



# WEST VIRGINIA

## Economic Development

[WestVirginia.gov](http://WestVirginia.gov)





# **West Virginia BEAD Program: Update Delivery to Jefferson County Commission**

**May 2, 2024**

# West Virginia Office of Broadband Introductions



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# Disclaimers

- This Program will use funding allocated to the State of West Virginia under the Infrastructure Investment and Jobs Act (IIJA). Program parameters are subject to National Telecommunication and Information Administration (NTIA) and U.S. Department of Commerce rules and guidance, and other federal and state requirements.
- Visit [broadband.wv.gov](https://broadband.wv.gov) for the complete draft Deployment Program Procedures.
- West Virginia's Initial Proposal Volume Two has received NTIA approval, and it's content is authoritative to any summarized guidance shared verbally or in this presentation.
- In the event of any discrepancy between any requirements presented and any federal funding requirements, the latter will prevail and will be reflected in future presentations.
- You must submit a Pre-Application to be eligible for the Full-Application.

# Infrastructure Investment and Jobs Act (IIJA)

- **Broadband Equity, Access, and Deployment (BEAD)**
  - \$42.45 billion nationally
  - \$5 million in planning funds for West Virginia
  - \$1.2 billion allocation to West Virginia
  - Allocations based upon FCC National Broadband Map-June 2023
- **Key Goals**
  - Universal broadband connectivity in West Virginia
  - Creation of Five-Year Action Plan to reach all unserved locations
  - Integrate State Digital Equity Plan to increase internet adoption



# Infrastructure Investment and Jobs Act (IIJA)

- **Digital Equity (DE) Act**

- \$2.75 billion nationally

- \$732,000 in planning funds for West Virginia

- Future formula funding and competitive grants

- **Key Goals**

- Digital equity and inclusion

- Affordable high-speed internet

- Affordable internet enabled devices

- Digital skills training – cybersecurity, privacy, workforce development

# Summary of State Plans

BEAD Five - Year Action Plan	Approved August 2023
BEAD Initial Proposal Vol. 1	Approved January 2024
BEAD Initial Proposal Vol. 2	Approved April 2024
Digital Equity Plan	Approved February 2024

\*all included draft public input periods and federal reviews

# Important Training and Application Dates

Topic	Location	Date
Pre-Application	Webinar	Mar 14, 2024
Pre-Application	Portal Opens	March 18, 2024
Pre-Application	Onsite Workshop – North	March 28, 2024
Pre-Application	Online Workshop	April 10, 2024
Full Application	Webinar	May 8, 2024
Pre-Application	Online Office Hours	May 3, 2024
Pre-Application	Portal Closes	May 31, 2024
Full Application	Portal Opens	June 3, 2024
Full Application	Onsite Workshop – South	May 23, 2024
Full Application	Onsite Workshop – North	June 6, 2024
Full Application	Online Workshop	June 12, 2024
Full Application	Portal Closes	August 2024
Review and Final Proposal		Late 2024

\*Final dates subject to change



# BEAD General Program Overview

An aerial photograph of the Wisconsin State Capitol building, featuring its prominent golden dome and the surrounding landscape of Madison, Wisconsin. The image is overlaid with a semi-transparent orange filter. The text "BEAD General Program Overview" is centered in white.

# Deployment Program Fundamentals

## Funding

Funding comes from the BEAD program managed by NTIA.

## Timeline

Projects must be completed within four years of award.

## Eligible Entities

Entities in good standing that pass the review process; these can include private entities, cooperatives, and local governments.

## Network Req.

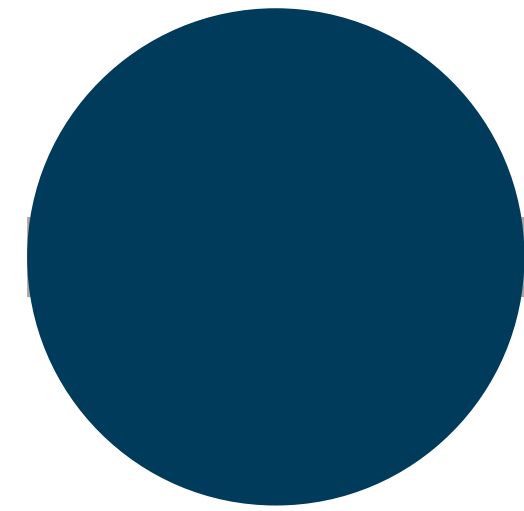
Minimum requirements:

