MOSSADAMS
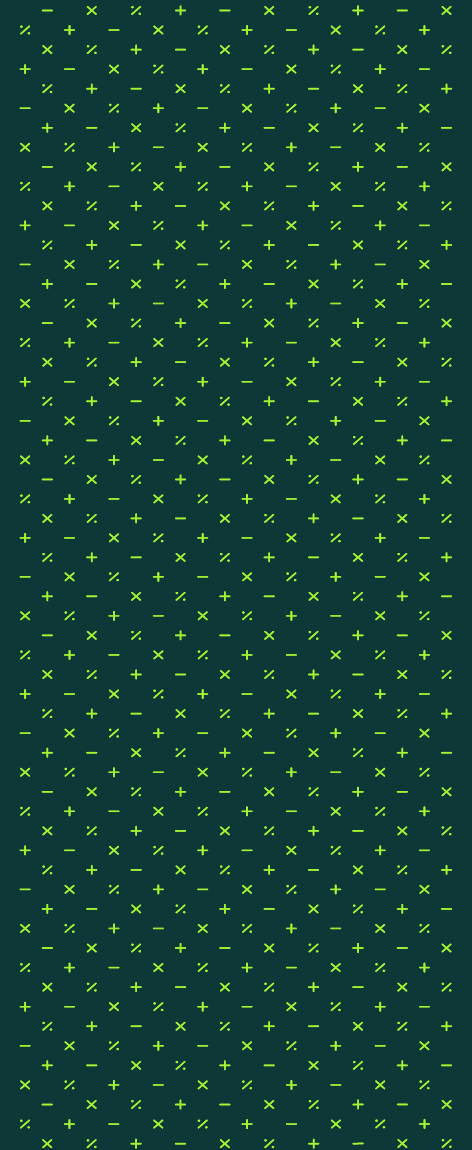
NTTA Tribal Broadband Summit
"Navigating the Broadband Continuum for Tribal ISPs"

From Planning to Operations

Presented by: Moss Adams
Doug Kitch, CPA, Partner
Rob Strait, Partner
Chad Duval, Partner
Chris Barron, Senior Manager

Agenda Items

- **The Broadband Continuum**
  - ISP Planning
  - Needs Assessment/Market Study
  - Network Design
  - Financial Forecasting & Feasibility
  - Operational Assessment
  - Funding Review
  - Grant/Loan Application
  - Deployment
  - Operational ISP

Realizing Potential

- Moss Adams is a fully integrated professional services firm dedicated to personally assisting clients with growing, managing, and protecting prosperity.

- With more than 3,800 professionals across more than 30 locations, we work with many of the world's most innovative companies and leaders.

Our Locations

◄ **30+**
locations west
of the Mississippi

- **ARIZONA**
Phoenix

- **CALIFORNIA**
El Segundo
Fresno
Napa
Orange County
Pasadena
Sacramento
Salinas
San Diego
San Francisco
Santa Rosa
Silicon Valley
Stockton
Walnut Creek
Woodland Hills

- **COLORADO**
Denver
Colorado
Springs

- **KANSAS**
Kansas City

- **NEW MEXICO**
Albuquerque

- **OREGON**
Eugene
Medford
Portland

- **TEXAS**
Dallas
Houston

- **UTAH**
Salt Lake City

- **WASHINGTON**
Bellingham
Everett
Seattle
Spokane
Tacoma
Yakima

Industry Focus

Here you'll discover the advantage of industrial grade expertise. Beyond technical acumen, our professionals are steeped in the market sectors they serve. Our keen understanding of industry trends and challenges permits us to anticipate and respond to opportunities for our clients that might otherwise go untapped.

AEROSPACE & DEFENSE	AGRIBUSINESS	APPAREL	AUTOMOTIVE & DEALER SERVICES
COMMUNICATIONS & MEDIA	CONSTRUCTION	FINANCIAL SERVICES	FOOD & BEVERAGE
FOREST PRODUCTS	GOVERNMENT SERVICES	HEALTH CARE	HIGHER EDUCATION
HOSPITALITY	LIFE SCIENCES	MANUFACTURING & CONSUMER PRODUCTS	NOT-FOR-PROFIT
OIL & GAS	POWER & UTILITIES	PRIVATE CLIENTS	PRIVATE EQUITY
PROFESSIONAL SERVICES	REAL ESTATE	RESTAURANTS	RENEWABLE ENERGY
RETAIL	TECHNOLOGY	TRANSPORTATION & LOGISTICS	TRIBAL & GAMING
WINE, BEER & SPIRITS			

▲ 30+
Industries served

Communications & Media

- Dawn breaks on compelling and influential ideas in the communications and media industries. Whether you're an incumbent local exchange carrier (ILEC), competitive carrier (CLEC) or an internet service provider (ISP), ***prosperity is built on the ability to recognize opportunity and the willingness to embrace it***. Your engagement team has deep insight into your industry's complex regulatory environment and can deliver industry-specific tax, assurance, and consulting guidance for your unique circumstances, so you can focus on growing your business.

Crater Lake— A monument to perseverance, North America's deepest lake filled to 1,949 feet over 720 years.

DEEP

- **95+**
  - professionals
- **225+**
  - ILEC telecommunications clients across the nation
- **300+**
  - communications and media clients across the nation

Value Proposition: Specialized Services & Professionals

Telecommunications Clients

Moss Adams provides an array of vital services to telecommunications clients across the nation.

Who We Work With

- Incumbent Local Exchange Carriers
- Competitive Local Exchange Carriers
- Mobile Wireless Providers
- Internet Service Providers
- Transport and Backhaul Providers
- CATV and IPTV Providers

Specialized Telecommunications Services

Cost Consulting	Assurance & Tax	Financial Forecasting	Business Intelligence/ Data Visualization
Broadband Funding/ Grants	State and Federal Regulatory Compliance	USAC Audit Preparation	State and Federal Regulatory Policy
Benchmarking	Tariff and Rate Development	State and Federal USF	Network Provisioning, Compliance & GIS/Mapping

Invested in the Telecommunications Industry

Pursuing opportunity creates prosperity in the telecommunications industry. Whether you're upgrading your local loop network with fiber or pursuing a merger or acquisition, potential for growth abounds if you're willing to seize it. We understand your industry's complex regulatory environment and the challenges you face—from incorporating emerging technologies into your business plan to adapting to regulatory change—and can help you cultivate the financial and operational strength you need to succeed. At Moss Adams, we aim to exceed your expectations in several key areas:

- Telecommunications Expertise in All Disciplines
- Heavy Federal & State Regulatory Involvement & Strategy
- Proactive & Collaborative Approach to Client Service
- Focus on Client Education
- Valuable Benchmarking, Forecasting & Data Tools
- Access to Complex, Value-Added Services when the need arises
- Reasonable Fees

Regulatory Reporting & Compliance Services

Following is a summary of some of the regulatory reporting and compliance services that we offer. This is not a comprehensive list and we can generally assist clients with any requirements they may have.

Lifeline Compliance	NECA	Network Compliance Services
• Developing Lifeline enrollment and recertification materials and procedures • Marketing material development • Staff training • Lifeline audit and data validation assistance	• Reporting • Line count forecasting • Loop support	• AOCN/NECA Tariff 4 • ASRs/LSRs • CALEA compliance • Network Provisioning & CLEC implementation • Local number portability

FCC Form 477: Broadband Reporting	State and Federal Tariffs	Telecommunications Training
• Preparation and submission of semiannual filings • Geocoded data by census tract • Mapping & Shapefiles	• New service offerings • Rate development and monitoring • Product development • Tariff rewrites	• Customer Proprietary Network Information (CPNI) • Federal and state regulatory reporting • Monthly & Special Webcasts • Revenue assurance (CABS)

FCC Form 481: Carrier Annual Reporting	Regulatory and Proceeding Expertise	FCC Form 497: Lifeline
• Filings • Preparation and review of responses	• State and FCC regulatory proceeding support • Expert testimony • Regulatory strategy and policy development	• Monthly and quarterly filings • Procedural reviews of internally prepared filings • Internal compliance audits to prepare for USAC or OIG audits

FCC Form 499	State, Local & Telecommunications Taxes	State Regulatory Compliance
• Quarterly and annual filings • Procedural reviews of internally prepared filings • Internal compliance audits to prepare for USAC or OIG audits	• Excise Taxes • Property Taxes • Telecommunications Taxes & Surcharges • Municipal Taxes	• Annual Reports • Eligible Telecommunications Carrier Filing • USF Filings & Rate Cases • Expert Witness Testimony

Communications & Media Partners

Clay Sturgis
Practice Leader

Gregg Amend
Assurance Partner

Camille Christiansen
Assurance Partner

RJ Delmese
Consulting Partner

Cheri Burnham
Tax Partner

Jarret Rea
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Aaron Sedler
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Broadband Continuum

Planning

01

Network Design

03

Environmental
Assessment

05

Operations
Planning

06

Grant
Application

08

Operational
ISP

Q1

20YY

Q2

Q3

20YY

Q4

Q1

20YY

Q2

Q3

Q4

Q1

20YY

Q2

Q3

Q4

02

Needs Assessments
Market Study

04

Forecast/Feasibility
Study

07

Funding
Assessment

09

Network
Deployment

Pre-Planning

Pre-Planning

- Multi-Year Process

DEVELOP YOUR TEAM

ASSESS YOUR NEEDS?

OUTSIDE ASSISTANCE?

Broadband Continuum

- **Funds for Planning**
  - **Are there grants available for broadband planning?**
  - **BTA, TBCP, State Grants – BB department**
- **Pre-Planning**
  - Develop your team
    - Key Tribal Advocates/Stakeholders
    - Find your Champion
    - Internal Resources
    - External Resources
    - ❑   Engineering
    - ❑   Legal
    - ❑   Financial

Selecting Outside Consultants

—

- Engineers, Consultants, Attorneys, Accountants, IT, etc.

✓ Request for Proposal (RFP) for Outside Vendors
✓ Qualifications
   ✓ Telecommunications Background
   ✓ Work for Tribal Organizations/Carriers
      ✓ Familiar with Tribal Rules
      ✓ Grant Development
      ✓ Grant Application Success Rate

Selecting Outside Consultants

- Engineers, Consultants, Attorneys, Accountants, IT, etc.

    ✓ Understand the Regulatory Environment
    - Types of carriers (Price Cap, ILEC, CLEC, ISPs)
    - Funding Mechanisms Available for Tribal Broadband Providers.
    - HCL, CAF BLS, CAF ICC, BCM, Corporate Caps, Op Ex Caps, ACP, Lifeline, Schools and Libraries, Healthcare, etc.
    - Code of Federal Regulations

Selecting Outside Consultants
—

• Engineers, Consultants, Attorneys, Accountants, IT, etc.

