Photo courtesy of Carolyn Campbell

State of Maine
BEAD Initial Proposal, Volume 2
Broadband Equity Access and Deployment Program

MAINE CONNECTIVITY AUTHORITY

INTERNET FOR ALL

NTIA

DEPARTMENT OF COMMERCE · UNITED STATES OF AMERICA

BEAD Initial Proposal Volume 2
// Draft for Public Comment //

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Introduction

On behalf of the Maine Connectivity Authority (MCA), we are pleased to share this draft of Maine's BEAD Initial Proposal Volume 2 for public comment. The Broadband Equity Access and Deployment Program (BEAD) is a vital part of Maine's connectivity strategy and will be central to achieving our vision where everyone in Maine has access to affordable, reliable, high-speed internet for a future of increased connectivity and digital inclusion.

Through BEAD funding, MCA will deploy over $272 million for broadband infrastructure to no-connection, unserved, underserved, and Community Anchor Institution locations throughout the state. To access these funds, MCA has produced a comprehensive Broadband Action Plan and Digital Equity and Inclusion Strategy to help inform the production of an Initial Proposal to the National Telecommunications and Information Administration (NTIA), which is composed of two volumes that outline how the BEAD program will function.

Volume 2 of Maine's Initial Proposal details how MCA will administer the BEAD program, including a subgrantee selection process, preliminary scoring matrix, and subgrantee qualifications. Volume 1 was released on November 3 and identified available funding for broadband throughout Maine, the specification of unserved, underserved, and community anchor institution locations, and the process to submit challenges to the location lists. These work products (The Initial Proposals Volume 1 & 2, The Broadband Action Plan and The Digital Equity Plan) are all products that reflect your extensive engagement, input and feedback throughout the last year. The MCA team is honored to have had the opportunity to translate your input, and we look forward to receiving feedback on these drafts to inform the drafts that will be submitted to NTIA in December.

Once submitted and approved by NTIA, these proposals will allow MCA to begin to implement the strategies and activities we describe in our Five-Year Action Plan and, more specifically, in these two proposals. Your partnership remains essential. We value your input and feedback on this Initial Proposals Volume 1 & 2 and invite you to review this document and submit feedback. Feedback can be submitted through a form on the MCA website at **https://www.maineconnectivity.org/bead**.

Public comment on Volume 2 will be accepted for 30 days until December 9, 2023, at 5:00 p.m. EST. MCA will translate your input to update this plan before submission to NTIA for approval. Thank you for your ongoing participation and collaboration.

We can get there from here,

Andrew Butcher
President, Maine Connectivity Authority

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2.1 Objectives (Requirement 1)
Outline the long-term objectives for deploying broadband; closing the digital divide; addressing access, affordability, equity, and adoption issues; and enhancing economic growth and job creation. Eligible Entities may directly copy objectives included in their Five-Year Action Plans.

2.1.1 Long-term Broadband Deployment Objectives

Maine's vision is for a statewide connectivity infrastructure that will improve the lives of Mainers now and in the future, empowering broad participation in modern society that is rooted in equality. The Maine Connectivity Authority (MCA)'s Strategic Objectives have remained consistent since its inception:

1. Projects: Optimize broadband deployment.
2. Places: Reach the last mile.
3. People: Advance digital equity for all.

It is important to note that MCA uses the term digital equity as defined by the National Digital Inclusion Alliance: "Digital equity is a condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy. Digital equity is necessary for civic and cultural participation, employment, lifelong learning, and access to essential services."

These strategic objectives, goals, and activities are the foundation of Maine's five-year action plan for connectivity. Drawing from rich participation and data generated through the planning process, MCA has synthesized the information into the following strategies and related activities to achieve affordable universal access to broadband in Maine.

Prioritize funding to maximize impact, balancing urgency, universality, and equity
This dynamic balance will serve as the "North Star" for Maine's Broadband Action Plan as MCA seeks to stretch funds to optimize the impact of investments. MCA will focus on balancing the tension of designing comprehensive solutions while remaining focused on priority populations. Keys to success include expanding a decision-making framework to evaluate where MCA can invest to maximize impact to leveraging Maine's mapping and analysis capacity.

Proactively drive investments as a comprehensive portfolio
Develop and implement a rolling funding application process and a managed flow of project development and technical assistance to allow for braided funding sources and an increased alignment of resources. Building on Maine's tradition of community-supported broadband solutions and open dialogue with internet service providers, MCA will provide transparent data-driven decisions and prioritization and technical assistance to communities and ISPs, so they will be able to pursue broadband planning at the local or regional level while maintaining MCA's ability to distribute funds efficiently and systematically.

Optimize broadband deployment

Decrease barriers to delivering broadband at scale and speed, braiding funding and leveraging resources. By identifying data and policy challenges to address these barriers, MCA can improve efficiency and reduce costs. To ensure success, MCA will enable pathways for educational, training, and employment opportunities to ensure there is the human capital to build and maintain infrastructure. MCA will continue to build, own, and support middle mile investments to create much-needed backhaul infrastructure and identify pathways to access complementary capital sources to build Maine's diverse and healthy internet ecosystem.

Expand and Enhance the Foundation for Digital Equity

Ensure that all Mainers, especially the most disadvantaged, have access to and can use information and communications technologies by sustaining and growing that digital equity foundation. Maine must invest in the core capacity, tools, and resources to help advance digital equity across the state. These investments include sustaining digital equity staffing and adjusting funding programs to ensure that digital equity is centered when making program decisions and prioritizing investments. A statewide cohort of key partners across organizations and agencies will play a key role in the continued development of these efforts.

