Arkansas BEAD Program

Frequently Asked Questions Document 2

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Reference Price and Requested Subsidy Questions

1. A bid with a requested subsidy greater than twice the reference price is not eligible for award in Tranche-1 or -2, so why would I submit a bid with a requested subsidy that is greater than twice the reference price?
   Although these bids will not be selected for award in Tranche-1 or -2, ARConnect may end up making selections during the negotiations phase at requested subsidies that are more than twice the reference price.

2. Will the reference prices change between Tranche-1 and -2?
   After Tranche-1, ARConnect will have empirical data which shows CBGs where ISP interest and competition is lacking. The office also will know how much funding will be required to make awards to applicants who were selected in Tranche-1. With this information, ARConnect will assess the opportunity to increase the reference prices after Tranche-1 in areas which lack competition (i.e., zero-bid CBGs).

3. How far below the reference price must someone request to receive the full 40 points in scoring rubric section 1.1 Minimization of BEAD Program Outlay?
   To receive 40 points in this section, an applicant would need to request $0.

4. If ARConnect only receives bids for a particular CBG in Tranche-1 and -2 that are more than twice the reference price, would the CBG be considered zero-bid?
   At the end of Tranche-2, ARConnect will need to directly engage ISPs in negotiations to achieve coverage in any remaining, unawarded CBGs (i.e., zero-bid CBGs). The CBG in question would still be unawarded at the end of Tranche-2, so ARConnect would directly engage with providers and seek to negotiate an award which covers the CBG.

Application Portal Questions

5. To what decimal place will points be awarded?
   ARConnect will round to the nearest hundredth decimal place.

6. When selecting a project area in the portal, will the portal show all locations or just the eligible locations on the map?
   The portal will show just the eligible locations on the map.

7. Are applicants required to bid in Tranche-1 to be eligible for Tranche-2?
   Yes.

8. Will applicants need to answer every question of the application for each new application they start?
   Yes. However, you may repeat answers which did not change between applications.

Scoring Rubric Questions

9. What if the baseline commitment price for the highest tier of service exceeds the 1/1 Gbps reference price of $85 per month provided for in the scoring rubric? How will affordability be assessed (Criteria 1.2, Affordability)?
   The score will be assessed based on how high or low the applicant's commitment is relative to the reference price for the relevant tier of service (in this case, $85 per month). Scores will be based on a linear scale. Please refer to the scoring rubric (2.4.2.2, Criteria 1.2) for more details.

10. Is there a linear scale providing points for deployment timelines between 24-48 months (Criteria 2.1, Speed to Deployment)?
    Applicants with a deployment timeline of less than 24 months will be awarded three points. There is no linear scale used to score Criteria 2.1, Speed to Deployment. Please refer to the scoring rubric (2.4.2.2, Criteria 2.1) for more details.

Pre-Registration Questions

11. On question number 36 in the pre-registration application, should the applicant list federal or state-funded broadband projects that the applicant has applied to (and are currently pending in the evaluation period)? Or, should the applicant only list awarded projects?
    The applicant should list awarded projects.

12. Can you clarify what information is required by the pre-registration application question number 46?
    Please name each funding program and provide a brief history of your compliance efforts. Some examples include timely filing of data location information (BSLs); accurate monthly and quarterly reporting; notification of all jurisdictional entities of planned construction and obtainment of all applicable permits.

13. Regarding question number 47 in the pre-registration application, can you confirm there are no Arkansas-specific programs planned?
    The State of Arkansas does not plan to introduce any state-administered, ACP-like or similar program. For clarification, see the following revised wording of question 47:

    *Please certify that you will participate in the Affordable Connectivity Program or any successor programs **for all eligible locations in Arkansas** that you are awarded, as required by BEAD Guidelines section 2.12.2.*

Provisional Selectee Questions

14. If you are the provisional selectee, when will you need to provide detailed engineering and financial information on the project?
    After Tranche-2, ARConnect will release a timeline for the requirements for provisionally-selected applicants. Ultimately, the program is governed by the expectation from NTIA that awards will be signed no later than 12 months from the approval of IPvII.

15. What happens if a provisional selectee gets rejected?
    If an applicant is selected for a provisional selection but cannot demonstrate capabilities required to execute the project (which will be separately evaluated at the project level for provisional selectees after Tranche 2), ARConnect may withdraw the provisional selection. ARConnect would then consider the next-highest-scoring available Tranche 2 application for selection, or if none is available, would pursue direct negotiations with other providers for the project area.