- 100/20 Mbps with 100 ms of latency;
- 1/1 Gbps for Community Anchor Institutions

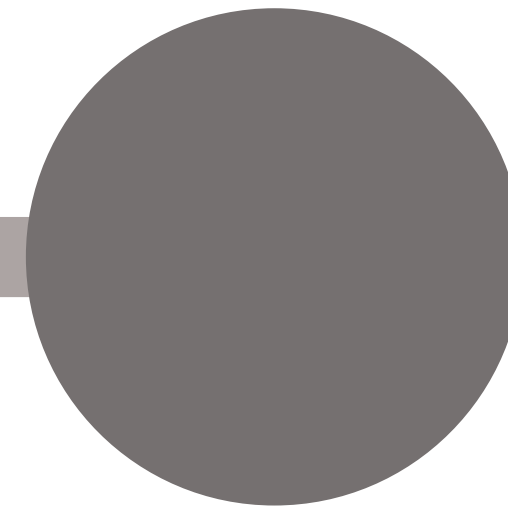
Preference for end-to-end fiber

# Program Phases

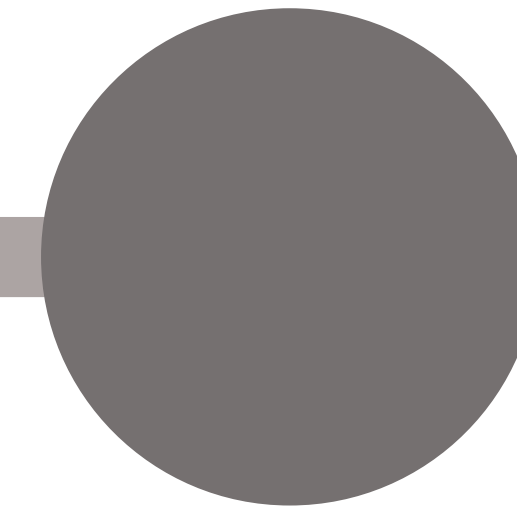
**Pre-Application Phase**  
Portal Open: March 18 –  
May 31, 2024\*



**Full Application**  
Portal Open: June - August 2024



**Potential Award Pro Forma  
Review and Award Process**



\*As currently proposed, subject to change.



# Pre-Application System

ZoomGrants

1. Applicant Information
2. Short and Narrative Responses
  - Applicant History
  - Workforce and Labor Standards
  - Hazard Mitigation
  - Diverse Supplier Inclusion Plan
  - Pro Forma Considerations
3. Workbooks
  - Construction Cost Schedule
  - Pro Forms
4. Documents and Supporting Material

**ZOOMGRANTS**

# Target Locations

Target Locations are the unserved and underserved homes and businesses, or community anchor institutions (CAIs), that are eligible through this program.

WVDED is developing the final list of Target Locations through the Challenge Process and deduplication efforts. WVDED encourages potential applicants to participate.

The current draft list of Target Locations is available here\*. Reminder, it is subject to change.