Focus on Affordability

Improve the affordability of broadband so that cost is no longer a significant barrier, and ensure that more Mainers are aware of the support available through initiatives like the Affordable Connectivity Program. MCA will help break down this barrier, particularly for the covered populations for whom this need is even more acute, through targeted education campaigns, critical partnership development, collaboration in the affordable housing space, and new device donation, refurbishment, and lending programs.

Raise Awareness and Strengthen Feedback Loops

Drive demand for services by understanding how people need and want to use the internet. MCA will collaborate to design and launch statewide educational campaigns promoting workforce and training opportunities, internet safety, device refurbishment, and general awareness of broadband benefits and digital skills. By providing a centralized structure for all things related to broadband, with practical tools and resources for individuals, communities, and organizations, MCA will enable the participation of partners and the general public around the state. Regular progress monitoring and data sharing will increase transparency and support communication of MCA's collective progress.

Looking Toward the Future

With 42,266 Maine locations unserved and 50,289 underserved, more than 1 in 7 Maine locations suffer from inadequate service and cannot realize the benefits of broadband. BEAD is the chance to move toward a state of universal broadband access and digital equity for Mainers who need it most. The Maine Connectivity Authority has laid out a road map to utilize this transformational funding to address the needs identified through an exhaustive planning and engagement process. With a network of collaborators across the state, MCA is committed to a multi-year, multi-disciplinary approach, leveraging all necessary resources to bring broadband to all.

2.2 Local, Tribal, and Regional Broadband Planning Processes (Requirement 2)

Identify and outline steps that the Eligible Entity will take to support local, Tribal, and regional broadband planning processes or ongoing efforts to deploy broadband or close the digital divide. In the description, include how the Eligible Entity will coordinate its own planning efforts with the broadband planning processes of local and Tribal Governments, and other local, Tribal, and regional entities. Eligible Entities may directly copy descriptions in their Five-Year Action Plans.

2.2.1 Local, Tribal, and Regional Broadband Support

The Maine Connectivity Authority (MCA) conducted significant public and stakeholder engagement while developing the Broadband Action Plan (BAP). MCA developed the Five-Year Action Plan and the Digital Equity Plan in tandem, in a combined process and output that includes the Broadband Action Plan. This stakeholder engagement formed the foundation that is now driving this Initial Proposal planning process and is also the basis that will support future deployment and other ongoing efforts. Planning process engagement activities have included:

- Formation of and monthly engagement with six stakeholder groups (see below), including 117 partners and individuals
- Three Tribal Consultations with tribal leadership of the Mi'kmaq Nation, Passamaquoddy Tribe at Sipayik, and the Passamaquoddy Tribe at Indian Township
- 3,288 responses to the Maine Broadband Survey (12 language translations created)
- 16 Community Meetings in person (250 participants)
- 13 Focus Groups with covered populations (116 participants)
- Regional and tribal coalition building and engagement, resulting in 180 digital equity coalition partners and 651 interviews with individuals with lived experience of the digital divide (covered populations) and organizational partners that support and represent the covered populations
- (First ever) Digital Equity Workshop facilitated by National Digital Inclusion Alliance (NDIA) and MCA (100 participants)
- Interviews with ten Internet Service Providers (ISPs) and an ISP roundtable with 17 participants
- Stakeholder presentations and meetings with myriad groups, including Maine Municipal Association, Maine State Chamber of Commerce, etc.
- Workforce process engagement was particularly robust and has been integrated through the inclusion of the Maine Broadband Workforce Strategy
- Communication tools like dedicated email and voicemail boxes were established to collect direct feedback and answer questions
- Multiple open office hours sessions were held online throughout the engagement period
- Radio, print and social media advertising were combined with earned media placements to share information about the process and invite feedback and survey responses
- A "Reflections & Revisions" 30-day public comment period involved numerous presentations and community and partner engagement sessions to invite and solicit feedback on the draft plan

- Updated Tribal consultation letters were sent in September 2023, with information about the Initial Proposal stage of the planning process and inviting individual meetings with Tribal leaders and MCA staff
- Public outreach sessions focused on the BEAD Initial Proposal were held during the drafting stages to collect input and answer questions about the process and proposal content
- BEAD updates were presented on the Maine Broadband Coalition's weekly online Let's Talk Broadband sessions to bring attention to the next stage of BEAD planning and share how interested parties could engage

The complete local engagement tracker can be found at https://www.maineconnectivity.org/bead

Many important collaborators engaged in the development of MCA's broadband planning process, including members of the Digital Equity Taskforce, the Regional and Tribal Broadband Partners (RTBP), as well as local coalition members who were convened within each region by those regional partners. Additionally, MCA worked closely with state agencies and bureau collaborators through the Interagency Broadband Working Group (IBWG) and the Workforce Advisory Committee.

Digital Equity Task Force

Key members of the Digital Equity Taskforce include the executive director of the National Digital Equity Center (who served as the Chair), the director of the Maine Adult Education program, and staff from the Maine Community College System, Maine Immigrant Rights Coalition, and Give IT Get IT. Membership also included representatives from several state agencies: Department of Labor, Department of Health & Human Services, Department of Economic and Community Development, Department of Education, Maine Housing, Bureau of Veterans Services, and the Maine State Library. Also represented are a statewide food bank, local housing authority, tribal members and organizations, a community action agency, organizations working with and advocating for older adults, the University of Maine Center on Aging, and the Northeast Telehealth Resource Center. MCA convened this group to provide insight, advise MCA regarding the barriers that covered populations face and potential solutions, and help facilitate connections directly with those individuals and communities to inform the plan's development. The task force has been meeting monthly since first convening in June 2022.