    ✓ Compliance Rules and Regulations
- ✓ Mapping/GIS capabilities
- ✓ Performance Measuring
- ✓ Federal Form Filings: 481, 492, 499, 502, etc
- ✓ State Form Filings
- ✓ Financial Reporting Requirements

    ✓ Responsiveness – Two to Three-Year Timelines

Market Assessment

Broadband Continuum

Planning
01

Network Design
03

Environmental Assessment
05

Operations Planning
06

Grant Application
08

Operational ISP

Q1
20YY

Q2

Q3
20YY

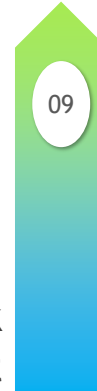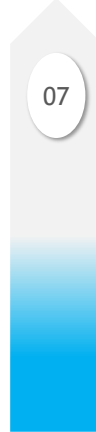Q4

Q1
20YY

Q2

Q3

Q4

Q1
20YY

Q2

Q3

Q4
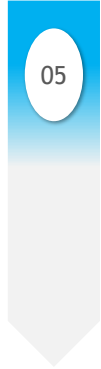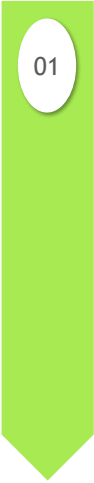
Needs Assessments Market Study
02

Forecast/Feasibility Study
04

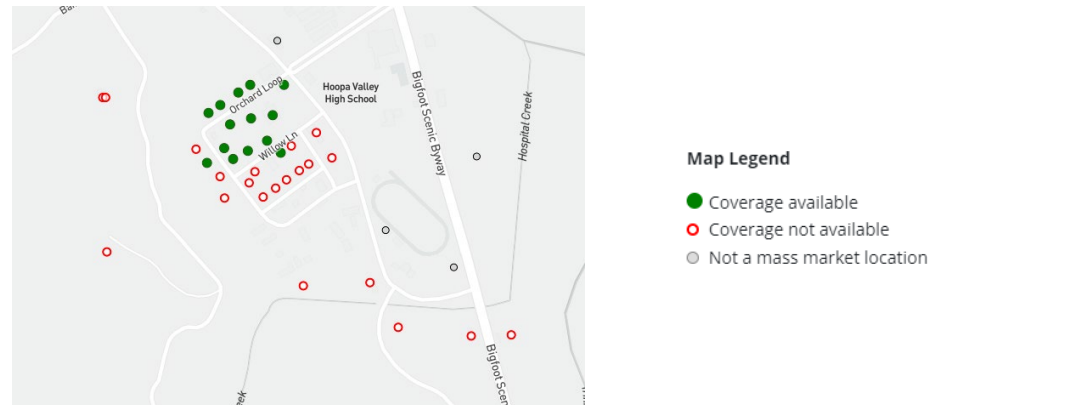Funding Assessment
07

Network Deployment
09

Needs Assessment/Market Study

- Determine the market for broadband services
- Get to know your potential customers
- Results feed into planning and feasibility studies
- Key information to be gathered
  - Serviceable Locations (residence, business, community anchor institutions)
  - Assessment of existing broadband service providers (speeds, prices, packages)
  - Survey of households, businesses, CAIs to determine needs and expectations
  - Pricing analysis
  - Potential community and network anchor tenant commitments

Needs Assessment/Market Study

- ## Serviceable Locations
  - GIS Intensive
  - Sources include the FCC's National Broadband Map (NBM), NTIA's funding map, and state maps
  - NBM allows no cost access to Broadband Serviceable Location Fabric (BSLF) data for Tribal governments
  - Other sources: county parcel data, etc.

Hoopa Valley Reservation

Broadband

Type	Residential
Technology	All Terrestrial
Speed	100/20 Mbps or greater
Data As Of	Dec 31, 2022 (Last Updated: 8/9/23)

Percent of Units Covered

Download/Upload Speed (Mbps)

Map Legend

- ● Coverage available
- ○ Coverage not available
- ○ Not a mass market location
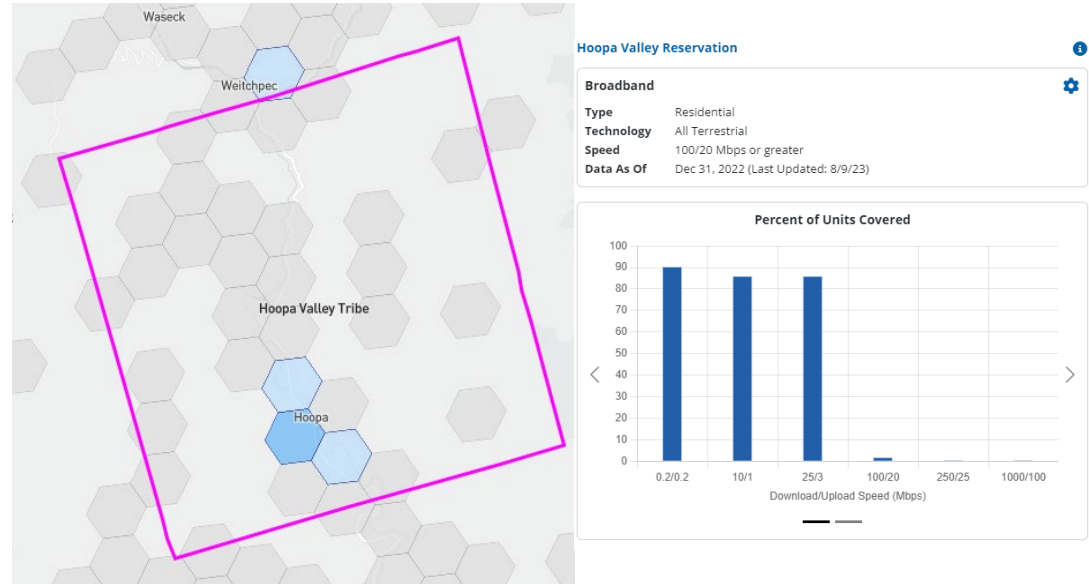
Needs Assessment/Market Study

- Existing Service Providers
  - FCC NBM contains provider information
  - Name
  - Technology
  - Speeds
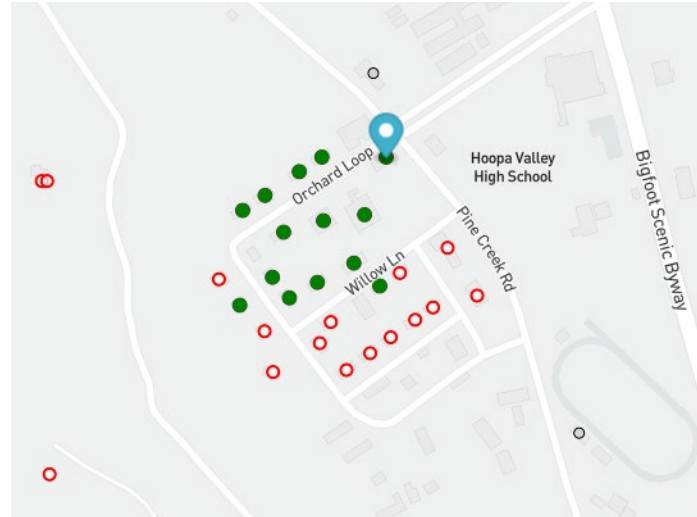
284 ORCHARD LOOP
HOOPA, CA 95546

Location Challenge

Status: **Served** | Business | Unit Count: 1

Broadband

Type	Residential
Technology	All Terrestrial
Speed	100/20 Mbps or greater
Data As Of	Dec 31, 2022 (Last Updated: 8/9/23)

Residential | Business   Availability Challenge

| Provider	Technology	Down (Mbps)	Up (Mbps)	Chall.
▸ California Internet	Licensed Fixed Wireless	100	20	
▸ Hughes Network Systems, LLC	GSO Satellite	25	3	
▸ Space Exploration Technologies Corp.	NGSO Satellite	50	10	
▸ Velocity Communications, Inc.	Unlicensed Fixed Wireless	30	3	

Needs Assessment/Market Study

- ## Survey of Households, Businesses, Anchor Institutions

    - Determine goals of potential customer contact
    - Determine ultimate use(s) of information
    - Key information for needs assessment and market study
        - Current state of internet service (if any)
        - Current provider rating
        - Internet use
        - Prices for service
        - Affordability

Internet Subscription Decision
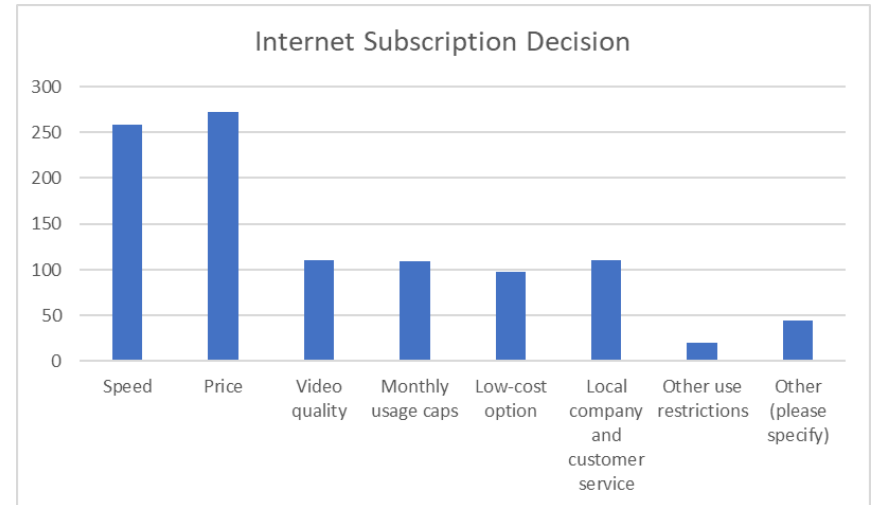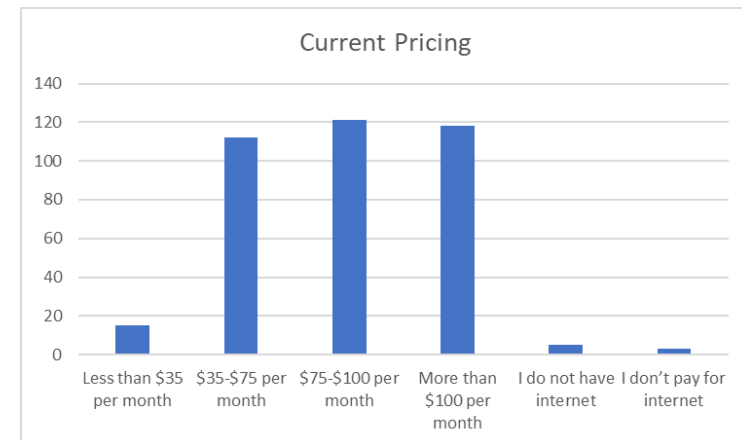
Needs Assessment/Market Study

