

Arkansas BEAD Program

Frequently Asked Questions



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Pre-Registration Questions

- 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)? The applicant should list awarded project.
- 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.
- 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.

- Regarding question 20, if we intend to ask for a low-cost plan waiver in one of our applications (not all of them), how should we respond to question 20? You will still need to certify your commitment to offer a low-cost plan.
- 5. Regarding question 41, can you please clarify whether the pending or completed enforcement action, civil litigation, or matter related to non-compliance / alleged non-compliance specifically refers to broadband deployment projects? This question refers to broadband-related activities only.
- 6. In the requested Contract and Grant Disclosure and Certification Form, is a subgrantee a "subcontractor?" Also, does the form require the applicant's Federal tax ID (EIN) or the State of Arkansas tax ID?



No, a subgrantee is not a subcontractor. At this time, the applicant need not provide any subcontractor information or Tax ID information. Please make sure you include your legal company name (not the Tax ID) in the form.

- How should we answer question 24 and the supplemental questions if our 2023 audited financials are still with the auditors?
 Please answer "no" to question 24 and send your 2022 audited financials. Note, you will be required to supply your 2023 audited financials later.
- 8. Regarding question 34, how do we provide one answer for our years serving Arkansas and one answer for our years serving outside the state? Or do you want our total years of service both in-state and out-of-state? Please input the number of years serving just Arkansas and list the total number of states you have served in the narrative for organizational/managerial capacity.
- 9. Which source (User Guide Version 2.0 or the pre-registration application portal) should we use as the source of truth for pre-registration application questions? We observed some discrepancies in the questions. Thank you for bringing this to our attention. Please use the pre-registration application portal as the source of truth. We have now uploaded a User Guide Version 3.0.
- 10. In regard to the "AR State Funded BB Deployment Projects" spreadsheet, Column C has a drop-down list of different funding sources (ARPA Rounds 2A-2C, ARPA Round 3, and CARES Act State Funding 1A and 1B). Can you please shed some light on these categories and when each round took place? Please ensure you are using the latest version (4) named "Other Grant Funded BB Deployment Projects-VER04_20240802."
- 11. Also in regard to the "AR State Funded BB Deployment Projects" spreadsheet, do you need a list of our publicly funded projects only in Arkansas, or a list of our grant projects across our entire footprint?
 In the new version of this template, please list all federal and state programs in your footprint.
- 12. On question 12, do we simply ask distributors for proof of Build America, Buy America (BABA) compliance? Manufacturers are putting out their certifications with BABA, so ask suppliers for these certifications.
- 13. What is the deadline for pre-registration? Pre-registration is likely open through the end of Tranche-1, but you will not be able to access the Tranche-1 application until your pre-registration is complete.



- 14. Where can I find a detailed explanation of Build America, Buy America requirements for compliance?
 The BABA Compliance and Documentation Requirements and Procedures published by NTIA can be accessed here:
 Build America, Buy America Compliance and Documentation Requirements and Procedures
 Additionally for more information, applicants can visit the BABA Compliance and Self Certification page on NTIA's website here:
 BABA Compliance and Self Certification | BroadbandUSA
- 15. We received a notification that we need to revise our pre-registration materials. When is the revision required to be completed? Please respond to requests for revision within five business days. Rename your document in the following way: ISPname_question#_revision#_date. For example: ISPNAME_Q28_REV01_20240930
- 16. Who can we reach out to for further clarification on pre-registration topics, including revision requests? Reach out to argrants@mbakerintl.com for all pre-registration questions, including revision requests.
- 17. How do I confirm that my pre-registration has been approved? You should see "Qualified" instead of "In review" as your pre-registration application status.
- 18. How long will it take for ARConnect to review a pre-registration submission and send out revision requests? The review time varies. Generally, it ranges from a few days to a couple of weeks. You can reach out if you have questions on the status of your pre-registration.
- 19. Are the pre-registration revisions reviewed one by one, or must all revisions be complete before they get reviewed?
 It depends on the nature of the revisions and the number of the revisions. If an applicant has a question about the status of a revision, please reach out to argrants@mbakerintl.com.

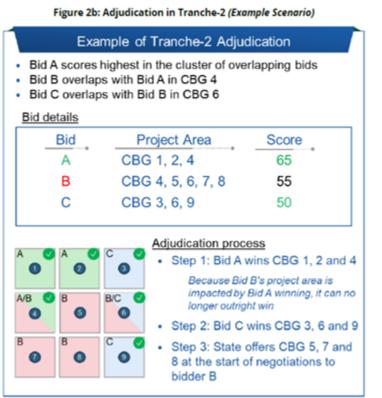
BEAD Process Questions

20. Is it a better strategy to submit multiple bids composed of singular CBGs or one bid with a larger project area composed of multiple CBGs?



A bid with a high number of CBGs is more likely to overlap with other bids but ultimately could win a larger project area. The rules are flexible for bidders to decide what strategy works best with their business goals.

21. In Tranche-2, why wouldn't Bid B be the next in line for an award? (see 2b from Applicant Primer)



In this scenario, Bid B has lost part of its project area due to overlap with Bid a, a winning bid. Since a bid (entire project area) is a unit of adjudication and cannot be broken into smaller parts, Bid B cannot outright with and is eliminated from the deconfliction process (allowing Bid C to win its entire project area). However, the state will approach Bid b after Tranche-2 to negotiate on CBGs 5, 7, and 8.

22. Why would non-priority bids be deconflicted in Tranche-1 given they have no chance of winning anyway?

Non-priority bids will receive a status at the end of Tranche-1 based on the results of deconfliction, with the status being either "closed" or "carried forward." Applicants will have the opportunity to modify their carried forward bids, including non-priority bids, to receive more points in Tranche-2.

23. 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.

24. 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).

- 25. 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.
- 26. 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., zerobid 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.
- 27. 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.
- 28. What happens if a provisional selectee gets rejected?

If an applicant is selected for a preliminary 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 preliminary 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.

29. If the application of the Extremely High Cost Per Location Threshold (EHCPLT) impacts a preliminarily selected CBG, will ARConnect first go to the preliminarily 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 preliminarily 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.

30. To prepare my bid application and project area, should I use CostQuest's fabric data release 5 or the list of eligible broadband serviceable locations (BSLs) from the ARConnect website?

Use the datafiles that are posted on the ARConnect website.

- 31. If two CBGs with BEAD-eligible locations are separated by a CBG with zero eligible locations, are they considered contiguous?
 Yes, and the applicant should include all three when defining the project area in the portal.
- 32. Will bids from Tranche-1 be made public after Tranche-1? The application and bid details from Tranche-1 will not be published. An updated map will be published, displaying which CBGs were selected in Tranche-1, along 4 with CBGs that are still available for bidding (applicants will also see which CBGs are Zero-Bid).
- 33. Are we allowed to change the technology type in a Carried Forward bid in order to reduce costs for Tranche-2? For example, can we propose 100% fiber in Tranche-1 but a hybrid of fiber and fixed wireless in Tranche-2?
 No, you may not modify the technology type proposed in your Carried Forward bid. An applicant should apply every bid they intend to submit in the process with their respective technology types in Tranche-1; therefore, in this scenario, both the 100% fiber and hybrid fiber-fixed wireless bids should be submitted in Tranche-1 by taking advantage of the rule that allows the same applicant to submit up to three separate applications for a given CBG. You are permitted to create new bids in Tranche-2 of any technology type(s), but you cannot include CBGs in your new bid which are part of a Carried Forward project area.