Regional and Tribal Broadband Partners

MCA funds the Regional and Tribal Broadband Partners to support community-driven broadband solutions and facilitate each region's digital equity coalition building and plan development. These partners are economic development and planning agencies, nonprofit organizations, and councils of governments (COGs), and a native community development financial institution (CDFI) provides support and capacity for the tribal communities. The Regional and Tribal partners have met monthly throughout the development of this plan, and the regional partners also had regular open office hours with MCA staff and contractors.

2.3 Local Coordination (Requirement 4)

Describe the coordination conducted, summarize the impact such coordination has on the content of the Initial Proposal, and detail ongoing coordination efforts. Set forth the plan for how the Eligible Entity will fulfill the coordination associated with its Final Proposal. Also, describe the formal tribal consultation process conducted with federally recognized Tribes, to the extent that the Eligible Entity encompasses federally recognized Tribes.

2.3.1 Plan for Ongoing Coordination

The Maine Connectivity Authority has a demonstrated record of significant stakeholder engagement through planning and other processes. MCA built on these relationships to coordinate local involvement in BEAD planning and program design. Throughout the implementation of BEAD, MCA will continue to collaborate extensively by maintaining partnerships with these key collaborators, building relationships with individuals and communities most impacted by the digital divide, and creating partnerships to advance MCA's work in newer areas such as internet safety and security. MCA will continue to leverage partnerships developed during the Digital Equity Plan development outreach and engagement process, particularly within strategies to tackle affordability, reach more places and people with digital inclusion programming, and launch statewide education campaigns to bring partners together on issues like workforce, device refurbishment, internet safety, and telehealth best practices.

- **Digital Equity Taskforce** *(40 partners)*
  The Taskforce members continue to serve as important advisors to ensure that covered populations are identified and served through the [Maine Digital Equity Plan](#) implementation. Many task force members are directly engaged as implementation partners for specific strategies outlined in this plan. Some Taskforce members may also serve as grant decision-making or advisory bodies for Connectivity Hubs or other digital equity funding programs. These are important education partners and awareness builders about digital equity and inclusion programs and resources.

- **Regional and Tribal Broadband Partners** *(13 statewide partners, 180 regional coalition members)*
  These organizations, with geographic reach that covers the entire state, are implementation partners for regional and tribal broadband planning, implementation, and digital equity plans. They are also important convenors for partners at the local and regional levels.

- **Tribal Leadership** *(5 tribes)*
  MCA partners with Tribal leaders and organizations on implementation strategies for digital equity in Tribal communities and serving Tribal members throughout the state.

- **Broadband Working Group** *(17 state agencies/bureaus)*
  Many members of the Working Group may be implementation partners for infrastructure planning, ACP enrollment and other affordability strategies, digital skill building, affordable device access, inclusive government resources, and internet safety. State agencies are education and awareness builders, as well as partners with direct relationships with covered populations through their existing roles and programs.

- **Workforce Advisory Committee** *(20 partners)*
  This Committee is working with MCA's Workforce Development Manager to create and support education and training opportunities to solve the broadband workforce gap. Members include community partners, education representatives, labor and trade organizations, employers, and state and federal representatives. These members serve as advisors to MCA and practitioners to ensure underserved populations are engaged in broadband workforce strategies as MCA implements training and recruitment practices articulated in MCA's workforce strategic plans. Key strategies include recruiting women and minority populations into the broadband workforce and educational opportunities.

- **Broadband Infrastructure Capital Markets Taskforce** (27 partners)
  Though this task force is devoted primarily to helping to solve gaps in funding for broadband infrastructure, members may also be engaged to support the Digital Equity Fund and other creative financing that may support digital equity.

- **Maine Broadband Coalition Policy Committee**
  This subset of the Maine Broadband Coalition will continue to generate and evaluate policy ideas and bring them to MCA for discussion and consideration.

MCA will continue to cultivate and utilize the strength of established committees, partners, and working groups to coordinate public involvement for strategic and mindful BEAD funding deployment and adoption of service. The Maine Connectivity Resource Exchange (the Exchange) will establish a centralized knowledge source for partners and staff to utilize as MCA ensures all impacted communities understand the fundamental aspects of the work and their impact on the process.

Maine's communities must have a role in the continued disbursement of funds and connectivity expansion. Substantial education and awareness are still needed to bring most rural and remote community leaders to this process. The Exchange will continue to serve MCA's prospective funding applicants and all awardees as MCA provides technical translation and helpful insight into awardee best practices across all funding sources.

2.3.1.1 Attachment: Local Engagement Tracker

The complete Local Coordination Tracker Tool, including engagements with Tribal Governments, local community organizations, unions and work organizations, and other groups, can be found at https://www.maineconnectivity.org/bead.

2.3.2 Tribal Consultation Process

During the outreach and engagement period from February and April 2023 that informed the 5-Year Action Plan and the Maine Digital Equity Plan, MCA conducted formal consultations with three federally recognized Tribes in Maine. These consultations were held with the Passamaquoddy Tribe at Indian Township, the Passamaquoddy Tribe at Sipayik, and the Mi'kmaq Nation. Outreach was conducted by mail, email, and phone to the Penobscot Nation and the Houlton Band of Maliseets, but a consultation was not scheduled or completed.

MCA also shared the resulting draft plans during the 30-day public comment period in June 2023 and directly with all Tribal leadership to ensure there was an opportunity for feedback.

One result of this initial consultation process in the Maine Digital Equity Plan and Broadband Action Plan is a proposed Tribal Broadband Initiative. The Initiative outlines ongoing and consistent engagement with Maine's Tribal leadership beyond the formal consultation process during plan development. Further, it outlines Maine's commitment to supporting tribal broadband and digital equity initiatives by continuing to fund capacity and identify opportunities to complement existing tribal funding (such as the Tribal Broadband Connectivity Program) with state broadband infrastructure and digital equity funding to complement, support, and fill gaps.