- ## Pricing Analysis
  - Survey Results
  - American Community Survey Data
  - FCC Broadband Pricing Data
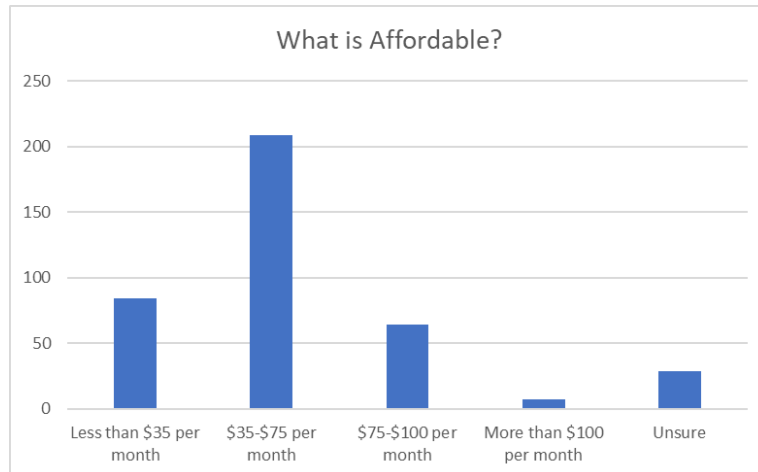
FCC Reasonably Comparable Rates

Download Bandwidth (Mbps)	Upload Bandwidth (Mbps)	Capacity Allowance (GB)	2023 U.S. Benchmark	2023 AK Benchmark
4	1	600	$87.43	$105.35
4	1	Unlimited	$87.44	$105.37
10	1	600	$91.28	$109.35
10	1	Unlimited	$91.30	$109.38
25	3	600	$90.96	$110.28
25	3	Unlimited	$90.98	$110.31
50	5	600	$91.99	$110.11
50	5	Unlimited	$92.01	$110.13
100	20	600	$104.99	$124.01
100	20	Unlimited	$105.03	$124.06
1000	500	600	$142.71	$167.57
1000	500	Unlimited	$142.75	$167.61
25	5	600	$91.34	$110.11
25	5	Unlimited	$91.36	$110.13
100	10	Unlimited	$104.71	$123.70
250	25	Unlimited	$128.53	$150.59
500	50	Unlimited	$133.02	$155.02
1000	100	Unlimited	$144.96	$169.84

What is Affordable?

Current Pricing

Needs Assessment/Market Study

- Potential community and network anchor tenant commitments
    - Community involvement and buy-in
    - Community Anchor Institutions
        - Examples: schools, libraries, medical and healthcare providers, public safety entities, public housing authorities, institutes of higher education
    - Broadband needs may differ from mass market services
    - Schools and libraries, including Tribal libraries and Tribal college and university libraries, may qualify for federal E-Rate support
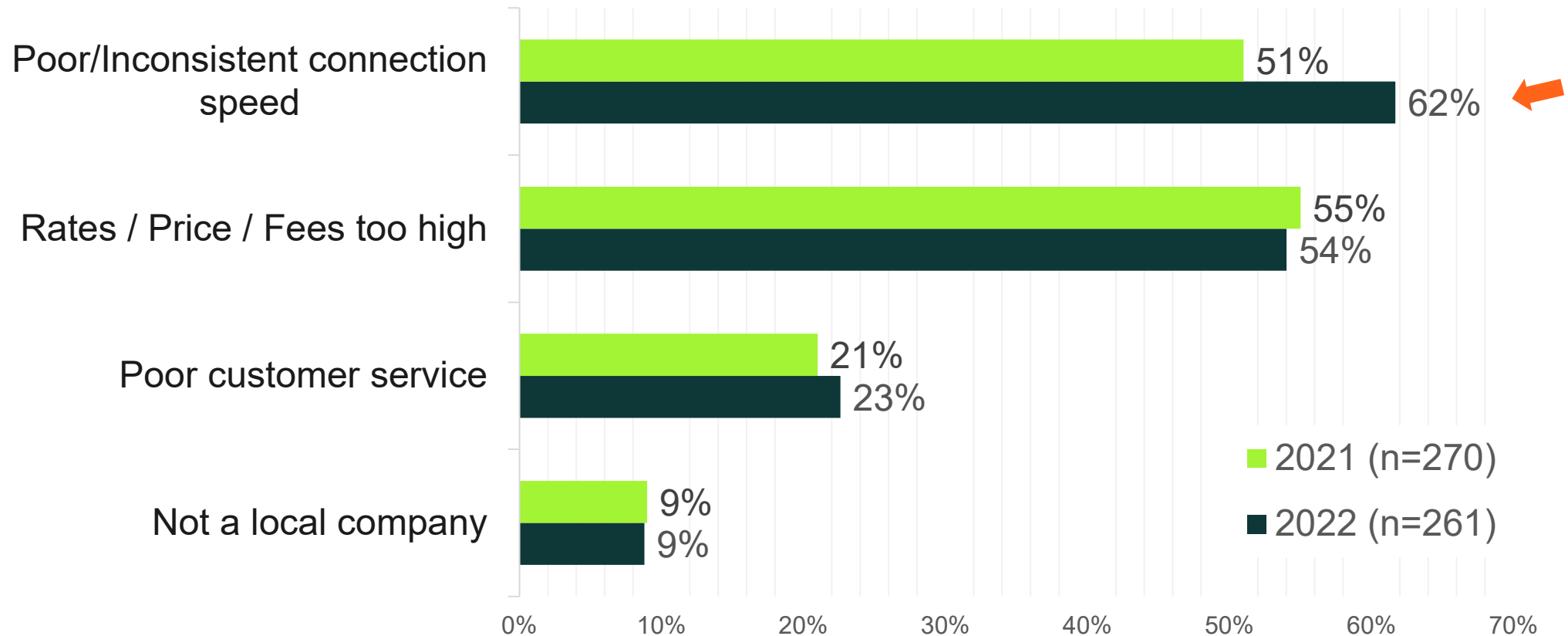
Market Study – Sample Survey Results

- **Market Assessment**
  - Innovative Systems and Pivot
  - Approx 850 Rural Residential
  - Understand the satisfaction and usage trends of Rural Internet customers
    - Locations
    - Competition
    - Speed Packages
    - Pricing
    - Customer Satisfaction

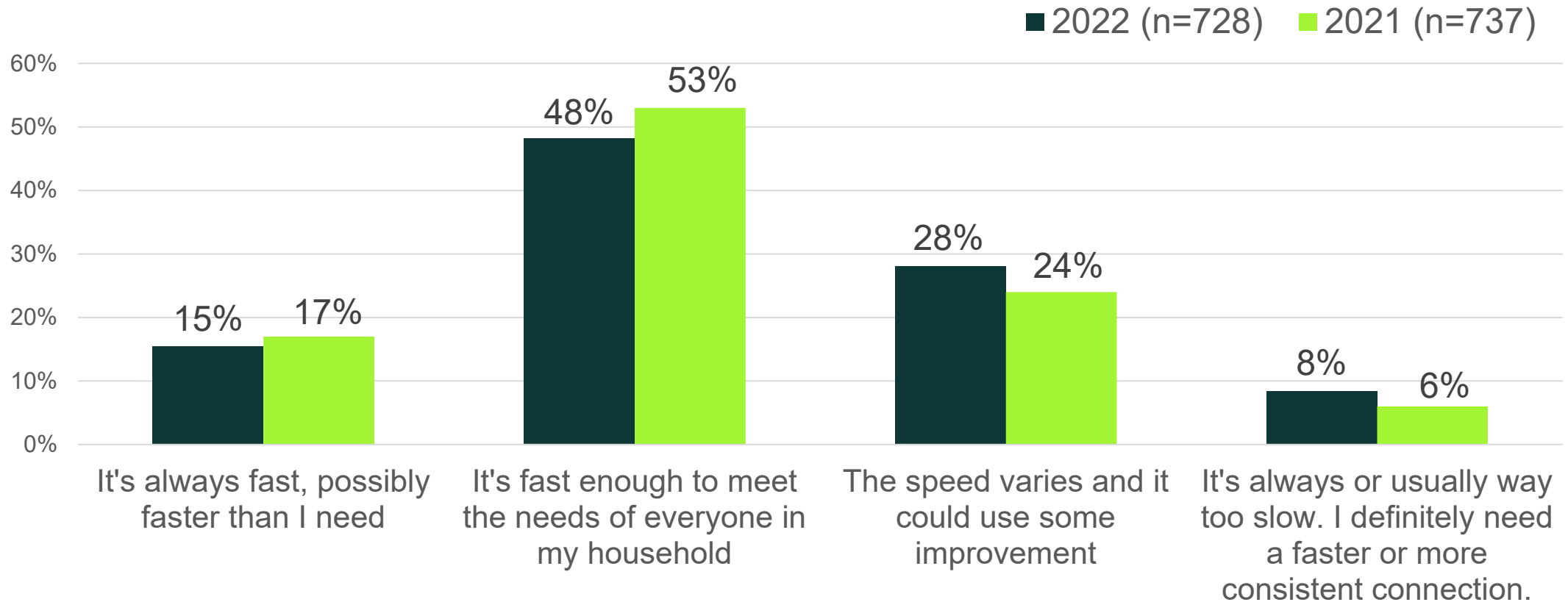# Drivers of Low Internet Satisfaction

What keeps you from giving a higher rating? *Check all that apply*
(Asked of those who gave a rating of 7 or lower on Internet Satisfaction.)


Poor/Inconsistent connection speed: 51% (2021), 62% (2022)
Rates / Price / Fees too high: 55% (2021), 54% (2022)
Poor customer service: 21% (2021), 23% (2022)
Not a local company: 9% (2021), 9% (2022)

2021 (n=270)
2022 (n=261)

Opinions of Home Internet Speed

Which one of the following best describes your opinion about your home internet speed?

