- A Priority Broadband Project is now defined as:

   a project that provides broadband service at speeds of no less than 100 megabits per second for downloads and 20 megabits per second for uploads, has a latency less than or equal to 100 milliseconds, and can easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services
- States may not categorically exclude a given technology.





#### Benefit of the Bargain Round - Structure and Schedule

June 13 – Letter of Intent Window Opens

June 23 – Letter of Intent Window Closes

June 25 – Initial Cycle of Benefit of the Bargain Round Opens

July 2 – Initial Cycle of Benefit of the Bargain Round Closes

July 16\* - Provisional Sub awardees Notified of Awards under Initial Cycle

July 16\* - **Negotiation Cycle** of Benefit of the Bargain Round Opens

July 26\* - Negotiation Cycle of Benefit of the Bargain Round Closes

August 8\* - Provisional Sub awardees Notified of Awards under Negotiation Cycle

August 8\* - Public Comment Window on BEAD Final Proposal Opens

August 22\* – Public Comment Window on BEAD Final Proposal Closes

TBD – Va OoB submits Final Proposal to NTIA for Approval



#### **Benefit of the Bargain Round Scoring Criteria**

NTIA's June 6<sup>th</sup> Policy Notice outlines both Primary and Secondary Criteria to evaluate proposals. Below is the primary criteria.

**Primary Criteria:** In deciding among competing applications covering the same general project areas, the Va OoB will choose the option with the lowest cost based on minimal BEAD Program outlay. This will be analyzed on a requested subsidy per location basis as described in NTIA's June 6th Policy Notice.



### **Benefit of the Bargain Round Scoring Criteria**

NTIA's June 6<sup>th</sup> Policy Notice outlines both Primary and Secondary Criteria to evaluate proposals. Below is the secondary criteria.

**Secondary Criteria**: If an application to serve the same general project area proposes a project cost within 15% of the lowest-cost application received for that same general project area on a per location basis, the Va OoB will evaluate such competing applications based on the following three criteria. Each of these criteria is assigned a number of points on a 100-point scale.

#### **Speed to Deployment: 25 Points**

25 Points for <36 months,

20 Points for <38 months,

15 Points for <40 months,

10 Points for <42 months,

5 Points for <44 months, and

0 Points for 44-48 months

## **Speed of Network and Other Technical Capabilities: 25 Points**

15 points available for higher download speeds. 10 points available for higher upload speeds. See guidance for details.

## Preliminary/Provisional Subgrantees: 50 Points

If an applicant was previously identified as a provisional subgrantee, they will receive 50 points. Only applies during Initial ZCTA Cycle





### **Optimizing BEAD Locations**

NTIA's June 6<sup>th</sup> Policy Notice requires states to Optimize BEAD Locations across 3 categories. The incorporation of this guidance is summarized in each sub-bullet

#### Locations that Do Not Require BEAD Funding

 The Va OoB meets this requirement with the Recommended De-Obligation list which has been updated to add locations that were removed from the fabric between Version 5 and Version 6 of the FCC's National Broadband Map.

#### Locations Served by Unlicensed Fixed Wireless Providers (ULFW)

 The Va OoB is conducting the ULFW coverage review process currently. If any locations in any ZCTA are deemed served by ULFW, then all remaining unserved locations in that ZCTA will move to the negotiation cycle.

#### Community Anchor Institutions (CAI)

• Federal guidance re-establishes the definition of a CAI. To ensure adherence, the inclusion of any CAI is now optional for applicants.



- Applicants that previously applied and do not have major changes, do not need to resubmit in CAMS. If there are major changes to a previous application, those changes and materials should be emailed to <u>broadband@dhcd.virginia.gov</u>
- Only applicants proposing Priority Broadband Projects may apply under the Initial Cycle of the Benefit of the Bargain Round
- The 95% location requirement remains in effect; however, is now based on the sum of unserved and underserved locations within a ZCTA. Eligible CAIs will not be considered in this denominator.
- Applicants must submit the utilized de-obligation list. If no submission is provided, the Va OoB will assume the applicant is using the list provided.



Compliance with the 95% location requirement

- >=  $95\% \rightarrow \bigcirc$  (Valid Application)
- < 95% → ③ (Invalid Application)



Compliance with the 95% location requirement - **EXAMPLE** 

There are 80 unserved locations, 10 underserved locations, and 10 eligible CAIs in a ZCTA.

ISP A includes 75 unserved locations, 2 underserved locations, and 8 eligible CAIs for a total of 85 locations. 85 locations divided by 90 unserved and underserved locations is 94.44%. ISP A is (Invalid Application).

ISP B includes 66 unserved locations, 10 underserved locations, and 10 eligible CAIs for a total of 86 locations. 86 locations divided by 90 unserved and underserved locations is 95.55%. ISP B is © (Valid Application).

- The Va OoB, due to time constraints, may not have the opportunity to cure missing, incomplete, or non-compliant applicant information.
   Applicants, especially new applicants, should request technical assistance ahead of the application deadline to provide the Va OoB the opportunity to provide technical assistance.
- See the Va OoB's June 13<sup>th</sup> Policy Notice for a comprehensive list of eliminated application requirements, certifications, narratives, and attachments.
- The requirement that awardees will be prohibited from charging special construction charges for a minimum of twelve months after broadband service is made available to a BEAD-funded location stands



# **Awaiting NTIA Approval to Open Subgrantee Selection Process**

According to Page 16 of NTIA's June 6<sup>th</sup> notice, an Eligible Entity may execute its modified subgrantee selection process once NTIA approves the Initial Proposal correction.

- The Va OoB submitted this letter on June 18th.
- As of 3:30PM, June 25<sup>th</sup>, 7 calendar days after submission, NTIA has not approved this letter.
- Without NTIA's approval, the subgrantee selection process cannot be opened (Per NTIA FAQs).
- The Va OoB will distribute application links as soon as approval is received from NTIA.
- The Va OoB intends to provide applicants with 7 calendar days to submit; however, depending on the timing of approval by NTIA, this timeline may need to be adjusted. The submission deadline will be communicated via the application link email and the timeline will be updated at the Va OoB's BEAD webpage.