As this Initial Proposal was being drafted, MCA conducted a second round of formal consultations to meet with Tribal leadership and staff from the two Passamaquoddy Tribes at Indian Township and Sipayik, Penobscot Nation, and Mi'kmaq Nation. The Houlton Band of Maliseets did not meet with MCA but was invited to consult on the Initial Proposal. These most recent consultations helped inform tribal leaders about what they should take note of in the Initial Proposal Volumes I and II during the public comment period, and review and discuss both the opportunities for the Tribes within the BEAD program and the role of Tribal leadership in approving projects proposed on tribal lands.

2.3.2.1 Attachment: Tribal Consultation Evidence

A record of Tribal Consultations meeting agendas can be found at https://www.maineconnectivity.org/bead

2.4 Deployment Subgrantee Selection (Requirement 8)
Describe a detailed plan to award subgrants to last-mile broadband deployment projects through a fair, open, and competitive process.

2.4.1 Deployment Projects Subgrantee Selection Process & Scoring Approach

MCA is committed to a fair, open, and competitive subgrantee selection process for deployment that is free from collusion, bias, conflicts of interest, arbitrary decisions, and allows for awards to be established equitably in an open and transparent environment. MCA has developed and existing comprehensive subgrant award policies and procedures that meet all Federal and State requirements for competitive subgrant solicitation. Further, MCA has substantial experience as a grant-making and grant-monitoring organization. Since 2021, Maine has funded more than 56 broadband infrastructure grants totaling over $110 million. The following is a summary of the proposed subgrantee selection process, which encompasses elements of MCA's Strategic Refresh from the summer of 2023 with a focused intent to create a comprehensive managed grant portfolio.

Stage 1: Program Planning & Development *(estimated November 2023 - June 30, 2024)*

The BEAD program process is shared to reach the most potential applicants. Maine Connectivity Authority (MCA) will publish a calendar of activities, and outline key milestones and dates. Outreach sessions will be conducted with stakeholder groups such as the Regional and Tribal Broadband Partners, Digital Equity Task Force, Interagency Broadband Working Group, Broadband Infrastructure Capital Markets Task Force, and Workforce Advisory Committee, among others. MCA will share as much guidance for applicants as possible.

Stage 2: Applicant Pre-Qualification Period *(estimated June 30 - July 31, 2024)*

MCA plans to open the applicant pre-qualification period while the state-led challenge process concludes. Pre-application guidance materials will be published 60 days before the pre-application process begins. Applicant pre-qualification will determine which applicants can meet the minimum qualifications set forth by the BEAD NOFO and any additional MCA requirements. Applicants will also be presented with a list of draft Project Areas (PAs) and asked to indicate which they intend to apply for. Minimum qualifications will include:

- Evidence that the applicant can execute activities funded by the subgrant competently and in compliance with all applicable federal, state, and local laws;
- Evidence that the applicant has the financial and managerial capacity to meet the commitments of the subgrantee under a subgrant, the requirements of the Program and other requirements that NTIA or the MCA has prescribed and that will be promoted throughout Stage 1;
- Evidence that the applicant has the technical and operational capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award;
- Ownership and other public funding information (any application the subgrantee or its affiliates have submitted or plan to submit, and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds, including but not limited to funds provided under: the Families First Coronavirus Response Act; the CARES Act, the Consolidated Appropriations Act, 2021; or the American Rescue Plan of 2021, any federal Universal Service Fund high-cost program (e.g., RDOF, CAF), or any Eligible Entity or local universal service or broadband deployment funding program); and
- Geographic Project Areas of interest (non-binding).

Within 30 days following the close of the pre-application process, MCA will notify applicants of their pre-qualification status and ability to proceed into Stage 3, the ***BEAD Application Period.***

Stage 3: BEAD Application Period *(estimated August 1 - September 13, 2024)*

The BEAD application will only be open to applicants who have pre-qualified during Stage 2. Applicants will create an application consisting of one or more Project Areas.

The boundaries and characteristics of Project Areas will be officially released 30 days before the opening of the BEAD Application Period. MCA will provide at least the following information for each Project Area:

- Geospatial data and geographic boundaries associated with the Project Area,

- List of Broadband Serviceable Locations (BSLs) contained in the project area, including an identification of unserved BSLs, underserved BSLs and CAIs included in the Project Area,

- Technical specifications required, and

- Cost modeling (CostQuest Associates data may serve as a starting point), including the estimated total cost to connect and the associated baseline amount of subsidy funding available.

Pre-qualified applicants will prepare and submit an application through the MCA Grant Portal, containing the following tasks.

- **Task 1: Project Area Selection.** Applicants will select the Project Areas for which they wish to apply. Applicants will agree to provide a connection to all unserved, underserved, and Community Anchor Institutions in the given project area. Applicants can choose to include multiple Project Areas in a single application if they are either contiguous or part of a naturally connected network build. Applicants should create a separate application for project areas not clearly connected by geography or network infrastructure. For each Project Area, applicants will specify:
    - The amount of BEAD funding (subsidy) the applicant is requesting
    - The requested dollar amount to separately serve all unserved locations, underserved locations, and unserved or underserved Community Anchor Institutions in the Project Area. *

    * MCA recognizes that the combined cost in any PA application may combine these costs for service locations as an additional presentation layer. This allows MCA, in the case of a funding shortfall, to prioritize awards based on unserved locations without revisiting proposals. This may include special project area designation to accommodate various technologies and per-location costs to address extremely hard-to-reach locations.