Legend: ■ 2022 (n=728)   ■ 2021 (n=737)

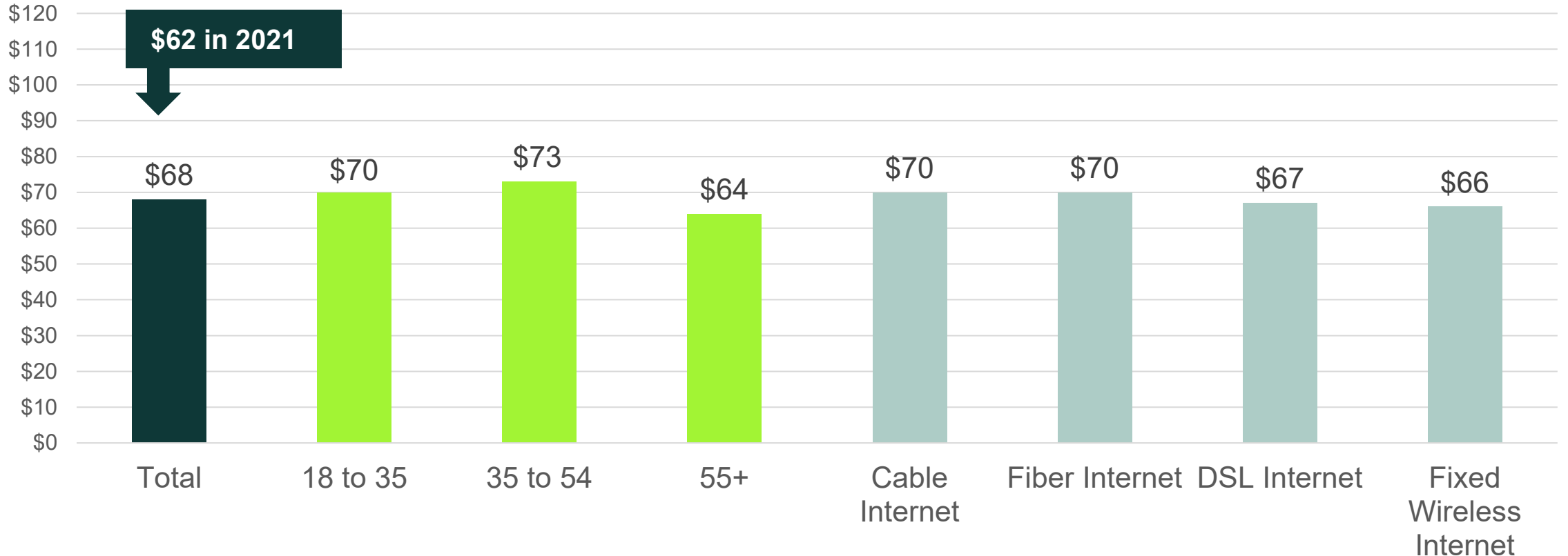| Response	2022	2021
It's always fast, possibly faster than I need	15%	17%
It's fast enough to meet the needs of everyone in my household	48%	53%
The speed varies and it could use some improvement	28%	24%
It's always or usually way too slow. I definitely need a faster or more consistent connection.	8%	6%

Aware that Faster Speeds are Available

That you know of, are there internet speeds available to you that are faster than the speed you are getting now, whether from your current provider or a different one? *Percentage indicates those answering "Yes"*
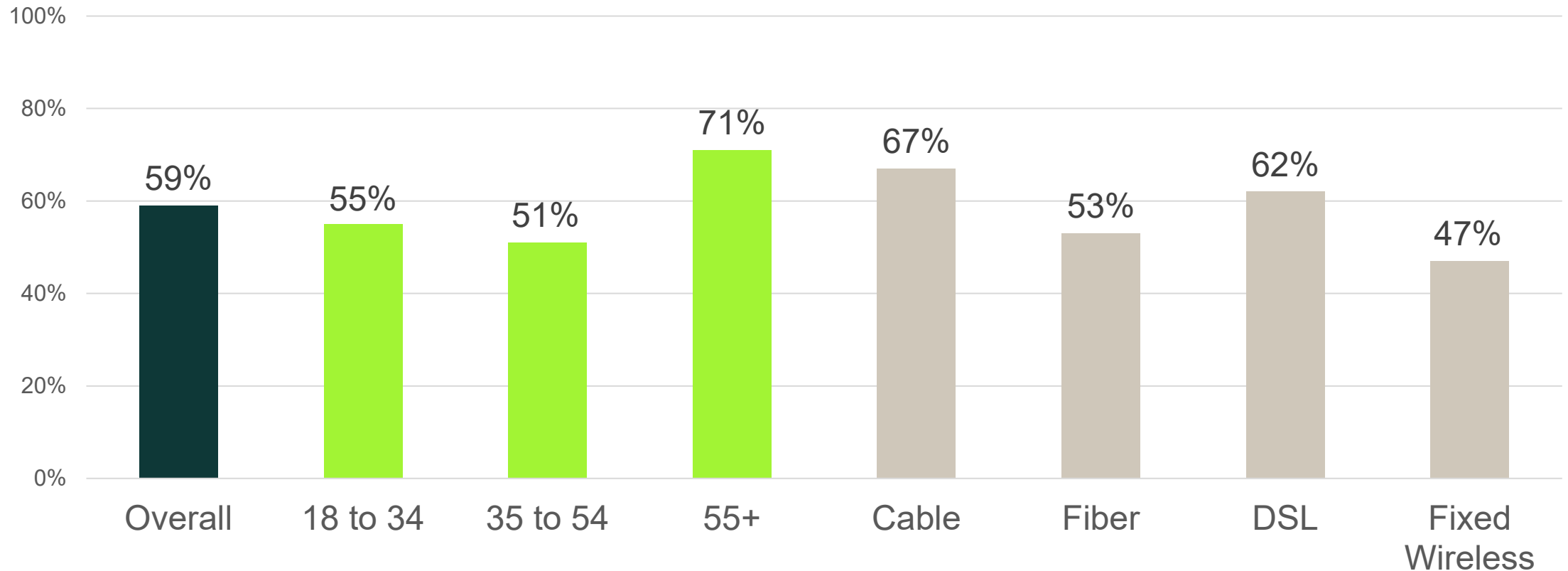
Average Current Spend on Internet Alone

What is the approximate amount you're paying per month for just your internet service?

$62 in 2021

| Total	18 to 35	35 to 54	55+	Cable Internet	Fiber Internet	DSL Internet	Fixed Wireless Internet
$68	$70	$73	$64	$70	$70	$67	$66

Amount Willing to Spend for Faster Internet

How much are you willing to pay per month (in total) for internet service that is much faster than you're getting now?
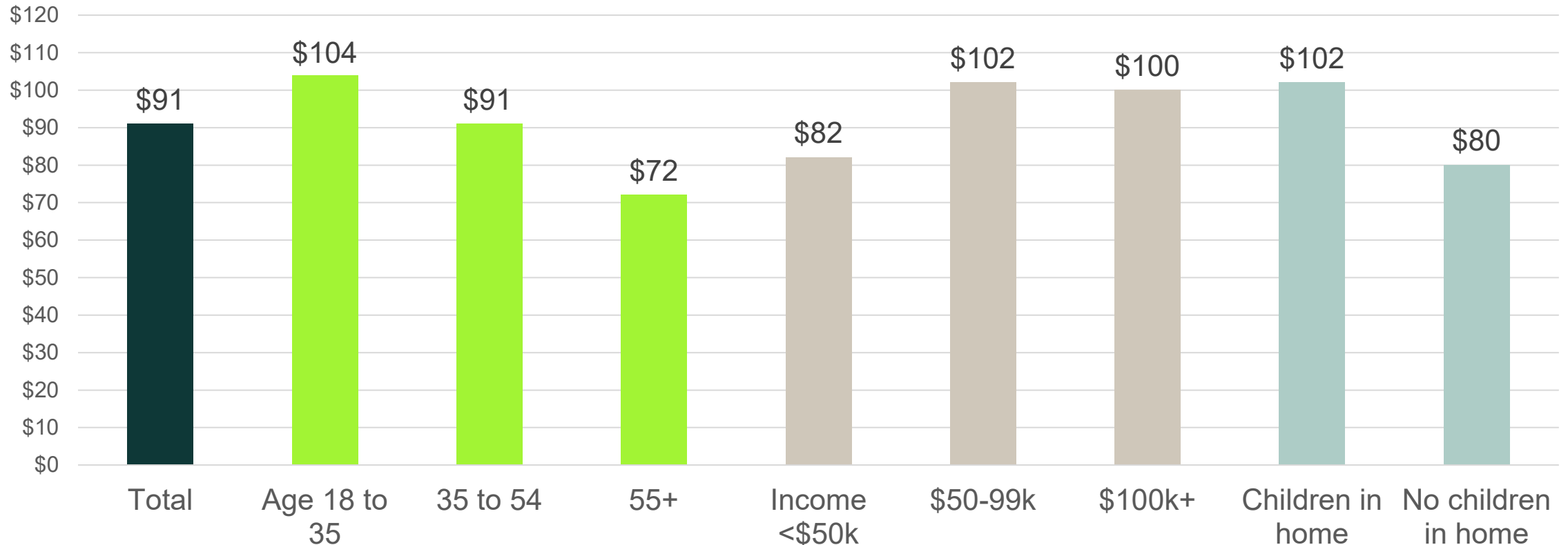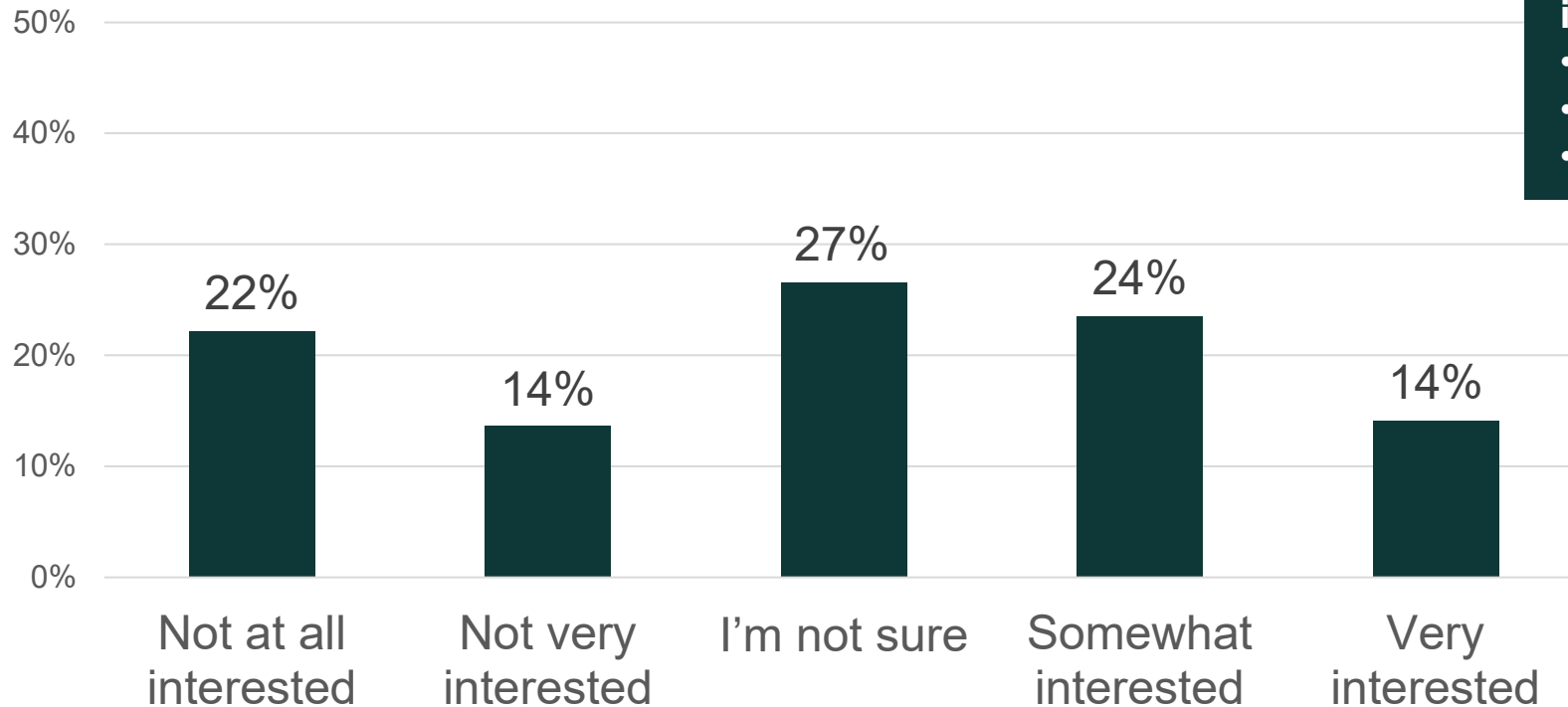
Preference for Faster Speed or Lower Price