<https://tinyurl.com/mt9fnv8e>

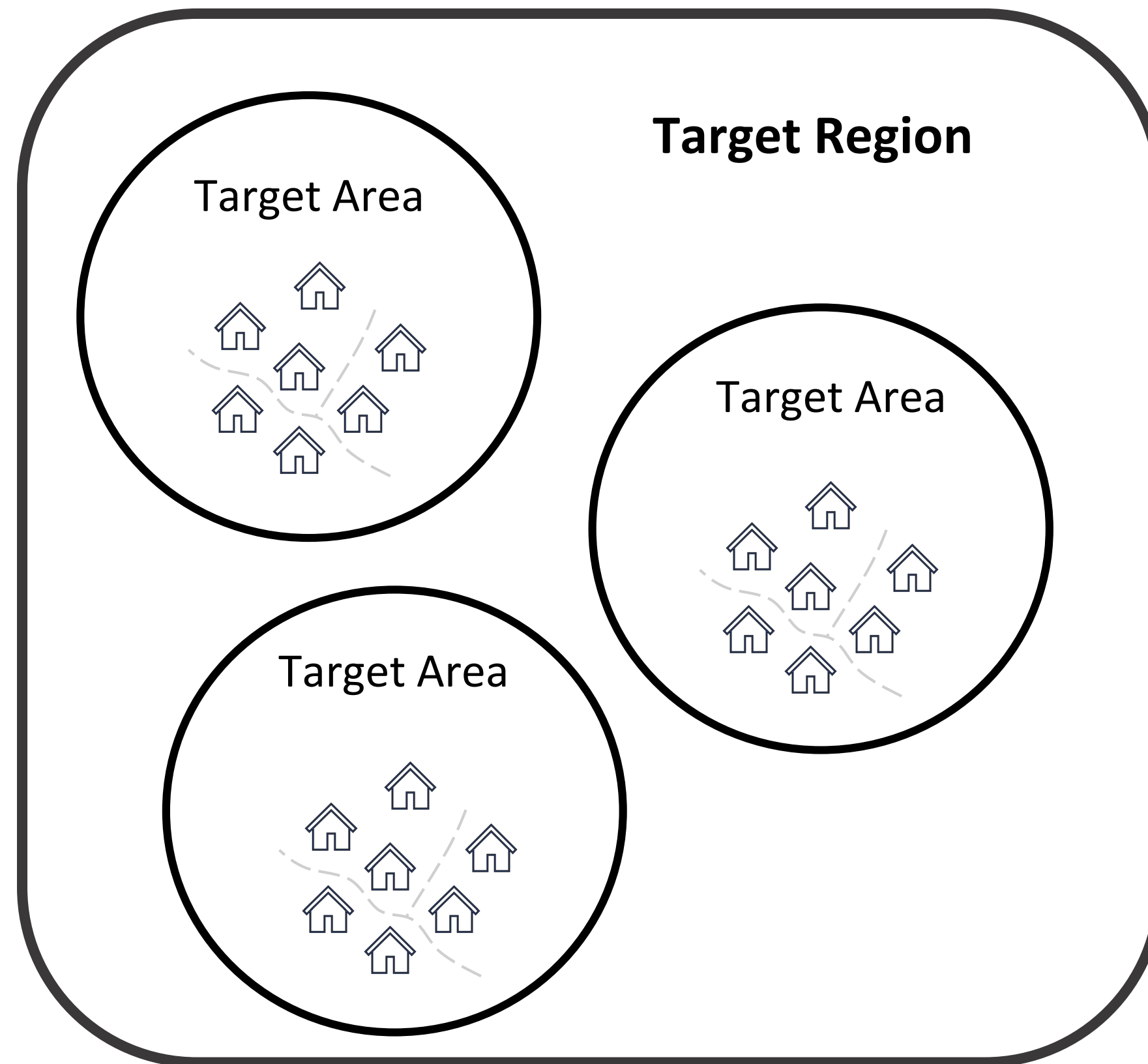
All applicants must obtain a CostQuest Tier D license. Use the Dec. 31, 2022, Jun. 13, 2023, update.



<https://tinyurl.com/3ndjmhce>

# Proposed Projects: Target Areas and Regions

To enable applicants to create Proposed Projects, WVDED has created Target Areas and Regions