- **Task 2: Technical Narrative & Profile.** The technical narrative should apply to all Project Areas included in a single application. If additional Project Areas are selected as part of a separate application, a unique technical narrative should be included with that application. This process avoids requiring applicants to complete individual technical narratives for all Project Areas in each application.
    - Technology types
    - Redundancy and business continuity plans
    - Speeds offered
    - Latency expectations
    - Equipment providers and inventory management
    - Staffing and workforce readiness
    - Service plans and pricing
    - Service and billing commitments
    - Timelines for deployment by specific progress milestones

- **Task 3: Financial Analysis.** Applicants will provide a financial analysis for each Application that will apply to all Project Areas included in that application. If the applicant needs to provide varying financial analyses for other Project Areas, a separate Application should be filed for those Project Areas. MCA will provide a template to streamline and coordinate this process, and some elements of this task may be contained in an accompanying workbook if necessary. Information collected will include:
  - Capital expenditures
  - Cash flow projections
  - Operating cost and revenue estimates
  - Source of matching funds that will be contributed to the build

Stage 4: Application Evaluations *(estimated September 16, 2024 to November 15, 2024)*

Following the closing of the Application Period (Stage 3,) the MCA Review Team will assess all applications received from pre-qualified applicants. The evaluation process includes four review elements.

- **Review Element 1: Eligibility.** This review element will ensure all applications are complete and all necessary information has been submitted. At this time, the Review Team will check application information against pre-qualification eligibility requirements to ensure alignment and no discrepancies between the two processes.

- **Review Element 2: Project Area.** This review element will ensure all Project Areas selected as part of the application fit appropriately in a single application. It will also identify three categories of Project Areas:
  - Project Areas that are not included in any eligible applications
  - Project Areas that are included in a single eligible application
  - Project Areas that are included in multiple eligible applications

  A. If a specific Project Area is not included in any eligible applications, the MCA Review Team will identify pre-qualified applicants with other applications in close proximity or with existing infrastructure in the area. Potential outcomes include the addition of these unselected Project Areas to existing applications or the creation of a new application. To secure applicants for these Project Areas, MCA may consider inducements such as waiving the match requirement, using supplemental funding or financing toward the match requirements, or applying extremely high cost per location threshold criteria.

  B. If a specific Project Area is included in multiple eligible applications that both meet the priority criteria, the MCA Review Team will:
  - Score the proposed projects based on the scoring matrix developed by MCA, and
  - Solicit applicants' final and best offer, including price, match, BEAD subsidy requested, and potentially add any proximate Project Areas not included in any other applications.

  C. If a specific Project Area is included in multiple eligible applications, but only one of the applications meets the priority criteria, and MCA deems the BEAD costs and subsidy requests reasonable, the application will be moved forward for technical and financial review.

D. If a specific Project Area is included in only one eligible application, and it meets the priority criteria, and MCA deems the BEAD costs and subsidy requests reasonable, the application will be moved forward for technical and financial review.

- **Review Element 3: Technical.** This review element will examine the technical feasibility of the application and project areas, and ensure that all technical standards of the program are met. Information examined during the Technical Review includes:
  - Network design
  - Plan and timing to satisfy permitting requirements
  - Infrastructure construction timelines
  - Capacity of proposed networking equipment
  - Other key factors outlined in program guidance materials

- **Review Element 4: Financial.** This review element will examine the overall financial sustainability of the proposed application and project areas and ensure that all financial standards of the program are met. Information examined during the Financial Review includes:
  - Pro Forma analyses and business plans of the proposed project
  - Reasonableness of proposed construction budget
  - Reasonableness of proposed operating budget and cash flow analysis
  - Applicant's financial capacity for the project as well as the totality of all project applications submitted to MCA by the applicant
  - Other key factors outlined in program guidance materials

Stage 5: Staff & Board Final Review *(estimated November 18, 2024 to December 17, 2024)*

Following application evaluations conducted by the MCA Review Team, a BEAD Grant Approval Plan will be utilized which may include the following processes:

1. The Review Team will present an initial cohort of applications for recommendation by the MCA Staff Grants Committee (SGC).
2. The MCA Review Team may also include information about applications not being recommended for approval and the associated rationale. This process will allow for MCA and partners to apply a range of resources for any given application or area in a manner that addresses the infrastructure and digital equity needs of the applicant area.

Next, the SGC will review these recommendations and vote to move applications forward to the Last Mile Infrastructure Committee (LMIC) of the MCA Board. If the SGC is not satisfied with a recommended application, additional information for further remediation may be requested.

The LMIC will review the recommended applications from the SGC, and vote to approve or ratify (depending on the proposed award amount) to the full MCA Board. If the LMIC is not satisfied with a recommended application, additional information or further remediation of the application may be requested and/or a conditional approval provided based on specific deliverables.

MCA would like to avail subrecipients of the Part 200 exceptions and adjustments NTIA applies in the BEAD program. Should any revisions to this Initial Proposal submission be needed to accomplish this, MCA would like an opportunity to make those revisions.

2.4.2 Prioritization and Scoring Process

Priority Project Criteria and Weight

MCA adopts the scoring criteria and weight of each respective criterion below to evaluate **Priority Project Applications** proposed under the subgrantee selection process. The BEAD program defines priority project applications as providing service via end-to-end fiber-optic facilities to each end-user premises. These criteria abide by the guidelines set forth for project scoring in the BEAD NOFO. MCA's rationale for this scoring system and point allocation is prioritizing funding projects that maximize impact, balancing urgency, universality, and equity.