Compared to what you're paying for internet now, which of the following would you prefer for your household?
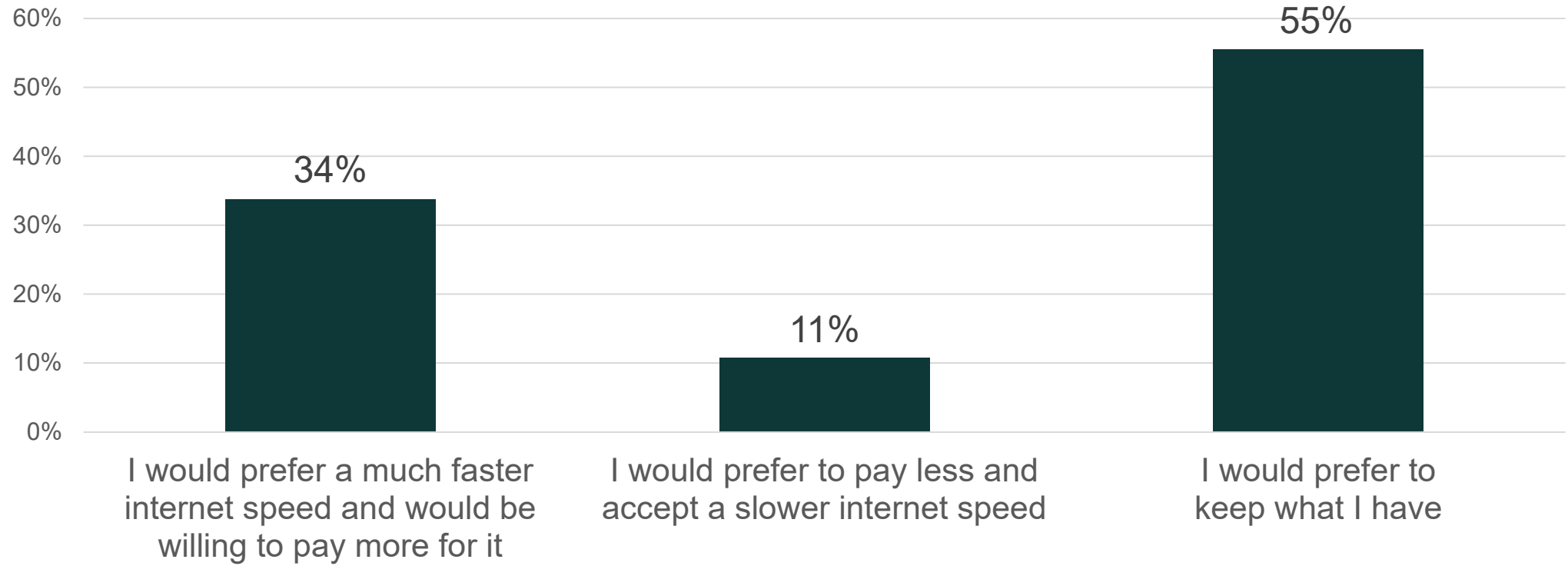
Interest in a Free Trial

How interested would you be in a free trial of a faster internet speed for one month to see how it impacts your online experience?

Somewhat + very interested by age:
- **38% of 18 to 34**
- **46% of 35 to 54**
- **35% of 55+**

Network Design & Financial Forecasting

Broadband Continuum

Planning

01

Network Design

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Environmental Assessment

05

Operations Planning

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Grant Application

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Operational ISP

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

20YY

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20YY

20YY

02

Needs Assessments Market Study

04

Financial Forecast

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Funding Assessment

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Network Deployment
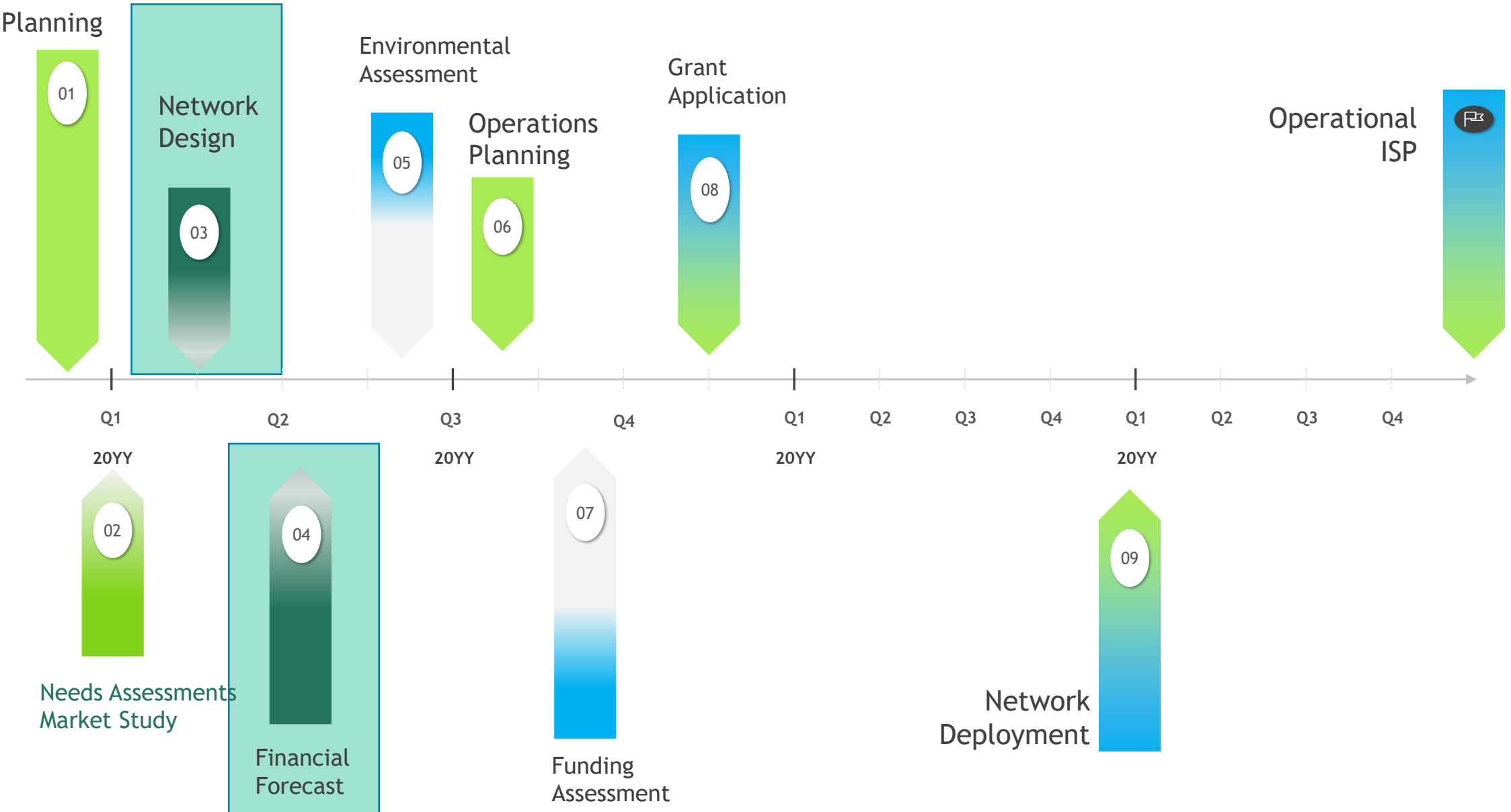
Network Design & Engineering

Things to Think About:

Engineering for the Future

- Technology Transitions (i.e. TDM to IP; later slide shows trend of copper to fiber)
- Sources of revenues
- 5G will require fiber
- Cost aspect

Public Interest

- The most efficient technologies to advance universal service
- Bringing current technologies to high-cost areas

Network Design & Engineering

Things to Think About:	
Affordability	• The best way to provide service • ACP & Lifeline
Accountability	• Broadband mapping • Performance Testing

Network Design & Engineering

Let's look at the following:

➢Useful lives of technology

❖**Fiber**
- 20+ years

❖**Electronics**
- 8 to 12 years

Let's take the following comparison:

1. Fiber. Significant deployment costs; long useful life; incomparable transport medium; infinite capacity; ultimate quality

2. Fixed Wireless. Lessor deployment costs; shorter useful life; robust but finite service capacity (even with 5G...propagation limitations)

Financial Forecast/Analysis

- Must be performed early in the process
- Complete set of financial statements is absolutely critical when developing a business plan
  - **Balance sheet**
  - **Income statement**
  - **Statement of cash flows**
- Five to ten-year forecast should always accompany a business plan
- Criteria exist that will guide you during the planning process (next slides)

Financial Forecast/Analysis

Metrics to think about when considering the viability of a financial forecast

- **Cost**
  - Public resources (FCC data, USAC data, Tribal-specific data, GAO)
  - Engineers, consultants
- **Demand**
  - Market surveys and analysis
- **Pricing**
  - Industry tariffs
  - Competition
  - Affordability
- **Funding opportunities**

