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Virginia Office of Broadband
Broadband Equity, Access, and Deployment (BEAD) Program

Policy Notice on Submitting Clustered Applications in the Negotiation Cycle

General Statement: On July 16, 2025, the Virginia Office of Broadband (OoB) will publish the locations eligible for the Negotiation Cycle and open the Negotiation Cycle Portal for its 10-day application window to accept applications at individual locations that were not included in a provisional subaward after the initial BEAD Benefit of the Bargain round.

The OoB, under the previous BEAD application round, received feedback from multiple stakeholders expressing concern over the feasibility of submitting location-by-applications instead of clusters of locations. The OoB appreciates this input from stakeholders and has adopted the guidance below for the negotiation cycle of the Benefit of the Bargain Round.

Options of Applicants where Clusters of Locations within Zip Code Tabulation Areas (ZCTAs)

The OoB recognizes that there are clusters of eligible locations for the Benefit of the Bargain Round's Negotiation Cycle across the Commonwealth. While this process is not set up to accommodate applications of more than 1 location, the OoB will consider emails from providers outlining that a cluster of locations must be awarded to a provider in order for a proposed project to be feasible.

To be considered, emails must be received by 9:00 p.m. July 26, which is the deadline for this Negotiation Cycle. These emails must include the following: a list of the County/City Name, the ZCTA Code Number and high level information about the proposed cluster of locations submitted in that ZCTA, including number of locations in the cluster and reason for clustering the application. Applicants must also write in "yes" in the cluster field of the submission .csv file in the Negotiation Cycle Portal.

If an applicant elects to submit a clustered application, that applicant may not include separate individual location applications in the ZCTA. In other terms, if an applicant elects to submit a clustered application in the ZCTA, then all locations submitted in the given ZCTA must be a part of that cluster. Clustered applications must include at least 65% of the eligible locations in the ZCTA to be considered. Proposed de-obligations can count to this minimum 65%. The OoB will not round up an applicant's application to meet the 65% minimum; however, applicants may request a waiver from this 65% minimum in the email documenting the cluster submission. Please be advised this waiver request must be extensively detailed and outline why meeting the 65% requirement is infeasible because of costs or other factors. The OoB will be reluctant to consider a application that has requested a waiver to the 65% requirement and if a competing application is submitted that meets the 65% requirement and all other requirements of the OoB's Benefit of the Bargain Round, the <65% application will be removed from consideration. When submitting a cluster application data into the portal, each location in the clustered application must have the same subsidy request and proposed match amount.

Applicants are encouraged to consider including additional locations in a cluster in excess of the 65% minimum. Clustered applications may receive favorable treatment during the evaluation process and the OoB reserves the right to not award individual location applications to other applicants, as these clusters may present a lower overall total cost to the program. If two clustered applications are received in a ZCTA, they will be evaluated based on the scoring criteria outlined in the OoB's Policy Notice on the Benefit of the Bargain Round.

Applicants will be considered as a Priority or Non-Priority Broadband Project based on the statements made in applicants' Letters of Intent. As outlined in the OoB's Policy Notice on the Benefit of the Bargain Round, the OoB may reject an application as a Priority Broadband Project if the proposed project could not meet the statutory definition for a specific project area as determined by the OoB. The OoB also reserves the right to decline an applicant on the basis of financial and managerial capacity, technical and operational capability, and other requirements in 47 U.S.C. § 1702(g)(2)(A).

The OoB will determine the point at which project costs for Priority Broadband Service are considered excessive and identify other Priority Broadband Project applications or Non-Priority Broadband Project applications to reach these excessive cost locations. This excessive cost threshold may be unique for the Negotiation Cycle.