34. In the negotiation phase, will ARConnect still try to serve the eligible locations with fiber, if there are funds remaining? ARConnect would prioritize fiber options if the costs are reasonable, meaning that if there is a feasible opportunity to fund a location with fiber, ARConnect would prioritize that. Also, during negotiations, ARConnect may set the EHCPLT,



which determines the per-location cost above which ARConnect may select a proposal for alternate technology.

- 35. What kinds of new bids are applicants allowed to submit in Tranche-2? You are permitted to create new applications in Tranche-2 using the updated map of eligible Tranche-2 CBGs; this map will show you which CBGs were selected in Tranche-1 and are no longer available. The project area rules from Tranche-1 still apply. Additionally, when creating a new project area for Tranche-2, an applicant may not include a CBG that is part of a Carried Forward Tranche-1 bid project area.
- 36. What kind of technical and financial reviews will be completed on applicants' projects?

The technical and financial reviews will happen at the provisional selectee stage, and ARConnect will release supplemental guidance and detailed requirements at a later date. Applicants can refer to the BEAD NOFO (sections IV.D.2.a and IV.D.2.c) to view the requirements of Eligible Entities when reviewing subgrantees.

37. Regarding a subgrantee's obligation to reach a BSL, what happens if a property owner of a funded BSL will not agree to a private easement for our facilities to cross their property?

NTIA is expected to provide a mechanism to true this up over the life of a grant, but right now, the guidance has not been released. For now, applicants should prepare to serve all eligible BSLs on the finalized list of eligible BSLs (once released).

- 38. What happens if, during the construction phase, we find locations in our project area that are already being served? Subgrantees should build out qualifying service to those locations per the terms of their award.
- 39. How will the results and decisions of other state BEAD programs impact Arkansas' program? The result and decisions of other states will not impact how Arkansas runs the BEAD Program.
- 40. Are ISPs committed to servicing the project areas they have bid on and been preliminarily selected for, or is there a final agreement after the bidding process?

It is the expectation of the state that the submission of an application represents a commitment by the applicant in the event the application is selected. Applicants should not submit applications that they would not be willing or able to fulfill.



The final commitment will take the form of a signed subgrant agreement between the applicant and the state, after the state's Final Proposal has been approved by NTIA.

- 41. If only fiber (priority) bids are considered for award in Tranche-1, what would be the benefit of submitting a non-priority bid in Tranche-1? In order to participate in Tranche-2, an applicant must submit a bid in Tranche-1 (however, an applicant is not restricted to the same technology type for new bids in Tranche-2). Additionally, all bids submitted in Tranche-1 help ARConnect understand the cost to serve given areas and the overall demand in Arkansas as it prepares Reference Prices for Tranche-2.
- 42. If a CBG receives only a non-priority bid in Tranche-1, will ARConnect consider raising the reference price in that CBG to encourage fiber bids? If the *sole bidder* for a CBG does not meet Buy It Now criteria in Tranche-1, the CBG will be considered a Zero-Bid CBG. ARConnect will have the right to increase the reference prices for Zero-Bid CBGs before Tranche-2.
- 43. If a CBG receives only one bid that requests twice the Reference Price in Tranche-1, will ARConnect increase the Reference Price before Tranche-2? If the sole bidder for a CBG does not meet Buy It Now criteria in Tranche-1, the CBG will be considered a Zero-Bid CBG. ARConnect will consider increasing the Reference Prices for Zero-Bid CBGs before Tranche-2.
- 44. Will ARConnect share the methodology used to calculate the increase in Tranche-2 Reference Prices?
 No, ARConnect will not be publishing this methodology. ARConnect will use data received from bids in Tranche-1 as one input when calculating the updated Reference Prices.
- 45. Will a bid which requests twice the Reference Price in Tranche-1 be Carried Forward to Tranche-2? This bid may be Carried Forward if it does not overlap with a Buy It Now bid in Tranche-1.
- 46. 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

47. 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.

48. 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.

49. In Tranche-1, what is the criteria to win Buy-It-Now? Is project area size taken into consideration during deconfliction? Applicants must meet three criteria to win Buy-It-Now in Tranche-1:

Applicants must meet three chiena to win Buy-it-Now in Trar

- Criteria 1: The bid is a Priority (100% fiber) bid
- Criteria 2: The bid's Requested Subsidy (grant request) is lower than the cumulative reference price for the project area.
- Criteria 3:
 - o If the bid does not overlap with another priority bid, a Buy-It-Now bid must score higher than the Minimum Point Threshold (47.5 points)
 - If the bid overlaps with any part of another Priority bid, a Buy-It-Now bid must score 10 points or 15% higher than the next highest-scoring priority bid

Scale of geographic coverage is not considered during deconfliction, but it is part of the scoring rubric.

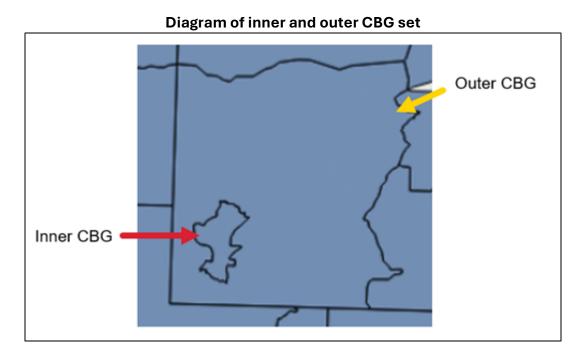
- 50. If a bid's project area is impacted by another bid in Tranche-1, can the bid be withdrawn, or will the bid be carried forward into Tranche-2? Applicants are not able to withdraw applications. However, if an applicant's project area is impacted due to an overlap with a Buy-It-Now bid in Tranche-1, then that bid will be closed and eliminated from the adjudication process.
- 51. If a single company bids on the same project area with both a fiber technology bid and a mixed technology bid, is that considered an overlap? The project areas would, by definition, overlap. However, priority bids are not compared to non-priority bids and are adjudicated first. Therefore, the fiber bid would still be eligible for Buy-It-Now as priority bids are only scored against each other in Tranche-1.

Application Questions

52. Which CBGs have to be bid on together?

When a CBG sits within the boundaries of another CBG, the applicant must include both CBGs in its project area if bidding for either. Please refer to this diagram for a visualization of this scenario.





When a CBG sits within the boundaries of another CBG, the applicant must include both CBGs in its project area if bidding for either. Please refer to this diagram for a visualization of this scenario. The following set of outer and inner CBG(s) must be bid on together because the inner CBG(s) sit within the outer CBG. Please note, this list of CBG Ids is a **draft** and will be finalized after the conclusion of the Challenge Process.