As stated in Maine's Broadband Action Plan, MCA seeks to stretch infrastructure funds to achieve the most impact of investments. In doing so, MCA hopes to design a BEAD program that ensures more people can access and afford broadband in diverse places through diverse service providers and technologies. In facilitating a competitive utility marketspace, MCA seeks to incentivize cost-effective infrastructure deployment to ensure internet service providers can guarantee affordable offerings. Given that almost 40% of households in Maine could qualify for federal subsidies for high-speed internet combined with the extremely high retention of subscribers once online for a multi-year period, MCA has tried to structure a scoring system that will both stretch funding as far as possible and incentivize service to capture as broad a market as possible.

As outlined in MCA's statute and strategy - MCA seeks to balance comprehensive solutions while remaining focused on priority populations and an ongoing state of digital inclusion. Specific suggestions for scoring are welcome through public comment. Final scoring methodology, criteria, and categories may be adjusted.

Primary Scoring Criteria

- **Minimal BEAD Outlay** *(35 points available)*
  Subgrantee applicants will provide the list of Project Areas (PAs) and the grant request amount for each PA they are applying for. If a subgrantee applicant chooses to submit multiple applications, each for a different PA, the applicant must note the match amount and the grant request for each PA separately. Each application must be capable of being scored and evaluated separately.

Scoring will be based on the total BEAD funding required to complete the project, accounting for the total projected cost and the prospective subgrantee's proposed match (which must, absent a waiver, cover no less than 25 percent of the project cost). Benchmark grant funding amounts are derived from CostQuest Associates cost model provided by NTIA as a starting point and shared as part of the application materials. The scoring methodology will be determined.

- **Affordability** *(30 points available)*
  Commitment to provide the most affordable total price to the customer for 100/100Mbps service in the project area. Points will be awarded in the following manner:

  - *15 points* - Baseline scoring up to 15 points for what MCA considers "affordable" to average middle-income household based on the table below and outlined in section 2.13.1. A baseline of 5 points will be awarded to subgrantees that offer a non-promotional plan with the Maine broadband service definition of 100 Mbps/100 Mbps at no more than $70 per month. 2 additional points will be awarded for every $5 below $70 for a maximum of 15 points. If the retail price for this service exceeds $70, no points will be awarded.

Inclusive monthly price for 100 Mbps/100 Mbps *	Points awarded
$70	5 Points
$65-$69	7 Points
$60-$64	9 Points
$55-$59	11 Points
$50-$54	13 Points
$49 and below	15 Points

    * All speed tiers and pricing are inclusive of all taxes, fees, and recurring monthly charges.

  - *6 points* - Available to subgrantees providing 100 Mbps/20 Mbps service at $30/month regardless of household income
  - *3 points* - Available to subgrantees who agree to cover any special construction costs and service drops for new connections requested within the BEAD-funded area for a period of 12 months following network completion.
  - *3 points* - Available to subgrantees providing 1G/1G residential service for $100 or less per month

- **Fair Labor Practices** *(10 points available)*
  Subgrantee's demonstrated record of and plans to be in compliance with Federal labor and employment laws. During Stage 3 of subgrantee selection, as part of the Technical Narrative & Profile, each application will be scored on the fair labor practices components of this element and given a ranking of "excellent", "satisfactory", or "deficient". Those being deficient may require curing. Points will be awarded in the following manner:
  - *10 points* - Awarded for projects ranked as excellent
  - *5 points* - Awarded for projects ranked as satisfactory
  - *0 points* - Awarded for projects ranked as deficient

Secondary Scoring Criteria

- **Speed to Deployment** *(4 points available)*
  Timeframe in which applicants make a binding commitment to complete deployment of their BEAD-funded broadband project. The applicant commits to completing the broadband deployment in the following time frame, measured from the contract execution date to the completion of the verification and validation of construction and final grant disbursement. Points will be awarded in the following manner:
  - *4 points* - less than 12 months
  - *3 points* - 12-18 months
  - *2 points* - 18-24 months
  - *1 point* - 24-36 months
  - *0 points* - more than 36 months

Additional Prioritization Factors

- **Local and Tribal Coordination (*8 points available*)**
  Reflects applicants' support from local and/or Tribal Government with oversight over the location or locations to be served. Points will be awarded in the following manner:
  - *8 points* - Applicant has completed the MCA-prescribed community engagement process outlined in the application process.
  - *4 points* - Applicant has completed some of, but not all of the elements of the MCA-prescribed community engagement process outlined.
  - *0 points* - Applicant has not completed any of the outlined elements of the MCA-prescribed community engagement process.

- **Digital Equity Objectives** *(4 points available)*
  Applicants receive additional points if they identify Community Anchor Institution and Multi-Unit Dwelling locations within the project area and include specific plans for outreach and upgrading or providing connectivity to these locations. Points will be awarded in the following manner:
  - *2 points* **-** For committing to serve any unserved CAIs (identified in Initial Proposal Volume 1 and through completion of State Lead Challenge Process) within the project area with 1Gbs symmetrical service.
  - *2 points* - For identifying location of MDUs within the project area and 1) providing specific plans to provide service to all individual Dwelling Units within the MDU, including partnering with a 3rd party solution provider if required and/or evidence from the owner or manager of the MDU confirming sufficient inside plant exists within the MDU to distribute service to all individual Dwelling Units, and 2) including specific plans for outreach to connect these residents within their adoption campaign plans (further outlined in section 2.12).

- **Proximate Project Areas Selected** *(3 points available)*
  Applicants receive additional points if they have agreed to select proximate project areas that were not included in any other applications. Points will be awarded in the following manner:
  - *3 points* - For adding more than one additional project area to this application
  - *2 points* - For adding one additional project area to this application
  - *0 points* - For adding no additional project areas to this application

- **Equitable Workforce Development and Job Quality** *(3 points available)*
  Reflects subgrantee's enforceable commitments to advancing equitable workforce development and job quality objectives (Sec. IV.C.1.f. of NOFO). During Stage 3 of subgrantee selection, as part of the Technical Narrative & Profile, each application will be scored on the workforce development and job quality components of this element and given a ranking of "excellent", "satisfactory", or "deficient". Those being deficient may require curing. Points will be awarded in the following manner:
  - *3 points* - awarded for projects ranked as excellent
  - *2 points* - awarded for projects ranked as satisfactory
  - *0 points* - awarded for projects ranked as deficient.