Financial Forecast/Analysis

Operations

- How do you forecast revenues & expenses for your company?
- How many employees will you need?
- What types of employees will I need?
- Do I need a detailed budget, including summary of assumptions?
- Discussion of sustainability in later slide

Broadband Deployment

Growth and Penetration

━━ Penetration   ━━ Growth
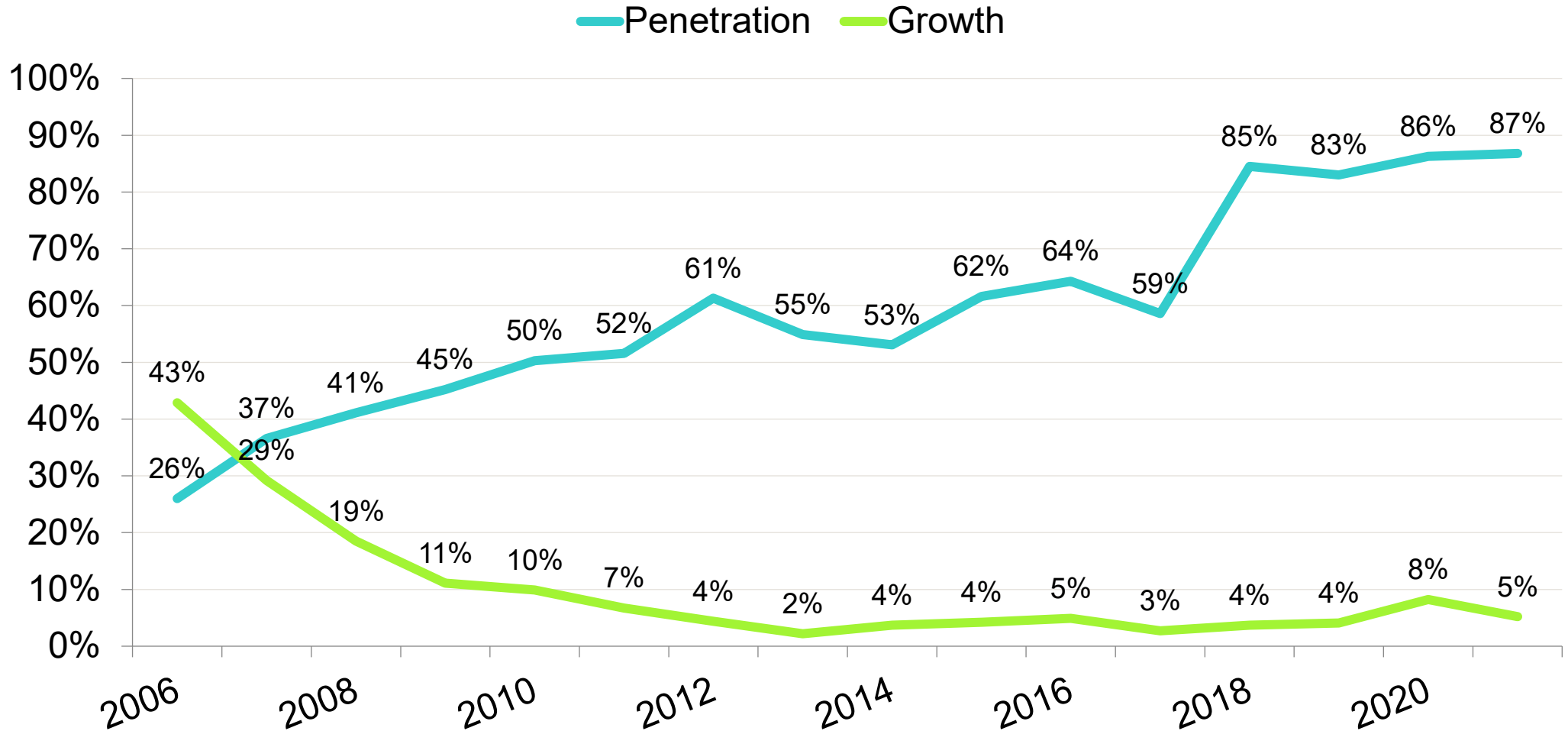
Upgrading Network Facilities

Copper/other   Fiber

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

56%

44%

Sustainability of Networks

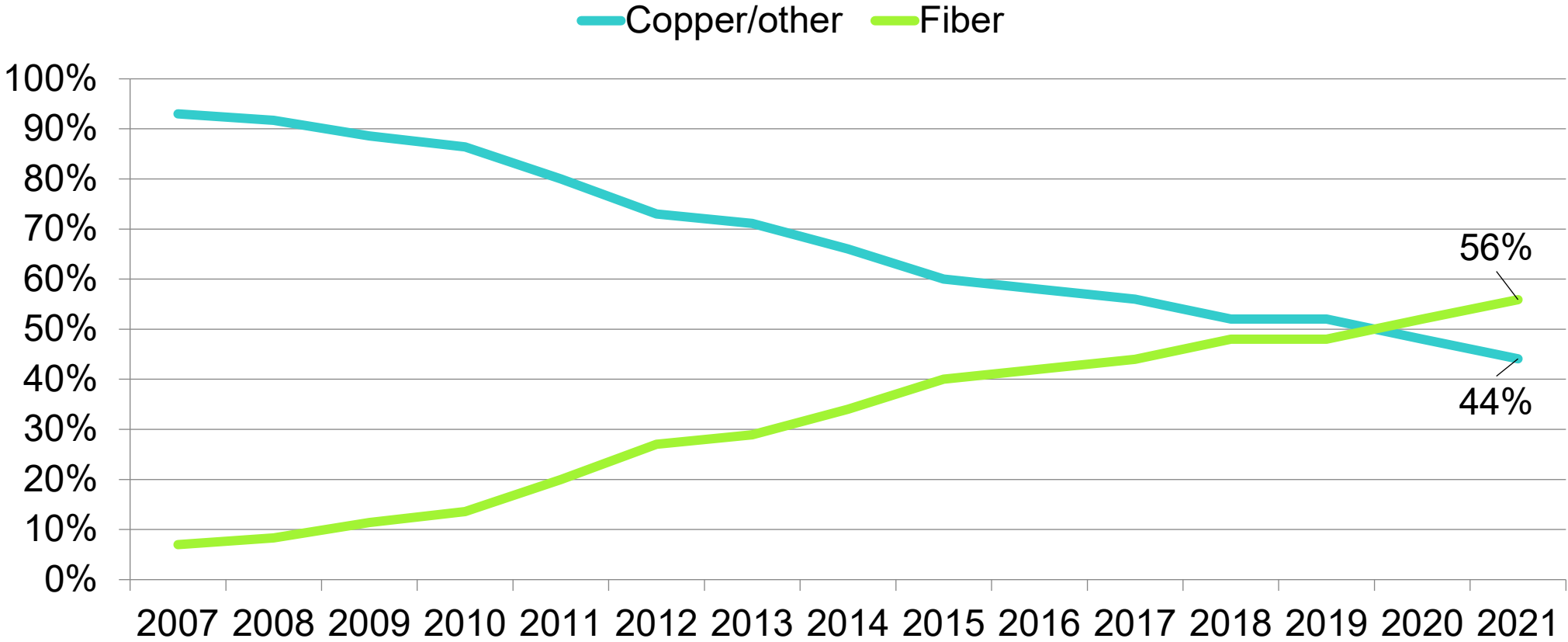- Defined: In the broadest sense, sustainability refers to the ability to maintain or support a process continuously over time. In the context of deploying voice & broadband networks while establishing affordable pricing for all consumers, sustainability refers to maintaining and keeping these networks viable for future generations

- The next few slides will take a look at insights and statistics related to both serving area and sustainability cost metrics

Serving Area Annual Cost Metrics (for incumbent local exchange carriers based on publicly available information)

Average National Study Area Cost per Line (SACPL)

$1,631

Average Tribal SACPL

$2,587

Operating Annual Cost Metrics per line (for incumbent local exchange carriers, based on publicly available information)

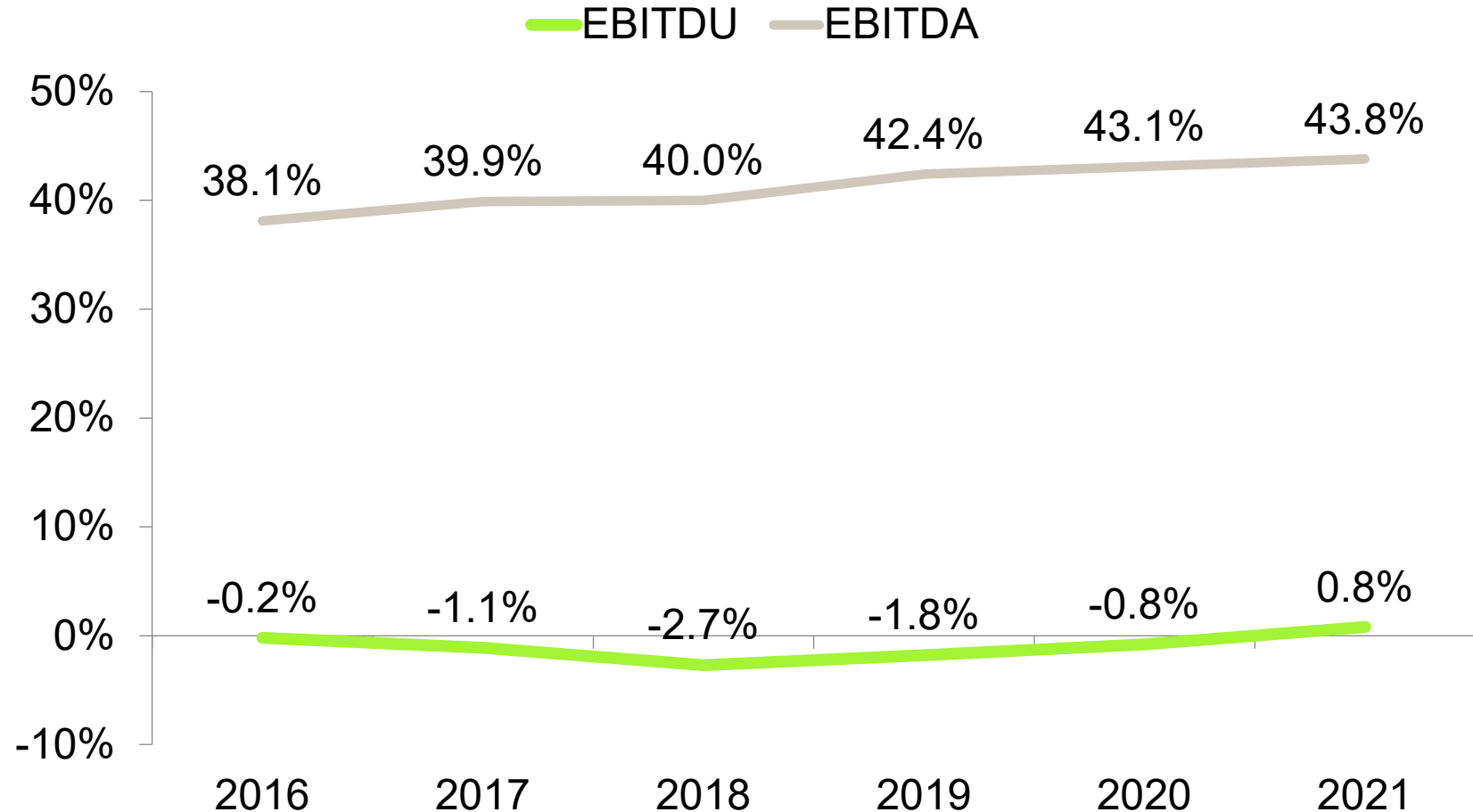| National Average	Average Tribal
• $1,386 • $115.50/mo	• $2,199 • $183.25/mo

Breakdown of Broadband Pricing

- The 2023 national retail broadband benchmark for 100/20 service (unlimited capacity) is $105.03/mo. Guesses on how much of this price is attributable to CapX versus Sustaining the network?