Outer CBG ID	Inner CBG ID(s)
050219501002	050219506002
051174601002	051174601003
	051174601004
051074806002	051074806001
050014808001	050014808002
05099092003	050990902001
	050990902002
051039503023	05103950321
051399502002	051399502003
051114901002	051114901004
050674801001	050674801004
	050674801003
	050674801002
051114901001	051114901005
050619502002	050619503003



050619503004

- 53. If an applicant misses the Tranche-1 closing date, can it still submit a late bid? No, if an applicant misses the Tranche-1 closing date for any reason (including failure to press "submit" on an otherwise complete application), it will not be allowed to submit the bid at a later date. Once Tranche-1 is closed, ARConnect will stop accepting Tranche-1 bidding applications.
- 54. How is ARConnect confirming the validity of fiber designs and that the costs match up with the design specifications? Professional Engineering stamps will be required. ARConnect will hire a subcontracting firm to perform a technical review, which will ensure the costs are reasonable from a design perspective.
- 55. To what decimal place will points be awarded? ARConnect will round to the nearest hundredth decimal place
- 56. 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.
- 57. Are applicants required to bid in Tranche-1 to be eligible for Tranche-2? Yes.
- 58. 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.
- 59. 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.
- 60. 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.



- 61. How many eligible CBGs in Arkansas are there? Currently, based on the draft list of eligible locations and CAIs, there are 1,428 eligible CBGs. This number is subject to change as we finalize the location data from the Challenge Process
- 62. Can letters of support from government officials be signed digitally, or must they be printed and signed in ink? Please obtain a printed signature from the official.
- 63. Do we have to use the letter of support template provided by ARConnect, or can we use our own format?You must use the provided template. Otherwise, ARConnect will not accept or award points for the letter of support.
- 64. After Tranche-1 opens, are applications due two weeks later? Yes, the window to submit your application will be two weeks. For this reason, ARConnect is publishing materials and resources ahead of Tranche-1 opening.
- 65. We are identifying more "eligible locations" than what is reflected on the Arkansas map. It is extremely unlikely that these "missing" locations were eliminated through the Challenge Process. When we identify these "missing" locations, should we consider the cost of reaching them when forming our bids? No. For now, you should rely on the draft datasets we publish which list the eligible BSLs. Once approved by NTIA, we will publish updated datasets, and the revised datasets will be the official lists of BEAD-eligible locations in Arkansas. You may use BEAD funding to deploy only to those locations.
- 66. How and when will we be able to relate location ID's to their geolocation? Is that available within the fabric?You need to obtain a Tier D license from Cost Quest to see the full data available for each location ID, including the geolocation.
- 67. To complete a bid application, will applicants be directed to upload documents in the portal or insert text answers into textboxes? There will be a combination of document uploads and text entries. Ultimately, to encourage participation, ARConnect is trying to keep the application relatively simple in order to reduce the level of effort and resources required to complete an application. ARConnect will provide more guidance on the application portal questions before the application opens.
- 68. Can school board members provide letters of support if the school is not part of the project footprint?



School board members that provide a letter of support should be a member of a school board that has jurisdiction over an area that is included within the proposed project footprint.

69. Is there a template for providing our history of compliance to federal labor and employment laws?

Applicants with 3 or more years of operational experience will need to provide a narrative description of their history of compliance to federal labor and employment laws in the application. Additionally, all applicants will be expected to certify their willingness to provide information specified in IPvII section 2.7.1 at the provisional selectee stage.

- 70. Are fixed wireless applications allowed during Tranche-1, or is a provider required to apply for fiber in Tranche-1 and submit a new application for fixed wireless on the same CBGs during a later tranche? An applicant should apply every bid they intend to submit in the process (with their respective technology types) in Tranche-1. So, in this case, the applicant should submit their fixed wireless bid in Tranche-1. In Tranche-2, you will not be able to bid on CBGs which are part of your Carried Forward project areas (if any) from Tranche-1. We strongly encourage you to submit all of your bids (and technology types) in Tranche-1 for your desired project area(s) and business case(s).
- 71. How does an applicant score in Workforce Support?

Applicants will have the opportunity to answer questions to demonstrate their workforce support plans and initiatives. Applicants can refer to the Scoring Rubric (3.1) to see examples of the seven workforce support initiatives that can earn them up to five points. If an applicant has workforce initiatives that are not listed, they should select the most similar example and explain their initiative in the textbox that will be provided.

72. Can an applicant change from buried fiber in Tranche-1 to aerial fiber in Tranche-2?

Applicants will have to indicate whether they will achieve 85% or higher as a share of fiber that is buried (as opposed to aerial) for their project. An applicant may not change their answer to this question for a bid that is Carried Forward from Tranche-1 to Tranche-2.

73. Is there a method for an applicant to bid fiber (priority) but list hybrid options in case we want to bid with hybrid technology in Tranche-2? Applicants will need to submit these as separate applications. This applicant, for example, might submit two bids for the exact same project area: one bid application can use fiber, and one bid application can use hybrid technology. Applicants are permitted to bid for the same CBG up to three times.



- 74. How many steps is the official submission of the application? Official submission is three steps. Once complete, applicants will have the opportunity to review their answers and press "Submit Application." After an applicant presses submit, applicants will complete a required attestation to verify the validity of their application. Then, applicants will be asked if they are sure they want to submit, to which an applicant will click "Yes" to officially submit.
- 75. How many users may an applicant have in the system at one time, working on an application? Additionally, how many users or admins will be able to officially submit the application?
 There is no limit to the number of users an applicant may have in the system.

Additionally, all users have the same permissions, so anyone in the system can officially submit an application.

- 76. What is the difference in a non-priority bid and alternative technology bid? Non-priority bids do not propose to deploy end-to-end fiber-optic facilities to each end-user premises, but instead propose to deploy, in whole or in part, a non-fiber Reliable Broadband Service technology. Non-priority bids are eligible for selection in Tranche-2. Alternative technology bids propose to utilize low earth orbit (LEO) satellite and/or unlicensed fixed wireless and are not eligible for selection until the direct negotiation stage.
- 77. When will applicants be able to start using the application portal? An application portal workshop is being planned for the week of December 9th. A user guide for the application portal will also be released prior to the opening of Tranche-1.
- 78. Will the "in review" process for applications occur during the two-week application window or after the application period has closed? Application triage will occur during the 2-week application period.
- 79. Is there a CSV template to upload CBGs to an application? Yes, a CSV template will be available in the application portal to upload CBGs.
- 80. What makes an application a "priority" application? In accordance with the BEAD NOFO, the term "Priority Broadband Project" means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises. A project which includes any use of non-fiber technology or alternative technology will be considered a "non-priority" project.
- 81. For the scale of geographic coverage points, if your project area is less than 500 locations, do you get one point or zero points?



Applicants whose project area contains less than 500 locations will receive zero points for scale of geographic coverage.

- 82. On the topic of scoring, is there any greater or less weight given to state or local elected officials? Does a senator give more credence than a JP? No, all letters of support score the same number of points regardless of the type of official who signs them.
- 83. What will happen if an ISP is awarded a bid in Tranche-1, but after further review determines the bid awarded is not feasible for the company? What are the ISP's options in that instance?

It is the expectation of the state that the submission of an application represents a commitment by the applicant in the event the application is selected. Applicants should not submit applications that they would not be willing or able to fulfill.

The final commitment will take the form of a signed subgrant agreement between the applicant and the state after the state's Final Proposal has been approved by NTIA.