16. If the application of the Extremely High Cost Per Location Threshold (EHCPLT) impacts a provisionally selected CBG, will ARConnect first go to the provisionally selected applicant to discuss interest/usage of alternative technologies to lower project costs (before engaging directly with other providers of alternative technologies)?
    Any preliminary selections after Tranche-2 remain strictly conditioned on confirmation by ARConnect that all eligible locations can be served within Arkansas' total BEAD budget. If application of the EHCPLT is required to adjust the total award amount for all selections, ARConnect may provide notice to applicants with provisionally selected bids impacted by the EHCPLT, offering applicants the opportunity to modify their bids. Please refer to IPvII Section 2.4.10 for more details.

Match Commitment Questions

17. Will there be a field wherein applicants indicate the total project cost and proposed match? Will this contribute to their overall score and evaluation?
    ARConnect is not scoring applicants on their match commitment, so there is no field to enter your match commitment in the application portal.

18. Should we assume a 25% match commitment when we are filling out the requested subsidy in the application?
    You should request the amount of BEAD funding required for your business case to succeed. If the provisional selectee cannot demonstrate at least a 25% match commitment at the provisional selection stage when you provide your budget breakdown, ARConnect would request a waiver from NTIA to waive the commitment. It is not guaranteed that ARConnect would receive the waiver from NTIA, in which case an alternative selection would be considered.

Timeline Questions

19. When is Tranche-1 opening?
    The target date is second half of October. However, this is dependent on approval of IPvII and Challenge Process results by NTIA. Once approved, ARConnect will publish an updated timeline, which will indicate the opening date of Tranche-1.

20. When will the application portal be live?
    The portal will be live when Tranche-1 opens. **However, applicants must complete their pre-registration applications before they receive an invite to access the application portal.** For this reason, applicants are highly encouraged to complete their pre-registration applications prior to the opening of Tranche-1.

21. What is the length of time that a provider must commit to offering the low-cost plan as specified in the application?
    The provider must offer this plan for 10 years (the federal interest period) after the conclusion of the project execution phase.

22. When does the 48-month timeline for project execution start?
    The 48 months allowed for project execution (which is a federal BEAD requirement) starts at the time the subgrant award is signed.

23. How is project deployment and completion defined?
    Deployment and completion will be defined by project milestones. ARConnect will disburse funding on a fixed award basis upon verified and validated completion of associated tasks and milestones, subject to on-site verification and documentation audit. ARConnect will release supplemental materials regarding the fixed award reimbursement policy.

24. Do awarded applicants receive "notice of final award" after NTIA approval of the Final Proposal?
    Yes, after NTIA approval of the subgrant award in ARConnect's Final Proposal, each subgrantee will be notified. However, it is anticipated that the Arkansas General Assembly will also approve all awards following NTIA approval.

25. Are conditional grant agreements executed prior to NTIA approval of the Final Proposal, or does NTIA approval need to occur before any agreement is executed?
    NTIA approval of the Final Proposal is required, as well as approval by the Arkansas General Assembly, before any subgrant agreement can be executed.

Other Questions

26. When an applicant includes a CBG with zero eligible locations in its project area, can this bid include transport facilities which cross these CBGs?
Yes.

27. If a street divides two CBGs which have unserved homes on both sides of the street, can the ISP serve homes on the side of the street which are in the unawarded CBG?
Each ISP will only be permitted to use their awarded BEAD funds to serve the eligible locations within the subgrantee's awarded CBGs.

28. Will ARConnect consider the highest-scoring, non-priority bid in the negotiations phase if the non-priority bid's project area contains unwarded CBGs?
Yes, if the non-priority bid does not overlap with any priority bids.

Where to Find Materials

29. Where can I access Arkansas' draft Initial Proposal Volume II?
The draft Initial Proposal Volume II document can be accessed on Arkansas' BEAD webpage here: https://broadband.arkansas.gov/bead/.

Please note that this version is a **draft version** and approval by NTIA is pending.

30. Is the Letter of Support template available on the website?
Yes, it is available on Arkansas' BEAD webpage here: https://broadband.arkansas.gov/bead/.

31. We understand that ARConnect is awaiting NTIA approval of final eligible locations. However, we would like to start some preliminary market and cost analysis. That said, can we get the pending list of eligible locations, knowing that the list may change?
Please see the Arkansas BEAD webpage to find the **draft** eligible location datasets: https://broadband.arkansas.gov/bead/. An email announcement will be sent when the datasets are published.

32. Where can I find reference prices for the CBGs?
Please see the Arkansas BEAD webpage to find the **draft** reference prices for each CBG: https://broadband.arkansas.gov/bead/. An email announcement will be sent when the datasets are published.