- CapX: $15.75, or ~ 15%

- Opex/Sustainability: $89.28, or ~85%

Financial Metrics – EBITDA & EBITDU
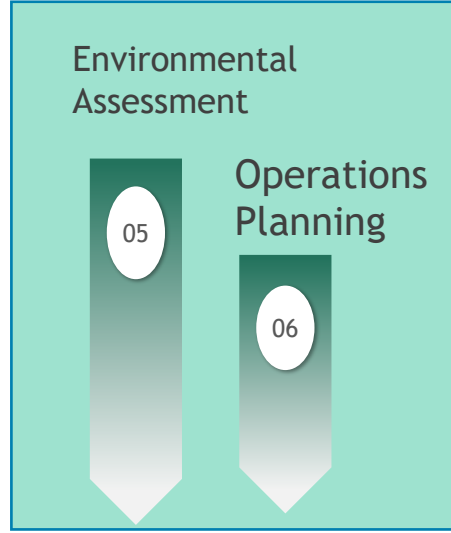
EBITDU — EBITDA

Year	EBITDA	EBITDU
2016	38.1%	-0.2%
2017	39.9%	-1.1%
2018	40.0%	-2.7%
2019	42.4%	-1.8%
2020	43.1%	-0.8%
2021	43.8%	0.8%

Broadband Continuum

Planning

01

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Operational ISP

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

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Q3

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02

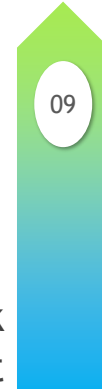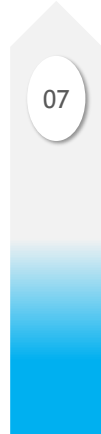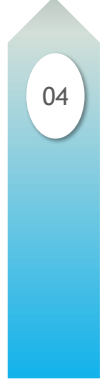Needs Assessments Market Study

04

Financial Forecast

07

Funding Assessment

09

Network Deployment

Broadband Continuum

- **Environmental Assessment**
  - Impact Assessments
  - Rights of Way
  - DOT, County, State, BLM, Forest Service, FAA,

- **Operations**
  - Partner with another ISP, ILEC, CLEC?
    - Build and Sell?
    - Build to Provide Broadband Directly?

ENVIRONMENT IMPACT ASSESSMENT

Environmental Assessment

- National Environmental Policy Act (NEPA) compliance
  - Environmental reviews are necessary under this Act
  - Shapefiles for service areas where fiber and tower site construction are proposed will likely be necessary for uploading to Information for Planning and Consultation's (IPAC) Environmental Conservation Online System to determine presence of threatened or endangered plants and species

- Environmental, historic preservation, and cultural requirements must be met

- Typically, the National Historical Preservation Act (NHPA) requires Tribal consultation in steps of a process when a project may affect historic properties that are on Tribal lands

Operations: "Type of Business" Designation

Incumbent Local Exchange Carrier (ILEC)

- Requires Tribe to work with incumbent carrier
- Model-based support

Internet Service Provider (ISP)

Competitive Local Exchange Carrier (CLEC)

- Generally, an application must be filed with state

Eligible Telecommunications Carrier (ETC)

- Lifeline

Operations: Partnerships

- **PINE TELEPHONE COMPANY/CHOCTAW NATION**
  - Used BTOP grant of $9.5M to provide broadband service to Choctaw Nation
    - BTOP: Broadband Technology Opportunities Program providing grant funding under Obama administration

- **NEZ PERCE/INLAND CELLULAR**
  - Again used $1.6M BTOP grant to deploy 216 miles of wireless infrastructure to connect numerous anchor institutions with broadband service

- **NORTHWEST OPEN ACCESS NETWORK (NOANET)**
  - Received two large BTOP grants in 2010 ($84M and $54M)
  - Partnered with Kalispel Indian Community; Lower Elwha Tribal Community; Yakama Nation
  - Deployed over 2,300 miles of fiber optic cable

Operations: Consortiums

NORTH CENTRAL NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT

- Regional consortium formed by Pueblo of Pojoaque, Santa Clara Pueblo, Tesuque Pueblo, Ohkay Owingeh partnering with local governments

- $10.6M BTOP grant

- 136 miles of fiber optic cable across the region

- Connected 110 anchor institutions across the four partnering lands

Begin discussions now in anticipation of next round of NTIA funding!

Operations: Other Options

Build & Sell

Managed Services Agreement with adjacent carrier

Advocate for sustainability funding

Funding Assessment & Grant/Loan Application

Broadband Continuum

Planning

01

Network Design

03

Environmental Assessment

05

Operations Planning

06

Grant Application

08

Operational ISP

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

20YY

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20YY

02

Needs Assessments Market Study

04

Financial Forecast

07

Funding Assessment

09
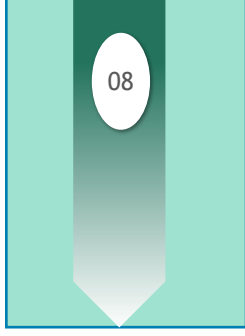
Network Deployment

Funding Assessment/Grant Application

Outside Funding

ReConnect

Tribal Broadband Connectivity Program

Broadband Equity, Access and Deployment Program

Enhanced ACAM for Existing Tribal RLECs

Case Study

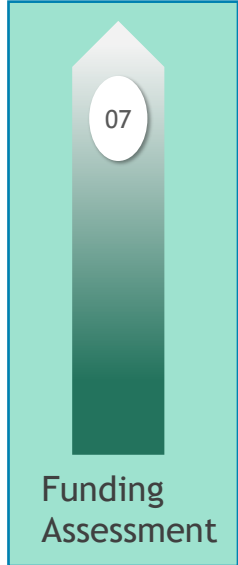|	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Baseline:							
Cash	$ 750,552	$ 1,195,702	$ 1,537,151	$ 1,928,245	$ 2,317,582	$ 2,697,136	$ 3,085,423
Revenue	8,689,155	8,430,362	8,454,221	8,540,393	8,591,514	8,636,859	8,724,804
Net Income	3,242,542	2,658,810	2,545,841	2,368,249	2,196,344	2,014,865	1,821,127
Grant Scenario Analysis:							
Cash	$ 2,188,042	$ 3,918,809	$ 3,943,908	$ 4,014,282	$ 4,096,507	$ 4,187,392	$ 4,307,143
Impact	1,437,490	2,723,107	2,406,757	2,086,037	1,778,925	1,490,256	1,221,720
Revenue	8,594,590	8,136,053	8,033,529	8,112,025	8,185,872	8,262,083	8,381,499
Impact	(94,565)	(294,309)	(420,692)	(428,368)	(405,642)	(374,776)	(343,305)
Net Income	3,174,844	2,483,861	2,310,134	2,124,867	1,975,689	1,825,075	1,662,809
Impact	(67,698)	(174,949)	(235,707)	(243,382)	(220,655)	(189,790)	(158,318)

ReConnect Program

- Administered by USDA/RUS

- Funding categories

  - 100% loan

  - 50/50 loan/grant combination

  - 100% grant

  - 100% grant for Tribal governments, Alaska Native Corporations, colonies, persistent poverty areas, and socially vulnerable communities

  - Projects where 90% of households lack sufficient access to broadband—no match requirement

- At least 50% of households in the PFSA must lack access to fixed, terrestrial broadband with speeds of 100/20 Mbps

ReConnect Program (Cont.)

- Rural areas only

- Funded network must be 100/100 Mbps capable

- ReConnect Round 4 is in progress

  - $1.15 billion in funding

  - Application deadline was November 22, 2022

  - $771.4 million awarded thus far

- Round 5 is in the works

  - Estimated $1.2 billion in funding

  - Unknown application window

Tribal Broadband Connectivity Program

HISTORY

- Initially established by the 2021 Consolidated Appropriations Act
  - $980 million
- Designed to expand access to broadband service on Tribal lands
- Eligible entities include Tribal governments and organizations, Tribal colleges or universities, and Alaska Native Corporations
- Grant funding for deployment, use and adoption, planning
- Prioritize unserved areas (lacking 25/3 Mbps)
  - Tribal self-certification of unserved areas
- No matching or cost sharing
- $500,000 minimum allocation to applying Tribes

Tribal Broadband Connectivity Program (Cont.)