- 84. For application Question 12 ("How many years of operational experience do you have?"), is it specific to operations in the state of Arkansas?
 No. Years of operational experience is not specific to operations only in the state of Arkansas.
- 85. Application Question 11 (Local Coordination) asks to upload up to 5 letters of support. Should we combine our letters into one document? Please upload each letter of support separately.
- 86. Are letters of support required? How many letters of support can be submitted for Question 11, and are they all weighted the same? Letters of support are not required for application submission, but they are scored. Any application can have up to 5 letters of support. All letters of support are worth 0.5 points, up to a total of 2.5 points.
- 87. Can the same letter of support be used in more than one application? Yes, if you are bidding on a specific geographic area more than once, then you may reuse letters of support. For example, if you have a letter of support from a judge in a particular geographic area, and that area is included in more than one bid, you can reuse the letter of support.

88. Who can sign letters of support?

Letters of support must be from officials within the geographic area you are bidding on. Eligible local government officials could include the following individuals:



- State: State Representative, State Senator
- County: County Judge; Justice of the Peace
- Municipality: Mayor, Member of City Council
- School District: Member of the School Board
- 89. How should we respond to the questions regarding fair labor practices? ARConnect cannot provide direct guidance on narrative responses. However, please refer to Section 02.07.01 of IPvII for more details regarding fair labor practices.
- 90. For questions 14-18 (workforce support section), how does this apply if most of the construction is done by contractors? These questions are for forward looking plans to help develop a qualified workforce, and the state recognizes that not all prospective subgrantees will have finalized contractor commitments at the time of the application. In this case, answers based on the applicant's expected requirements and practices for contractors may be provided. In addition, answers should not be limited to construction roles.
- 91. How will answering "yes" or "no" on Questions 14-18 (workforce support section) impact scoring?
 Applicants will be awarded 1 point, for up to 5 points, for each workforce support initiative they commit to. For further scoring details, please refer to the scoring rubric, which can be found in IPvII and the Applicant Primer.
- 92. If we have submitted an application, will we be able to delete it? No. An application cannot be deleted after it has been submitted. Please ensure the application is complete before submitting.
- 93. Is there a specific device or browser that should be used for the application portal?

Laptops and computers are best for filling out applications; the portal will not be mobile phone compatible. The portal is most compatible with Chrome, Firefox, and Edge browsers.

94. Will the portal show your score as you go?

No. The portal will not display the score as you answer questions. Applicants should reference the scoring rubric, which is found in IPvII and the Applicant Primer.

95. Is there a way to download all applications into one export?

Applicants will not be able to download all applications into one export. However, they are able to download each application as a PDF. Location data from an application will also be available for download as an Excel file.



- 96. How are priority projects weighted versus non-priority projects? In Tranche-1, only priority projects will be eligible for preliminary selection. In Tranche-2, priority projects and non-priority projects will be eligible for preliminary selection. However, an applicant must submit an application in Tranche-1 to be eligible to compete in Tranche-2. Therefore, applicants should submit all feasible applications, both priority and non-priority, in Tranche-1.
- 97. Will an upload of network designs be required in the application? Applicants are not required to submit network designs as part of the application. Applicants that are preliminarily selected will be required to provide details on their network design.
- 98. On Question 1C (baseline price for highest tier of service) what if our highest tier plan is greater than 1G? How will the Broadband Office address affordability if our highest plan is greater than 1G? The affordability score will be based on the price to be offered for gigabit symmetrical service, irrespective of any higher tiers to be offered by the provider.
- 99. In Tranche-2, can you bid on a CBG that was not included in any of your Tranche-1 project areas?

Yes. Applicants may bid on available CBGs in Tranche-2 that were not included in their Tranche-1 bids. Remember, however, any CBG subject to a preliminary selection in Tranche-1 will not be available for bidding in Tranche-2.

- 100. Will there be a positive confirmation that the system has received our bid? Yes. Applicants will see a notification within the portal that the application was successfully submitted. In addition, every account associated with an organization in the applicant portal will receive a notification when an application is submitted.
- 101. In order to get the full 3 points for speed to deployment, does the timeline have to be within the 2 years or can it be exactly 2 years? The timeline must be less than 24 months to be awarded the full 3 points for speed to deployment, not equal to 24 months.
- 102. How can we obtain a CostQuest license to view location data? Information, as well as the link to request a Tier D license, can be found on the NTIA website here: <u>CostQuest Licensing | BroadbandUSA.</u>
- 103. Should we remove the organization name in any of the narrative questions in the application?



No, this is not necessary. However, please note that applications will be anonymized during the adjudication process.

- 104. Will all teammates within an organization receive an email when an application is submitted?
 Yes. Every account associated with an organization in the applicant portal will receive a notification when an application is submitted.
- 105. Is the point system posted somewhere? Yes. The scoring rubric is listed in IPvII as well as the Applicant Primer, both of which can be found on the <u>Arkansas BEAD Webpage</u>.
- 106. For our response to Question 1C (the baseline price commitment), what service speed should be referenced? The price applicants commit to is tied to the technology type selected in Question 1A.
- 107. Could we choose to charge \$85/month for a plan that is less than 1G? Applicants should input whatever price is feasible for their organization for the appropriate service type and required speed. Priority bids will be scored based on a reference price of \$85/month for 1/1 Gbps service. Non-priority bids will be scored based on the reference price of \$37/month for 100/20 Mbps service.
- 108. Is there somewhere in the application that shows the total reference price for all CBGs included in the application?
 Yes. The total reference price for a project area is listed in Section 1: Select Locations under the "Saved census block groups" dropdown.
- 109. Can we work on multiple applications at one time? Will there be a list of our applications to work on each time we are in the portal?
 Yes. Applicants may have multiple applications in progress at one time.
 However, applicants cannot have multiple open side by side. It is crucial to save work on one application before opening another one. Please ensure that you submit all applications once they are complete.
- 110. Is the User Guide available on the website now? The Application User Guide is available on the <u>Arkansas BEAD Webpage</u> under the heading "Application Resources." You may also download it directly by using this <u>link</u>.
- 111. What are the key points in adding incremental capacity? The question about adding incremental capacity can be addressed in several ways such as plans for network upgrades or scaling fiber backhaul. Applicants should coordinate with engineers within their organization for this question.



112. Does the application ask for a budget?

Applicants are not required to submit a budget during the application, only the requested subsidy amount (grant request). The requested subsidy amount should represent, at most, 75% of the project budget unless a waiver is granted by NTIA based on evidence of economic need for a given project. Applicants that are preliminarily selected will be required to provide details of their budget.

113. Does the application ask about match funds?

Applicants are not required to submit match funds during the application, only the requested subsidy amount (grant request). The requested subsidy amount should represent, at most, 75% of the project budget unless a waiver is granted by NTIA based on evidence of economic need for a given project. Applicants that are preliminarily selected will be required to provide details of their match contribution.

- 114. When seeking signatures for letters of support, how can applicants share project details without sharing specific information related to applications? ARConnect provided guidance to the officials who may be asked to sign letters of support on the questions they are permitted to ask applicants.
- 115. How much time will preliminary selectees have to submit network designs, commitment letters, and project budgets? ARConnect will provide more details on the timeline at a later date.
- 116. How will hybrid technology applications be scored? Applications will be scored based on the lowest technology class to be provided. For example, if an applicant plans to deploy both XGS-PON fiber and non-fiber technology (1000/500 Mbps), the application would score 1 point.
- 117. Will applications proposing multiple technology classes only have to commit to the baseline price for the highest tier of service? For example, will an application proposing both fiber and non-fiber technology only provide the 1G pricing commitment? Yes. Applicants only have to commit to a baseline price for the highest tier of service being provided.
- 118. How many points will an applicant receive for scale of geographic coverage if they are covering a whole county that has less than 3,000 locations? Applicants whose project footprint covers 100% of locations in a county, regardless of the exact number of locations, will receive 5 points for scale of geographic coverage. Applicants whose project footprint does not cover all locations in a county will be scored according to the scale listed in the scoring rubric.