- **Technical Review including network scalability** *(2 points available)*
  During Stage 3 of subgrantee selection, each application will be scored on technical narrative and profile and given a ranking of "excellent", "satisfactory", or "deficient". Those being deficient may require curing. Points will be awarded in the following manner:
  - *2 points* - awarded for projects ranked as excellent
  - *1 point* - awarded for projects ranked as satisfactory
  - *0 points* - awarded for projects ranked as deficient

- **Open Access** *(1 point available)*
  Promotes applicants' provision of open access wholesale last-mile broadband service for the life of the subsidized networks on fair, equal, and neutral terms to all potential retail providers. Points will be awarded in the following manner:
  - *1 point* - awarded for an open access network proposal
  - *0 points* - if the proposed network is not open access.

Non-Priority Project Criteria and Weight

MCA adopts the scoring criteria and weight of each respective criterion below to evaluate **Non-Priority Projects** proposed under the subgrantee selection process. The BEAD program defines non-priority project applications as not providing service via end-to-end fiber-optic facilities to each end-user premises. These projects must still meet the BEAD required speeds of at least 100/20 Mbps with latency less than or equal to 100 milliseconds. These criteria abide by the guidelines set forth for project scoring in the BEAD NOFO. Evaluation criteria are outlined below each scoring category.

Primary Scoring Criteria

- **Minimal BEAD Outlay** *(40 points available)*
  Subgrantee applicants will provide the list of Project Areas (PAs) and the grant request amount for each PA they are applying for. If a subgrantee applicant chooses to submit multiple applications, each for a different PA, the applicant must note the match amount and the grant request for each PA separately. Each application must be capable of being scored and evaluated separately. Scoring will be based on the total BEAD funding required to complete the project, accounting for the total projected cost and the prospective subgrantee's proposed match (which must, absent a waiver, cover no less than 25 percent of the project cost). Benchmark grant funding amounts are derived from CostQuest Associates cost model provided by NTIA as a starting point and shared as part of the application materials. The scoring methodology will be determined.

- **Affordability** *(30 points available)*
  Commitment to provide the most affordable total price to the customer for 100/100Mbps service in the project area. Points will be awarded in the following manner:
  - *15 points* - Baseline scoring up to 15 points for what MCA considers "affordable" to average middle-income household based on the table below and outlined in section 2.13.1. A baseline of 5 points will be awarded to subgrantees that offer a non-promotional plan with the Maine broadband service definition of 100 Mbps/100 Mbps at no more than $70 per month. 2 additional points will be awarded for every $5 below $70 for a maximum of 15 points. If the retail price for this service exceeds $70, no points will be awarded.

    * All speed tiers and pricing are inclusive of all taxes, fees, and recurring monthly charges.

Inclusive monthly price for 100 Mbps/100 Mbps *	Points awarded
$70	5 Points
$65-$69	7 Points
$60-$64	9 Points
$55-$59	11 Points
$50-$54	13 Points
$49 and below	15 Points

  - *6 points* - Available to subgrantees providing 100 Mbps/20 Mbps service at $30/month regardless of household income
  - *3 points* - Available to subgrantees who agree to cover any special construction costs and service drops for new connections requested within the BEAD-funded area for a period of 12 months following network completion
  - *3 points* - Available to subgrantees providing 1G/1G residential service for $100 or less per month

- **Fair Labor Practices** *(10 points available)*
  Subgrantee's demonstrated record of and plans to be in compliance with Federal labor and employment laws. During Stage 3 of subgrantee selection, as part of the Technical Narrative & Profile, each application will be scored on the fair labor practices components of this element and given a ranking of "excellent", "satisfactory", or "deficient". Those being deficient may require curing. Points will be awarded in the following manner:
    - *10 points* - Awarded for projects ranked as excellent
    - *5 points* - Awarded for projects ranked as satisfactory
    - *0 points* - Awarded for projects ranked as deficient

Secondary Scoring Criteria

- **Technical Review including speed of network** *(7 points available)*
  During Stage 3 of subgrantee selection, each application will be scored on technical narrative and profile and given a ranking of "excellent", "satisfactory", or "deficient". Those being deficient may require curing. Points will be awarded in the following manner:
    - *7 points* - Awarded for projects ranked as excellent
    - *4 points* - Awarded for projects ranked as satisfactory
    - *0 points* - Awarded for projects ranked as deficient

- **Speed to Deployment** *(4 points available)*
  Timeframe in which applicants make a binding commitment to complete deployment of their BEAD-funded broadband project. The applicant commits to completing the broadband deployment in the following time frame, measured from the contract execution date to the completion of the verification and validation of construction and final grant disbursement. Points will be awarded in the following manner:
    - *4 points* - less than 12 months
    - *3 points* - 12-18 months
    - *2 points* - 18-24 months
    - *1 point* - 24-36 months
    - *0 points* - more than 36 months

Additional Prioritization Factors

- **Local and Tribal Coordination** *(7 points available)*
  Reflects applicants' support from local and/or Tribal Government with oversight over the location or locations to be served. Points will be awarded in the following manner:
    - *8 points* - Applicant has completed the MCA-prescribed community engagement process outlined in the application process.
    - *4 points* - Applicant has completed some of, but not all of the elements of the MCA-prescribed community engagement process outlined.
    - *0 points* - Applicant has not completed any of the outlined elements of the MCA-prescribed community engagement process.