ROUND 1

- IIJA added $1 billion (total funding $1.980b)

- ~300 applications received, $5 billion in requested funding

- Total awarded $1,787,480,230

  - 191 projects funded

- Project awards

  - 112 deployment

  - 42 use and adoption

  - 27 planning and feasibility

  - 10 combination

TBCP Round 1 Grant Awards

- Deployment ■ Use & Adoption ■ Planning & Feasibility ■ Combined
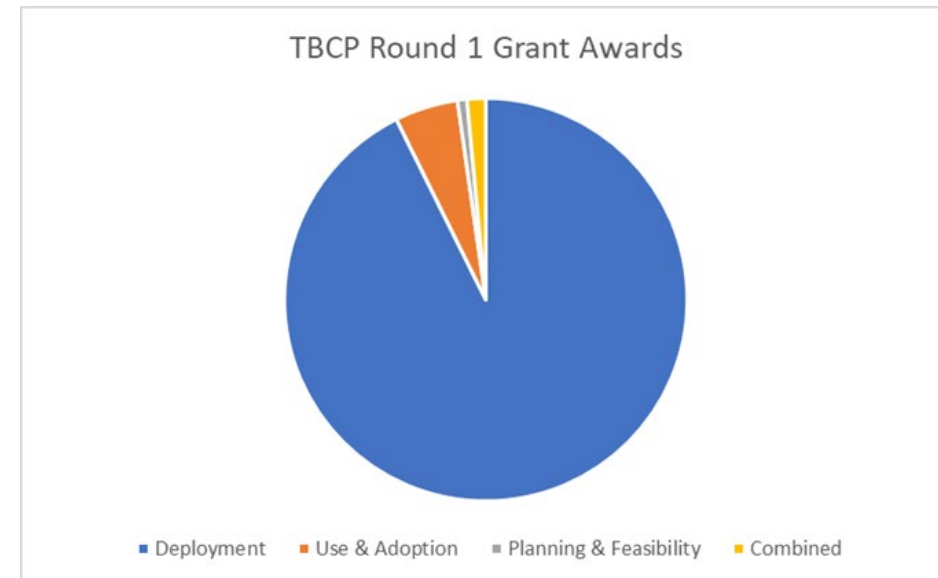
Tribal Broadband Connectivity Program (Cont.)
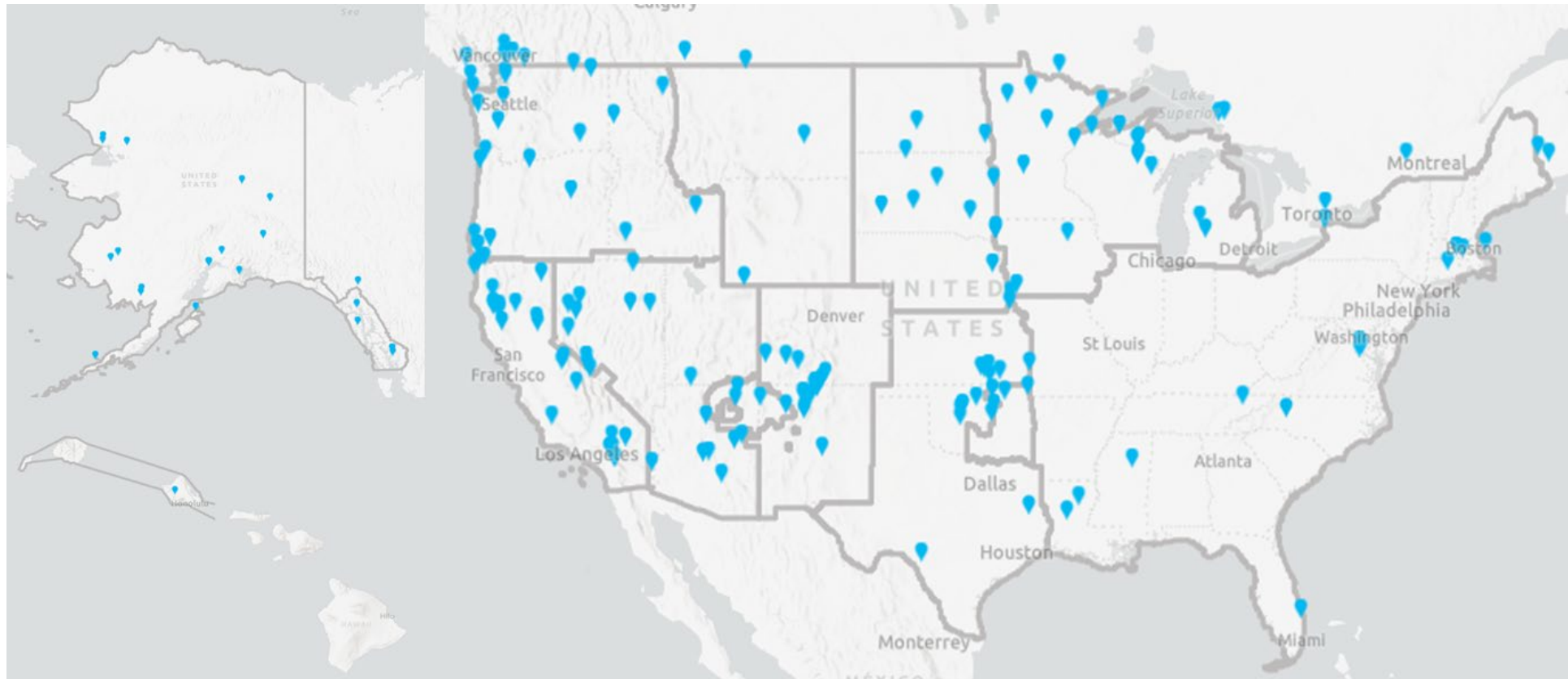
Tribal Broadband Connectivity Program (Cont.)

ROUND 2

- NOFO released July 28, 2023

- $980 billion total funding available

- Projects limited to infrastructure deployment and use & adoption

- $500,000 minimum for applying Tribes that did not receive Round 1 funding

- Application window is 180 days, applications are due January 23, 2024

- Expected funding ranges

  - Infrastructure Deployment: $1 million - $50 million

  - Use & Adoption: $100,000 - $2.5 million

- Funding targeted to unserved (no 25/3 Mbps) locations

- Tribal self-certification of unserved areas still available, with additional conditions

Broadband Equity, Access and Deployment

- Administered by NTIA

- $42.45 billion from IIJA

- Eligible Entities: States, Washington, D.C., Puerto Rico, and U.S. Territories

  - Tribal governments not directly eligible, but can be subgrantees

- Eligible Areas

  - Unserved locations: no access to 25/3 Mbps

  - Underserved locations: no access to 100/20 Mbps

  - Locations must be served with reliable broadband service to be counted as served—excludes satellite and unlicensed fixed wireless

National Telecommunications and Information Administration
United States Department of Commerce

Broadband Equity, Access and Deployment

- Allowable costs include construction, improvement, acquisition of facilities to provide broadband service, digital literacy, implementation of digital equity plans, etc.

- Allocations to states announced on June 26, 2023

- States are in the planning stage

- Coming up

  - States generate initial proposals—this includes grant award methods, eligible location identification, and challenge process – due by December 27, 2023

  - State or other eligible entities should consult with Tribal governments where applicable

  - Tribal governments should be involved in location identification and challenge processes

INTERNET FOR ALL

Enhanced A-CAM for Tribal Carriers

- FCC adopted Enhanced Alternative Connect America Model (A-CAM) program in late July

- Offers of support made by FCC, elections due by October 1

- Support term is 15 years (through 2039)
  - Deployment obligations complete by 2028

- Potential increased support for current Tribally-owned carriers
  - Current A-CAM recipients
  - Current Legacy support recipients

- Tribal Broadband Factor applied to unserved locations in Tribal areas
  - Lower threshold/higher cap for support

The Broadband Grant/Loan Application

How much time to allot for the Application?

Develop the Merit Score for your Application

What is Needed for the Application?

Grant/Loan Procurement

Award Notification

Release of Funds

Prepare for Audits

The Broadband Grant/Loan Application

1. Project Purpose and Benefits – level of impact on Tribal lands	**(45 Points)**
a. **Level of Need on the Tribal Land** b. **Affordability of Services**	35 points 10 points
1. Project Viability	**(30 Points)**
a. **Technical Approach and Related Network Planning, Capacity and Performance** b. **Strength of Organizational Capability**	20 points 10 points
1. Project Budget and Sustainability	**(25 Points)**
a. **Reasonableness of Budget** b. **Sustainability of Project**	10 points 15 points
Application is Qualified for Funding	70-100 Points

Broadband Loan/Grant Application

Outside Assistance

Engineers- Plant Design

Consultants – Financial, Compliance, GIS/Mapping, IT/Cybersecurity

Attorney

Vendor Relationships

Contractual Relationships

Standard Forms / Certifications / Disclosures

Attest to Tribal Approval & Resolutions

Statutory Purpose

Funding Priority

Broadband Loan/Grant Application

- **Narrative & Executive Summary**

  - Experience of Key Personnel

  - Entity Eligibility

    - Is there sufficient financial backing?

    - Is there a qualifying Broadband need?

    - Area to be served & broadband availability

    - Description of facilities to be funded

Broadband Loan/Grant Application

Description of the needs, problems and challenges of the community

- Include Demographic Information

- Poverty and Census Data

- Job Creation

- Timeline

- Sustainability

- Environmental Impact

- Maps of Service Area, Network Diagrams

- Budget Narrative, Justification and List of Assumptions

- Pro Forma Financial Information

Broadband Loan/Grant Procurement

- ## Procurement Process

- Provide additional details on how unserved status was determined; how many of the customers on copper will have accessibility to 25/3 speeds
- Provide current speeds of the proposed project area, include a breakdown of the subscription rates for the current customers as well as the amount of native households that do not have service
- Provide detail costs for fiber, conduit, construction, average cost per mile
- Provide Updated Quotes on Costs
- What are the SPECIFIC costs included in:
    - Shelters, Huts, Backhaul
- Where will equipment be purchased?

The Broadband Grant/Loan Application

Award Notification

Release of Funds

Deployment and Timeline Adherence

Prepare for Audits

Broadband Continuum

Planning

01

Network
Design

03

Environmental
Assessment

05

Operations
Planning

06

Grant
Application

08

Operational
ISP

Advocating

Q1

Q2

Q3

Q4

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Q2

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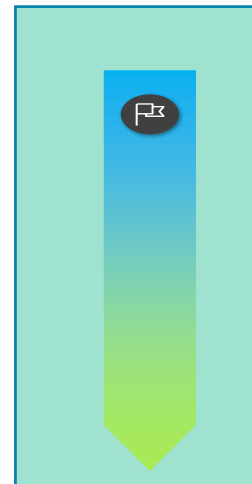
Network
Deployment

Advocacy

Advocacy is critical to the success of Tribal Nations' broadband deployment and adoption. NTTA continues to be highly involved in "everything Tribal telecommunications" and has a high success rate in helping to shape regulatory policy for tribal telecommunications providers. A few items that NTTA has been involved with:

- Incorporating a Tribal Broadband Factor into the Universal Service Program;
- Creating an additional allowance of regulated cost recovery for unique operating expenses incurred on tribal lands;

Advocacy cont.

Extending the timeline for buildout obligations pertaining to the 2.5 Ghz proceeding;

Creating more flexible policy for broadband usage in the Affordable Connectivity Program;

Assisting with policy for tribal libraries and boys and girls programs to partake in the E-Rate program; and other successful advocacy support

Please get involved! Ask any NTTA member how to get more involved in advocating and allowing your voices to be heard.

Question & Answers

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THANK YOU