- 119. If an applicant bids on the whole county, does that mean they are bidding on all locations within that county?
 By bidding on a CBG, applicants commit to serving all eligible locations within that CBG. If an applicant bids on an entire county, that means they are bidding on all CBGs within that county that have eligible locations.
- 120. Do applicants have to bid on an entire county? Applicants do not need to bid on an entire county. A project footprint can be as small as one CBG.
- 121. In Tranche-2, can new bids include a CBG that was not included in an applicant's Tranche-1 project areas? Yes. Applicants may bid on *available* CBGs in Tranche-2 that were not included in their Tranche-1 bids. Remember, however, any CBG preliminarily selected in Tranche-1 will not be available for bidding in Tranche-2.
- 122. Will a bid that requests more than two times the reference price in Tranche-1 be closed or carried forward to Tranche-2? If the bid is not impacted by a Buy-It-Now bid, it will be carried forward to Tranche-2.
- 123. Where is Arkansas location data available? The eligible location data is on the <u>AR BEAD Webpage</u> in the CBG Reference Price and BSL Resource section.
- 124. Regarding affordability, are applicants expected to offer the baseline price to all customers or just to customers who qualify based on NTIA's criteria? The baseline price for the highest tier of service that a provider supports (*i.e.*, the service and price scored as primary criteria 1.2) must be made available to all customers on the BEAD-funded network. Applicants will be permitted to adjust their plan costs annually based on the U.S. Bureau of Labor Statistics' annual Consumer Price Index. Affordable plan commitments will last per the term of Federal interest 10 years after the year in which the subgrant for a project has been closed out in accordance with 2 CFR 200.344.
- 125. Will there be a file upload option for the Fair Labor Practices and Workforce Support questions?
 No. However, ARConnect will increase the word limit for these questions. The word limit for Fair Labor Practices and Workforce Support is now 600 words.
- 126. Is the PE certification required for the application?



No. Network designs with the PE stamp will only be required for preliminary selectees at the end of the selection process. However, applicants are encouraged to begin preparations for this requirement as soon as possible.

- 127. Regarding the scoring for Criteria 1.2, Affordability, IPvII provides the example that if an applicant commits to a plan priced at 120% of the reference price, then they will receive 10 points. However, according to the scale provided in TA Session #7, an applicant who commits to a plan price at 120% of the reference price would receive 7.5 points. Which one is correct? Scores for affordability will be based on a linear scale, with applicants committing to plans that are, on average, 50% higher than the reference price receiving zero points and applicants committing to plans 50% lower than the reference price receiving 25 points. Therefore, an applicant who commits to plans priced at 120% of the reference price would receive 7.5 points.
- 128. Will signed letters of support collected in 2024 suffice for the Tranche-1 application?

Letters of support will be accepted so long as the signatory was in office at the time the letter was signed.

- 129. How can bids carried forward from Tranche-1 be modified in Tranche-2? According to IPvII, applicants may *only* modify their Tranche-1 Carried Forward bids in the following ways for Tranche-2:
 - 1. Reduce the requested subsidy and/or
 - 2. Add either contiguous, competitive CBGs and/or any zero-bid CBG
 - 3. *If and only if CBGs are added*, increase the requested subsidy Applicants are encouraged to submit all good-faith bids in Tranche-1.
- 130. Is the latency for the technology type measured from the customer to the edge of the network or from the customer to a speed test site at an interexchange point?

According to the BEAD NOFO, page 64, "In order to demonstrate continue compliance with these standards, subgrantees must perform speed and latency tests from the customer premises of an active subscriber to a remote test server at an end-point consistent with the requirements for a Commission-designated IXP."

131. Is the 48-month deployment deadline per project or for all projects awarded to a company?

According to the BEAD NOFO, page 43, "All subgrantees that receive BEAD Program funds for network deployment must deploy the planned broadband network and begin providing services to each customer that desires broadband services within the project area not later than four years after the date on which the subgrantee receives the subgrant from the Eligible Entity." Additionally, the



deployment deadline pertains to the project footprint presented in the application.

132. What will happen if an applicant certifies to have 85% buried fiber in the project but then determines only 65% can be buried once the project is underway?

Applicants are not required to have 85% buried fiber for their project. It is, however, a scored element. While changes may be required as the project is underway due to unforeseen circumstances, applicants should certify such information under a good-faith commitment.

133. Do apprenticeship programs need to be in place to select yes to Question 14 in the application?

No, apprenticeship programs do not need to be in place at the time of application. However, the program would be expected to be in place at some point during the project lifecycle.

- 134. If an application has multiple CBG's, is the deployment timeframe the time it would take to cover all CBGs in the project footprint? Yes.
- 135. Can applicants be selected for only a portion of the CBGs included in an application?

In Tranche-1, no. At the end of Tranche-1, all applications will either have the entire project footprint preliminarily selected, carried forward to Tranche-2, or closed.

- 136. Is the Scale of Geographic coverage scored based on the total number of locations across all applications an applicant submits?
 No. The Scale of Geographic Coverage is scored based on the number of locations for each individual application.
- 137. On Question 19 regarding letters of commitment to hire Arkansas graduates, is it acceptable to approach an organization like ACC.org and commit to hire graduates from their training programs? Working with organizations like ACC.org is acceptable.
- 138. What is considered demonstrated compliance with Federal Labor Laws? What are the labor laws referenced in Question 12b? Any information that will substantiate applicants' compliance with labor laws is sufficient. A list of Federal Labor Laws can be found <u>here</u> on pages 7, 8, and 9.
- 139. Is there a maximum number of CBGs that can be included in an application? No.



140. Will the portal be different than the one used for the workshop on December 11?

The application portal will be in the module used for pre-registration. Substantively, the portal is the same as the one used for the workshop.

- 141. Can each CBG be included in a maximum of three separate applications? Yes. Any one CBG can be included in up to three different applications.
- 142. Is buried fiber determined by including drops to a house or just the main line? Buried fiber is based on the main line. Drops to an end user are not considered.
- 143. How long does the rate for the affordable plan commitment have to be offered? How will the Affordability section be scored if an applicant offers a low introductory rate for the first 24 months and then increases the rate in month 25?

As stated in IPvII, for the Affordability criteria, applicants will commit to a baseline price for the highest tier of service that they support as disclosed in their deployment bid. Applicants will only be permitted to adjust their plan costs annually based on the U.S. Bureau of Labor Statistics' annual Consumer Price Index. Affordable plan commitments will last per the term of Federal interest, as determined by the NTIA.

Timeline Questions

- 144. When is Tranche-1 opening? Tranche-1 will open on Tuesday, January 7th.
- 145. What is the length of time that a provider must commit to offering the lowcost 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.
- 146. 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.
- 147. How long will we have to view the finalized data sets (location IDs and Reference Prices) before we will be expected to submit bid applications? Once the finalized datasets are published, ARConnect expects that Tranche-1 would open ~4 weeks from then. Tranche-1 will be open for bidding for ~2 weeks. Thus, applicants are expected to have ~6 weeks to view the updated data sets and finalize their bidding applications.