## **Target Region:**

Groups of Target Areas

## **Target Area:**

Groups of Target Locations

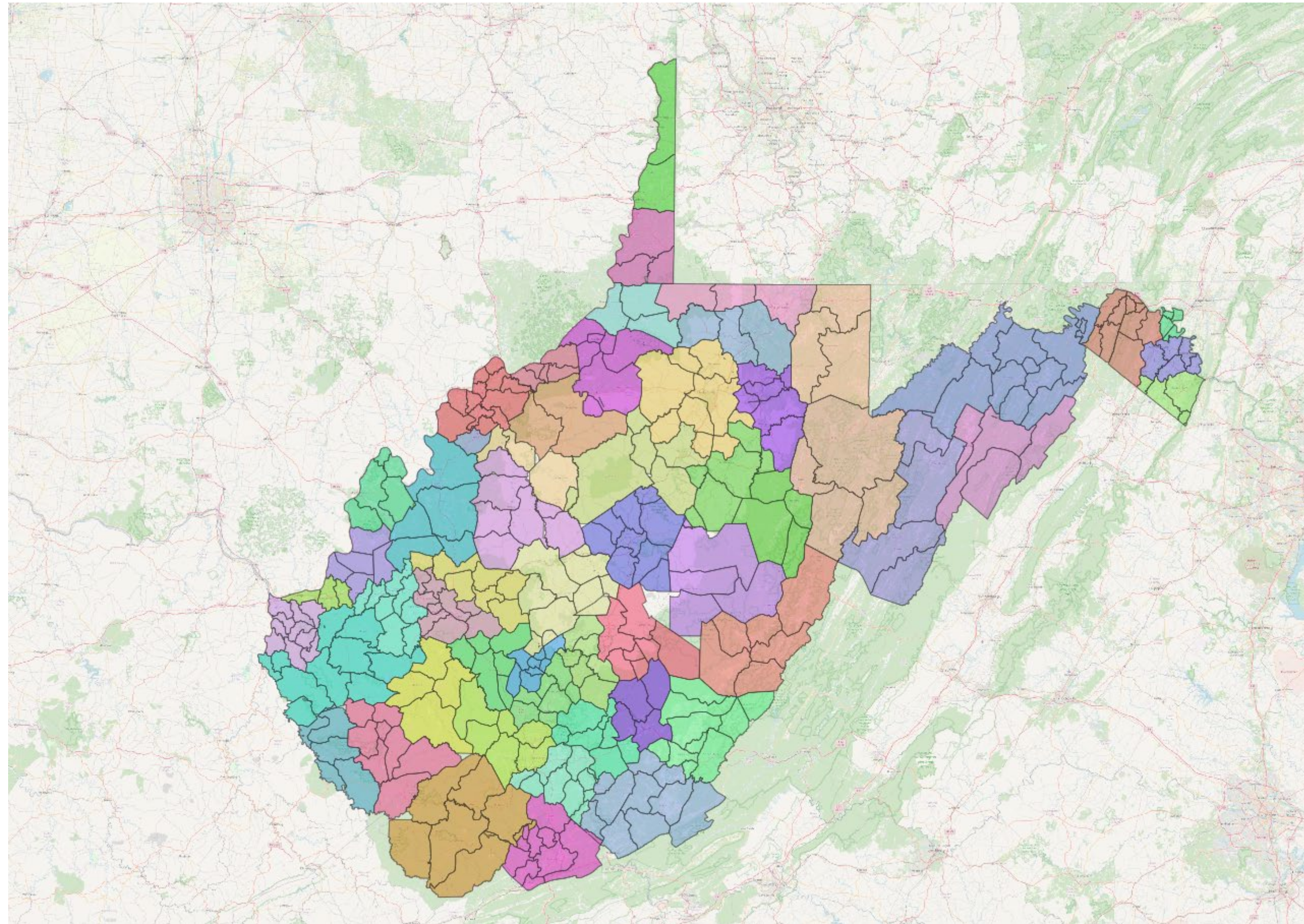
## **Target Location:**

Individual unserved and underserved homes and businesses, or eligible CAI



# Proposed Projects: Map

A draft Target Region and Area map is available for public comment



Draft Target Area and Region map  
available for public comment



<https://tinyurl.com/2ujjypse>



# Project Area Rules

1. If an applicant proposes a project that includes one Target Area in a region, it must propose one or more projects that include all Target Areas in a Target Region.
2. Proposed Projects from the same applicant may not overlap one another.
3. Dependent proposals are not allowed.
4. Proposed Projects may not include Target Areas from more than one Target Region.
5. Target Areas containing only CAI Target Locations must not be in a Proposed Project with any Target Areas containing unserved or underserved Target Locations

# Creating Proposed Projects

## Proposed Projects Rule #1:

If an applicant proposes any Proposed Project in a region, it **must create Proposed Projects that include all Target Areas in the region.**

However, it does not necessarily need to include all Target Areas in one Proposed Project.