148. Can you explain the "period of performance?" Is that "period" the same for all subgrantees? If so, can you speak to how long that period is? As stated in the <u>BEAD Policy Notice</u>, subgrantees must deploy the planned broadband network and begin providing services to each customer that desires broadband service in the project area no later than four years from the date the subgrantee receives the subgrant from ARConnect. ARConnect may seek to extend the period of performance by up to one year, under extenuating circumstances. The useful life of the network, or the Federal Interest Period, will continue for 10 years after the year in which the subgrant has been closed out in accordance with 2 CFR 200.344.

149. How long will it take to complete an application and enter all data into the portal, once the portal opens?
If an applicant uses the scoring rubric and application checklist (in the Applicant Primer) to prepare the application details prior to the opening date, it should not take long to complete an application.

150. What is the expected time between Tranche-1 and Tranche-2? It depends on the volume of bids we receive and must adjudicate. Applicants will have a minimum of three weeks between Tranche-1 and Tranche-2.

Letter of Credit Questions

151. What is required regarding the letter of credit?

During the application, applicants must provide an attestation that a Letter of
Credit or Performance Bond is required for the grant agreement. While
applicants do not need the actual Letter of Credit or Performance Bond at the
time of application, it is recommended they start preparing for it as soon as
possible. For bids that are preliminarily selected at the end of the bidding
process, ARConnect must receive commitment letter from a qualified financial
institution or performance bond issuer. The actual Letter of Credit or
Performance Bond is needed when it is time to execute the grant agreement.4

- 152. Can an applicant do a performance bond instead of having to obtain a Letter of Credit (Requirement 2.4.11B)?
 Yes, an applicant can opt for a performance bond instead of obtaining a Letter of Credit from an eligible bank. The requirement to obtain a Letter of Credit is waived under the conditions described in section 2.4.11C of IPvII.
- 153. When is the letter of intent for the Letter of Credit due?



The letters of intent (als referred to as "commitment letters") must be submitted to ARConnect after preliminary selection and prior to ARConnect's Final Proposal submission to NTIA. For applicants that are preliminarily selected at the end of the bidding process, ARConnect must receive a commitment letter from a qualified financial institution or performance bond issuer.

Match Commitment Questions

154. 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. Preliminary selectees will outline matching funds in their project budgets. Proof of expenditure of matching funds must be provided as part of the reporting at reimbursement milestones.

155. 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 preliminary 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.

Low-Cost Plan Questions

156. At what point in the process can we submit a waiver for filing the low-cost rate?

BEAD applicants may request waivers to the baseline low-cost plan rate based on evidence of financial non-viability. ARConnect expects that an applicant would request this waiver after the applicant is selected provisionally, at which time the applicant would prepare to share the project's financials (including the benefits of the BEAD subaward) with ARConnect.

Please see section 2.12.1 in Initial Proposal Volume II for more details.

157. Is the monthly low-cost plan inclusive of the USF contribution and other taxes and fees?



In accordance with the BEAD NOFO requirements, subgrantees are required to offer this low-cost plan – inclusive of all taxes, fees, and charges billed to the customer, including upfront and ongoing fees. Applicants will be permitted to increase the baseline rate for their low-cost plans annually, based on increases to the Bureau of Labor Statistics' Consumer Price Index for the calendar year. See section 2.12.1 in Initial Proposal Volume II for more information.

158. How does a customer qualify for the low-cost plan? Any household meeting the requirements used for the Affordable Connectivity Program is eligible for the low-cost plan in Arkansas.

See NTIA BEAD NOFO section I.C.(j).

- 159. Can we add other services and products to the low-cost option at an increased price?No, the low-cost plan option is all-inclusive.
- 160. Do we need to offer the low-cost option as Internet only? Yes. Internet access must be offered with speeds of at least 100:20 Mbps and may not be contingent on the purchase of other bundled services.
- 161. With the low-cost option, can we provide a range of speed, or do we need to provide a set speed? Internet access must be offered with speeds of at least 100:20 Mbps.
- 162. For the low-cost plan, are we required to work with USAC to determine customer eligibility and enrollment and follow USAC's procedures for updating eligibility? NTIA has not yet identified a federal mechanism for determining eligibility. Ultimately each subgrantee is responsible for ensuring that all eligible households within a BEAD subgrant area can access the low-cost plan option.
- 163. With the low-cost and affordability plans, if a service provider does not increase prices in year one, is the year two allowable increase the total of the Consumer Price Index (CPI) year one and year two increases? Or would the allowable increase be limited only to the year two CPI change? Applicants will be permitted to increase the baseline rate for their low-cost and affordability plans annually, based on increases to the Bureau of Labor Statistics' CPI for the calendar year. If an applicant does not increase their price in year one and chooses to increase in year two, they will not be limited by the fact that they did not increase in year one.



Allowable Cost Questions

- 164. Is there an NTIA or Arkansas document that provides guidance on what expenses are allowable as part of the project's budget? Arkansas will release supplemental guidance on the Fixed Amount Subaward reimbursement policy which will include guidance on allowable expenses. For general guidance, please see 2 CFR Part 200 Subpart E – Cost Principles (eCFR :: 2 CFR Part 200 Subpart E -- Cost Principles) for federal guidance on allowable expenses under federal awards.
- 165. Are intercompany lease agreements an eligible expenditure? If it is a long-term lease with monthly payments, are the monthly amounts included in the GAAP-compliant financial report? If the underlying deployment activity is itself an eligible expense, the use of an intercompany lease has no separate bearing on allowability. More generally, subgrantees are responsible for following GAAP practices and should rely on their professional accounting staff in making those determinations.
- 166. Are taxes (income, sales, and property) considered an allowable expense? Under the applicable federal guidelines for BEAD subgrants, taxes that the recipient or subrecipient is required to pay and which are paid or accrued in accordance with GAAP are generally allowable.
- 167. Are the financing fees associated with obtaining a letter of credit considered an allowable expense? Yes.
- 168. How should providers account for long drops, especially in rural areas? Long drops are allowable expenses and may be included in budgeted subgrant costs. Note, for BSLs to be considered "reached," providers must be able to deploy service, at a standard installation charge, within 10 business days after the service request is submitted.
- 169. To what extent are operational expenses eligible, if at all? Per the BEAD FAQ 1.16, "The BEAD Program does not restrict eligible uses of funds to capital expense." Examples of eligible uses of funds can be found on page 39 of the BEAD NOFO including:

1. Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings.

2. Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.



3. Deployment of internet and Wi-Fi infrastructure within an eligible multifamily

residential building.

4. Engineering design, permitting, and work related to environmental, historical and cultural reviews.

5. Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts).

6. Network software upgrades, including, but not limited to, cybersecurity solutions.

7. Training for cybersecurity professionals who will be working on BEADfunded

networks.

8. Workforce development, including Registered Apprenticeships and preapprenticeships, and community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades.

Please note that costs must be **reasonable**, **necessary**, **allocable**, and **allowable** for the project.