# Creating Proposed Projects

## Correct examples

### Project Area:

Applicants may group Target Areas within a single region together into Proposed Projects in **any way** they see fit.

### Example (part 1):

Target  
Region 1

Area R

Area G

Area B

or

Project 1:

Area R

Area G

Project 2:

Area B

or

Project 1:

Area R

Project 3:

Area G

Project 2:

Area B

Project 1:

Area R

Area G

Area B



# Creating Proposed Projects

Incorrect examples

Target  
Region 1

Area R

Area G

Area B

Project 1:

Area R

**Missing G!**

Project 2:

Area B

Project 1:

Area R

**Missing G and B!**

Project 1:

Area R

Area G

**G is repeated!**

Project 2:

Area B

Area G

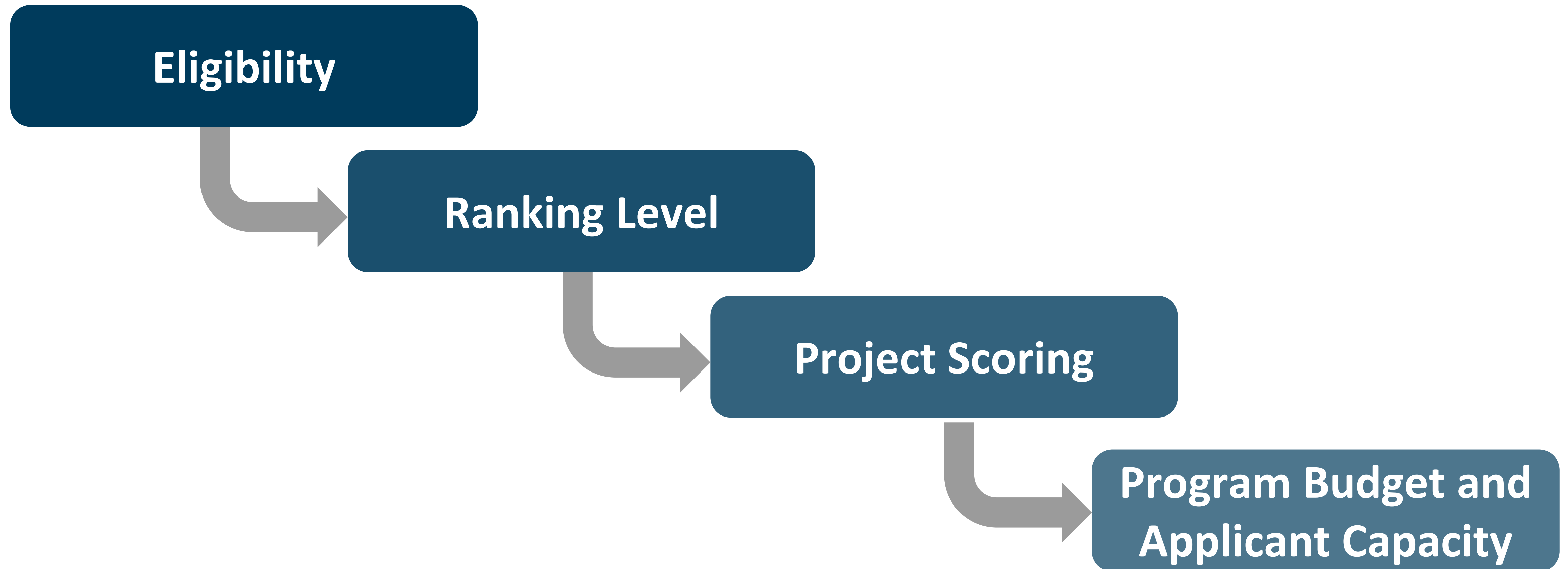
An aerial photograph of the Indiana State Capitol building, featuring its prominent blue and gold dome and a tall, ornate spire. The building is situated on a hill, with a river and surrounding urban areas visible in the background. The entire image is covered with a semi-transparent sepia-toned overlay.