Partnerships and Consortia Questions

170. Is it possible for two companies to split a CBG?

Fundamentally, an applicant cannot split a CBG in an application because CBGs are the unit of your project area. However, more than one ISP are permitted to apply together as a partnership. If the partnership's application is selected through the adjudicatin process, the ISP's who are in partnership will work with ARConnect to confirm which partner will serve which locations in the CBG.

171. Do partnerships and consortia need to stay intact through the performance period or through the useful life of the network? If a partnership is selected for award, ARConnect will structure the award in a way that is beneficial to the program goals and maintains compliance to the program requirements. This will depend on how the partnership is structured and how it proposes to conduct the build. The partnership may need to remain intact through the period of performance, or ARConnect may need to evaluate alternative proposals.



- 172. Do consortium members need to form a separate legal entity that would contract with ARConnect if awarded, or does each member contract directly with ARConnect for the portion of the project area they are committing to serve? ARConnect will consider requests to disaggregate consortium selections into separate final subgrant agreements for individual consortium members, if it is determined that such a step would be in the best interests of the efficient administration of the program. Note that in all such cases, a subgrantee must fully meet all qualifications of the BEAD program; therefore to the extent a consortium entity relied on different capabilities of different members to establish minimum qualifications, disaggregated subgrant awards may not be permitted.
- 173. How do partnerships and consortia participate in the Arkansas BEAD program?

Multi-entity parties should complete a single pre-registration application to register a partnership or consortium. Also, please declare to the office via email (broadband@arkansas.gov) the decision to apply as a partnership or consortium, and designate the lead applicant (for future correspondence). Please disclose all applicants who will be involved in the partnership or consortium.

- 174. If two entities have separately pre-registered and decide to form a consortium to bid on a CBG, do they need to jointly pre-register as a consortium? Yes.
- 175. What information will be collected from the partnership or consortium? Question 37 in the pre-registration application requires the disclosure of the ownership structure. Applicants may point to the capabilities (operational, technical, managerial) of any entity in the partnership or consortium when completing the pre-registration application.
- 176. How will partnerships complete and submit applications? Designate one lead entity within the partnership that will take responsibility for submitting the application and coordination with the other entities participating in the partnership.
- 177. How do the bidding rules apply to partnerships and consortiums? Bidding rules apply separately to the consortium or partnership joint entity, irrespective of how the individual entities apply on their own. For example, an applicant may apply for a CBG up to 3 times independently and up to 3 times through a partnership, because partnerships are treated as independent applicants.



Milestone Reimbursement Questions

- 178. Since reimbursement will be based on locations reached instead of miles of fiber laid, would it be beneficial to reach the denser areas first? The process for justifying the incurred costs will be the same, regardless of the density.
- 179. Will ARConnect consider milestones based on miles laid instead of locations reached, since location coverage is not usually fully complete until the end of the project?

We invite applicants to send comments to the draft reimbursement milestones through next Friday, November 1. Note, "reached" is defined in our milestones by when the subgrantee can perform a standard installation of qualifying broadband service, at a standard installation charge, within 10 business days after the date on which a service request is submitted

- 180. Can ARConnect estimate the amount of time between a subgrantee providing evidence of milestone completion and the reimbursement fulfillment? At this time, it is difficult to estimate this. ARConnect will request the reimbursement from the U.S. Department of Commerce, and the on-site visit will also need to occur. ARConnect will seek to minimize the turnaround time as much as possible.
- 181. Through the fixed amount reimbursement policy, can the ISP reduce the performance bond or letter of credit amount as milestones are achieved? If the subgrantee obtains a letter of credit or performance bond for 10% of the subaward amount, under section 2.4 of the <u>BEAD Letter of Credit Waiver</u>, the subgrantee may not reduce the amount until it has completed the buildout of 100% of locations or until the period of performance has ended (whichever comes first). If the subgrantee does not want to utilize section 2.4 under the Letter of Credit Waiver, ARConnect will discuss the alternative requirements for letters of credit and performance bonds with the ISP.
- 182. How does the milestone reimbursement approach work with the cost match requirement?

Match must be reported by the subgrantee to ARConnect proportional to each milestone met. Applicants can read more about the match requirement under fixed amount subawards on page 7 here (see "Policy Notice Guidance").

183. If I am between the 25% and 50% project BSL milestones, can I request reimbursement based on a per-location amount? Yes, if an applicant uses a letter of credit or performance bond that is 10% the subaward amount. If an applicant has not achieved its next milestone (in this



example, 50% project BSLs), they still must file for reimbursement at the 6month mark, at a minimum. There will be a proportional amount of funding released at the time, depending on the progress.

- 184. Once a milestone is reached, will ARConnect have to request approval from NTIA to receive the BEAD funding before disbursing funds to the subgrantee? ARConnect will not seek NTIA's approval of the (evidence of) milestone achievement. Rather, once ARConnect is satisfied that the subgrantee has met all of the criteria for reimbursement under the subgrant agreement, ARConnect will request funding from U.S. Commerce and disburse funds to the subgrantee as soon as is practical.
- 185. Do applicants need to show that they have requested all permits to receive 10% disbursement (at the 20% disbursement milestone)? Or can they show that they are actively requesting permits based on our project timeline? ARConnect understands that applicants will likely need to continue obtaining permits during the build phase, and it may be difficult to predict permitting needs that may rise later in the project. The milestone is intended to focus on the reasonably understood set of primary permits required to ensure that a deployment project will be able to proceed with its main activities and that the subgrantee has taken all reasonable steps to secure those permits. In reviewing requests for disbursement at this milestone, ARConnect will welcome additional context from subgrantees about any unique permitting requirements associated with their deployment projects.
- 186. How will an ISP provide proof of BABA compliance for milestone #2? Is this different than what is required in the pre-registration application? Yes. At this milestone, an applicant will need to demonstrate that they have obtained a contract for BABA-compliant equipment. The pre-registration application does not require the actual contract with the supplier.
- 187. Materials, engineering, staging, and make-ready costs can be significant upfront costs in these projects. Will we be able to seek reimbursement for these costs in the initial milestones and reimbursement filings? Yes. You can request reimbursement for these costs after you incur the expenses and when you file for reimbursement in the early stages of the project. The achievement of a milestone unlocks the ability to receive a specific portion of the award (the disbursement percentage).
- 188. Can you describe the reimbursement process, i.e., will it be monthly, quarterly, or milestone-based? If the latter, can you estimate the time between expenses incurred and expenses reimbursed?



ARConnect will be releasing supplemental guidance on the fixed award reimbursement policy soon. This will also include guidance on the milestones for reimbursement.

189. If ARConnect approves a grant project budget and schedule, and the subgrantee can complete the project under-budget, is the subgrantee entitled to 100% of the agreed-upon grant amount upon completion? Arkansas is executing a true fixed amount subaward process. Therefore, the subgrantee will be reimbursed for their full grant amount, assuming compliance with disbursement requirements. Please be aware that grant amounts should represent, at most, 75% of your estimated project budget, to be supplemented by a minimum of a 25% match unless a waiver is granted by NTIA based on evidence of economic need for a given project.

BABA Questions

190. Does every piece of equipment used for BEAD projects that does not have a waiver need to be BABA compliant?

Per <u>BABA FAQ Q1.3</u>, "the Buy America preference applies to an entire infrastructure project, even if it is funded by both Federal and non-Federal funds under one or more awards (see OMB M-24-02, Section IV). As noted in the final waiver of the Buy America Preference for the BEAD Program, the DOC de minimis Waiver can be applied "to other network equipment." One hundred percent of the optical fiber, fiber optic cable, OLTs, rOLTs, OLT line cards, optic pluggables, standalone ONT/ONUs, cabinets, vaults, pedestals, and closures and terminals used in BEAD-funded broadband infrastructure projects must comply with the Buy America Preference, as set forth in the final waiver." Please also see BABA FAQ Q1.5, "How will DOC's de minimis Waiver affect BEAD grants?"

191. Are optical network units (ONU) and optical network terminals (ONT) covered by the waiver if they do not have router functionality? DOC waived application of the Buy America Preference in its entirety to "combined ONT/ONUs," which it described as "devices that provide the functions of an ONT or ONU, provide ethernet and/or Wi-Fi access to the customer premises, and perform routing, security, and other management functions (e.g., a combination ONT/gateway router that provides all ONT and gateway router functions on a single device." "Standalone ONT/ONTs" used in BEAD-funded broadband infrastructure

projects must be produced in the United States in a manner consistent with Section III.A.2.a.iv of the BEAD BABA Waiver.



- 192. Can providers use non-BABA compliant items if they do not submit them for reimbursement? Generally, no. For more details, please see <u>BABA FAQ Q1.3</u> and Q1.4, but also see BABA FAQ 1.5.
- 193. For providers who are only adding additional line cards and optics to existing infrastructure to reduce the overall project cost, is there a process to allow for the use of non-BABA compliant line cards and optics? No. For more details, please see <u>BABA FAQ Q1.3</u>.

Other Questions

- 194. Is Citizens Broadband Radio Service considered Reliable Broadband Service for non-priority bids? Yes.
- 195. 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.
- 196. 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.
- 197. 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

198. If Arkansas has leftover funds after awards are made, where will the funds go?

Arkansas' top priority is to achieve 100% coverage in the state. If, after 100% coverage is achieved, there are leftover funds under the BEAD grant, ARConnect will look to advance additional priority broadband projects across socioeconomic sectors, including education, healthcare, small business, and agriculture, with a focus on innovative solutions.

199. Will ARConnect revise any procedures for alternative technology due to the NTIA's proposed guidance and imminent final guidance for alternative technology?



ARConnect will implement any final NTIA Policy Notice requirements for alternative technologies but will not otherwise make any changes to the subgrantee selection process. Based on the draft Policy Notice as of August 26, 2024, ARConnect would simply implement the required process concurrently with the "Direct Negotiations" phase that will follow Tranche-2.

- 200. Is NTIA going to leverage USAC's National Verifier for Lifeline? NTIA has indicated that it intends to make available to Eligible Entities and BEAD subgrantees a national verification system for determining low-cost plan eligibility of a given subscriber but has not yet provided further details.
- 201. Does the Professional Engineering (PE) stamp (required with the technical specifications at the provisional selectee stage) need to be from a licensed engineer in the state of Arkansas or an engineer licensed from any state? PE stamps will need to accompany the technical specifications. The engineer may be licensed in any of the 56 Eligible Entities.
- 202. In certain CBGs, there are a few locations near the edges that we know are very close to another provider's existing fiber. Can we assume that post-award, we'll be able to contract with this provider to reach them? Yes. As a subgrantee, you are permitted to hire this provider as a contractor. Subgrantees remain accountable for ensuring service is provided to all locations within their project area, even if they contract the work to another provider.
- a. If yes, is it also OK to contact that provider in advance of submitting our application to confirm that they'd be willing to serve as a contractor? Yes, but keep in mind that once the application process begins, applicants are prohibited from coordinating or colluding on Arkansas BEAD bidding matters.
- b. In the event we do contract with another provider to reach those edge locations, would these locations become their customers?
 The applicant (the recipient of the award) would retain responsibility for ensuring that these locations are served under the BEAD program requirements.
- 203. Will the ReConnect5 award announcements impact the BEAD process in any form?

ARConnect will deconflict the ReConnect5 locations prior to the BEAD application process, time permitting.

- 204. Will there be a location true-up process during or after the build phase? We are anticipating a true-up process during or after the build phase, but we are awaiting further guidance from NTIA.
- 205. Where can I submit my questions related to Arkansas BEAD? Submit questions to broadband@arkansas.gov, and we will answer your questions in the weekly FAQ documents.



- 206. Will the map be updated with the current eligible locations? The map of eligible locations will be updated once the results of the Challenge Process are finalized and approved.
- 207. Can the status of a BSL's eligibility change?

The current listing of unserved and underserved BSLs that ARConnect has provided is in draft format and is subject to NTIA approval. Once the list has been approved by NTIA, their eligibility will be finalized and therefore cannot be modified for the purposes of the BEAD Program. ARConnect will announce the approval and publication of the final list of eligible BSLs

208. Will we be able to view the updated Reference Prices at the same time as the final list of eligible BSLs?

Yes, we will release these datasets together.

209. Is the affordability plan all inclusive? What all is included in the commitment price?

The affordability plan commitment is the total price, inclusive of all charges and fees associated with the tier of service. However, taxes, other government related fees, and equipment charges are not included.

210. Related to guidance on conduit access from Page 66 of the BEAD NOFO, how will Arkansas address conduit access points for projects proposing to lay conduit? How will "regular and short intervals" and "excess conduit capacity" be defined?

Page 66 of the BEAD NOFO directs that ARConnect "shall consider the adequacy of the prospective subgrantee's proposed excess conduit capacity and access points when evaluating the application." Given expected variation in project characteristics, ARConnect will evaluate the adequacy of applicant's proposals on a case-by-case basis.

Where to Find Materials

- 211. Where can I access Arkansas' draft Initial Proposal Volume II? The Initial Proposal Volumne II document can be accessed on Arkansas' BEAD webpage here: <u>The Arkansas BEAD Program - Arkansas State Broadband Office</u>
- 212. Is the Letter of Support template available on the website? Yes, it is available on the Arkansas BEAD webpage here: <u>The Arkansas BEAD</u> <u>Program - Arkansas State Broadband Office</u>



- 213. Where can we find the pending list of eligible locations? Please see the Arkansas BEAD webpage to find the **draft** eligible location datasets: <u>The Arkansas BEAD Program - Arkansas State Broadband Office</u>. An email announcement will be sent when the datasets are published.
- 214. Where can I find the reference prices for the CBGs? Please see the Arkansas BEAD webpage to find the **draft** reference prices for each CBG: <u>The Arkansas BEAD Program - Arkansas State Broadband Office</u>. An email announcement will be sent when the datasets are published.
- 215. Can we watch recordings of previous sessions? No, the TA sessions are not recorded. However, the materials are posted online at the link below, under Arkansas State Broadband Office Resources > Technical Assistance (TA): <u>The Arkansas BEAD Program - Arkansas State Broadband Office</u>
- 216. Where can I find a map of the CBGs in Arkansas? Refer to this link: <u>Block Groups – 2020 Census | Arkansas GIS Office</u>
- 217. Are questions asked in sessions available? Yes, all questions are tracked and are answered in subsequent FAQ documents. Answers put forth in the FAQ documents should be considered the offical answers to all questions.