# **BEAD Overview: Project Prioritization and Selection**



# Prioritization: Basics

Selecting projects for award proceeds step-by-step



# Prioritization: Ranking Level Based on Technology

In order of highest priority to least

**1** Priority Projects--those that will use end-to-end fiber technology\*

**2** Non-Priority Projects that use Reliable Broadband Service Technologies other than end-to-end fiber\*

**3** Non-Priority Projects that will not use a Reliable Broadband Service Technology, but otherwise meet the program technical parameters

\*Except projects exceeding the Extremely High-Cost Threshold

## Reliable Service Technologies

Service provided via:

- fiber-optic technology;
- cable modem/hybrid fiber-coaxial technology
- DSL technology
- terrestrial fixed wireless using licensed spectrum or hybrid licensed and unlicensed



# Program Budget and Applicant Capacity

“Circuit breakers” on the total award amounts across potentially awarded projects

## Program Budget


- The total cost of awarded projects cannot exceed the total program budget
- Limits on expensive projects exceeding an Extremely High-Cost Threshold
- If necessary, cuts to projects that serve Community Anchor Institutions and underserved

## Financial Capacity

- The total awarded projects to an applicant cannot exceed its ability to provide match and a Letter of Credit or performance bond
- Projects that would cause an applicant to exceed its Financial Capacity are ineligible for award

## Relative Capacity

- The total level of awarded projects to an applicant should not be excessively risky
- Limits on the total % of program awards that an applicant can receive
- Limits on the total cost of projects that an applicant may be awarded
- Evaluated based on the applicant's risk and demonstrated ability to develop and operate networks at scale



# **Program Overview: Key Requirements which may challenge some applicants**



# Eligible Expenses

This is a reimbursement program

Costs must be directly related to the upfront investment associated with installing and/or upgrading existing broadband facilities on the Proposed Project on a one-time, capital improvement basis.

Additionally, only costs directly associated with reaching Target Locations.

**Carefully review the draft program procedures for a detailed list**

# Match

- For each Proposed Project, applicants must provide a match of at least 25%
- No in-kind match
- Target Locations in areas identified by NTIA as high cost will not require match
  - These are based on NTIA's published high-cost areas, the data for which is included as a layer in the draft maps published by WVDED
  - "NTIA defined 'high cost' using a cost model that incorporates an area's remoteness, population density, topography, and poverty levels, and measures costs over the life of the network. NTIA defined "area" to mean census block groups."

NTIA's Methodology for High-Cost  
Areas can be Found Here



<https://tinyurl.com/4dx6n5p5>

# Letter of Credit or Performance Bond

Applicants must obtain one of:

Letter of Credit

Performance Bond

$\geq 10\%$  of award amount

## Pre-Application Phase

- Obtain a *commitment* to provide the Letter of Credit or Performance Bond, up to a specified dollar amount



## Prior to Award

- Obtain the Letter of Credit or Performance Bond, based on the amount to be awarded

The applicant must commit to maintain a letter of credit or performance bond of at least 10% of the award amount until it has completed buildout and/or the performance period ends.



# Cybersecurity

Prior to allocating grant funds, WVDED will require the prospective subgrantee to attest that:

- 1.) Subgrantee has a cybersecurity risk management plan in place that is EITHER:
  - a.) **Operational** (if subgrantee is providing service prior to the grant award); or
  - b.) **Ready to be operationalized** upon providing service (if subgrantee is not yet providing service);
- 2.) Subgrantee's plan reflects the latest National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity and Executive Order 14028 and specifies the security and privacy controls being implemented;
- 3.) Subgrantee's plan will be reevaluated and updated on a periodic basis and as events warrant; and
- 4.) Subgrantee's plan will be submitted to WVDED prior to allocation of funds. Any changes to the plan must be submitted to WVDED within 30 days.

# Deployment Benchmarks

## Compliance with Industry Standards and Guidelines

Applicants must demonstrate a plan for network resiliency, network hardening and risk mitigation addressing at a minimum:

- flood-prone areas;
- landslide mitigation; and
- snowstorm and ice mitigation.

To address these, applicants will be required to meet, at a minimum, the following standards, as applicable:

- Telcordia Blue Book – Manual of Construction Procedures – SR-1421
- FEMA Building Resource Library
  - FEMA P-348 – Protecting Building Utility Systems from Flood Damage
  - FEMA P-2181 – Flood Mitigation Handbook for Public Facilities
  - FEMA 182, Landslide Loss Reduction: A Guide for State and Local Government Planning
- West Virginia State and Regional Planning & Development Council Hazard Mitigation Plans.

Prior to operating their networks built as a part of the Program, applicants must produce and receive WVDED approval on a **disaster recovery plan** and **preventative maintenance plan**.

# Subgrantee Service Obligations

## Affordability and Low Cost Plans

- Affordable Connectivity Program – Subgrantees must allow subscribers to utilize ACP subsidy or any successor program
- Each Subgrantee must offer at least one low-cost broadband service option

## Consumer Protections

- Subgrantees must not impose data usage caps on any plans offered over a Funded Network
- Subgrantees must also not impose unjust or unreasonable network management practices (Subgrantee shall certify through semiannual reporting requirements)

## Access to Service

- Operators of funded networks shall provide access to broadband service to each customer served by the Project on reasonable and non-discriminatory terms.

## Public Notice

- Subgrantees will carry out public awareness campaigns of the value/benefits of broadband in their service areas in order to increase awareness and adoption of broadband service



# Scenario: Target Regions with No Proposed Projects

## Line extensions

Applicants with existing or previously funded fiber or cable networks in West Virginia with must accept up to 20% more grant funding to build line extensions, provided they do not exceed their financial and technical capacity

WVDED will prioritize assigning line extensions to eligible applicants with adjacent existing, awarded, or otherwise previously funded networks.

WVDED will ask that applicants use the same cost factors provided during the pre-application stage.

# Grantee Post-Award Rigorous Compliance

Grantees will be required to comply with the following State and Federal requirements, as applicable:

- Audit Requirements (State and Federal)

- Procurement Requirements

- Federal Property Requirements

- Regular Reporting Requirements

- Record Retention

- Transparency and Accountability

These post-award requirements will be covered in Grantee's grant agreement with WVDED, as well as a series of webinars and post award compliance guidance to be provided by WVDED and partners.

# Post-award Physical Reporting and Monitoring

## Project Oversight – Grantee Monitoring

- Submission of network designs and as-builts
- Review of expenses and requests for reimbursement
- Progress reporting to meet state and federal obligations
- Field audits to verify constructed plant completeness and quality
- Participation in state broadband mapping



**Note: The requirements in this compliance section follow the NTIA's BEAD NOFO:**  
<https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>



# Record Retention/Closeout

Subgrantees must:

- **Retain** records (financials, supporting docs.) related to grant agreement for **five years** from payment of final invoice/final expenditure report; and
- **Allow Access** to records and personnel to WVDED, Office of Inspector General, State Auditors

**Closeout of Award:** WVDED may condition closeout on receipt of final reports, confirmation that any monitoring/audit findings have been resolved. All outstanding reports due to WVDED within 90 days after end of period of performance.

# Enforcement - Clawback/Recoupment of Funds

If subgrantees fail to comply with Grant Agreement requirements, WVDED may:

- Deduct or withhold payments invoiced by subgrantees.
- WVDED may also disallow costs and recover funds disbursed on the basis of audit/review following closeout.
- Failure of subgrantee to substantially meet performance measures may result in suspension of reimbursement payments, termination of Grant Agreement, and or prohibition from future allocations until failures are resolved.
- WVDED further retains right to recapture funds due to cost underruns.

# BEAD Non-Deployment Activities





# Beyond Deployment

- ❖ **WVDED will determine BEAD funding levels for its non-deployment program after selecting projects through the deployment grant program.**
- ❖ **Proposed budget is \$50 million.**
- ❖ **The 3 non-deployment BEAD programs will be:**
  - ☐ **Workforce Development Grant Program**
  - ☐ **Digital Skills and Navigator Program**
  - ☐ **Affordable Device Distribution Program**

An aerial photograph of the Indiana State Capitol building, focusing on the large, ornate dome. The dome features a blue and gold pattern. The building is situated on a hill overlooking a river and a town. The entire image is covered with a sepia-toned overlay. The word "Questions?" is written in white, bold, sans-serif font on the left side of the image.

**Questions?**

# 2024 Broadband Summit



**Oct. 22-23, 2024**

Embassy Suites  
Charleston, West Virginia

*Agenda and registration details to follow.*







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