- **Equitable Workforce Development and Job Quality** *(2 points available)*
  Reflects subgrantee's enforceable commitments to advancing equitable workforce development and job quality objectives (Sec. IV.C.1.f. of NOFO). During Stage 3 of subgrantee selection, as part of the Technical Narrative & Profile, each application will be scored on the workforce development and job quality components of this element and given a ranking of "excellent", "satisfactory", or "deficient". Those being deficient may require curing. Points will be awarded in the following manner:
  - *2 points* - awarded for projects ranked as excellent
  - *1 point* - awarded for projects ranked as satisfactory
  - *0 points* - awarded for projects ranked as deficient.

2.4.2.1 Scoring Matrix Attachment

Per NTIA guidance, MCA has designed two scoring matrices (one for priority broadband projects and one for non-priority broadband projects) reflecting the information presented above that can be accessed here: https://www.maineconnectivity.org/bead.

2.4.3 Prioritizing Unserved Locations and Project Areas

Based on MCA's current cost projections, it is expected that funding available under the BEAD program, along with leveraged match funding and use of the EHCPLT, will address all unserved and underserved locations that lack broadband access as defined by the BEAD program.

As other enforceable commitments are finalized, private ISP investments are confirmed, and once MCA adjudicates all challenges through the State-Led Challenge Process, a definitive number of unserved locations will be identified and finalized. The coverage of CAIs is still being determined as of the publication of this draft for public comment.

After applications are received, MCA will assess whether any Unserved Locations exist in Project Areas that did not receive qualifying applications. If any such Project Areas remain, MCA will engage in the process outlined in section 2.4.1 Stage 4: Application Evaluations and pause any funding awards for Underserved Project Areas or CAIs defined by MCA. Before funding Underserved Project Areas, MCA will identify Unserved Service Projects and:

- Utilize the EHCPLT to explore alternative technologies
- Adjust the matching requirements to incentivize applications with a higher subsidy
- Engage with applicants to adjust their existing applications to include Unserved Service Projects.

MCA may request applicants provide rescoped project areas/locations to reach only those locations that are unserved, underserved, or Community Anchor Institutions as defined by MCA as funding availability allows.

2.4.4 Non-deployment Projects

MCA proposes to provide funding for non-deployment activities for implementation of workforce development programming before deploying services to all eligible CAIs because it is critical for successfully implementing the proposed deployment activities within the NTIA-required performance period. Maine's available broadband workforce is already insufficient, and with this transformational investment, failure to prioritize workforce initiatives will hamper Maine's ability to implement the BEAD program successfully. The acute need for workforce support and investment is documented in MCA's [Maine Broadband Workforce Strategy](#) and NTIA's "State Workforce Research Findings: Maine" document.

2.4.5 EHP and BABA Compliance

MCA will emphasize ensuring funds are spent on procuring products and supplies from American workers and businesses, strengthening and growing U.S. domestic manufacturing capacity. MCA will communicate requirements stipulated in the Build America, Buy America Act (BABA) to all applicants before the selection process. Key points highlighted by MCA will be:

- Requirement that all iron, steel, manufactured products (including but not limited to fiber-optic communications facilities), and construction materials used in the project or other eligible activities are produced in the United States unless a waiver is granted.

- In determining whether a product is produced in America, subrecipients must comply with definitions included in Section 70912 of the Build America, Buy America Act, which provides that a manufactured product is considered produced in the United States if the manufactured product was manufactured in the United States and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

- In addition to the provisions above, subgrantees may not use BEAD funding to purchase or support any covered communications equipment or service, as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. § 1608).

- The Infrastructure Act expressly prohibits subgrantees from using BEAD funding to purchase or support fiber optic cable and optical transmission equipment manufactured in the People's Republic of China unless a waiver of this requirement is received from the Assistant Secretary. MCA will incorporate the requirements of the Build America, Buy America Act into the subgrantee selection process by conducting regulations information webinars, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as grant agreement terms/conditions and subgrantee grant monitoring program requirements. Any application that does not show intent to abide by BABA or explicitly violates the requirements will not be considered to receive BEAD funding.

MCA will adhere to the National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.) and National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.) requirements to analyze the potential environmental impacts of awardee projects and other eligible activities that are seeking to utilize BEAD funding. Communication between MCA and applicants before and throughout the selection process will ensure entities seeking to capitalize on BEAD funding comply with NEPA and NHPA. The below points will be specifically highlighted:

- Projects or other eligible activities containing construction and/or ground-disturbing activities are required to submit all required environmental documentation to NTIA with their Final Proposals, which also must describe how they will comply with applicable environmental and national historical preservation requirements.
- It is the responsibility of MCA and the subgrantee to obtain all necessary federal, Eligible Entity, and local governmental permits and approvals necessary for the proposed work to be conducted.
- Projects and other eligible activities are expected to be designed to minimize the potential for adverse impacts on the environment.

MCA will incorporate the requirements of the National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.) and National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.) into the subgrantee selection process by conducting regulations information webinars, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as contract negotiation records, grant agreement terms/conditions and subrecipient grant monitoring program requirements.

Projects that fail to comply with EHP regulations will not be considered to receive BEAD funding. MCA would like to avail subrecipients of any exceptions and adjustments NTIA applies to the BABA and EHP requirements. Should any revisions to this Initial Proposal submission be needed to accomplish this, MCA would like an opportunity to make those revisions.

2.4.6 Project Area Definition

MCA will define Project Areas that meet BEAD program goals and encourage competitive applications from diverse internet service providers. MCA's goals, consistent with BEAD program objectives, include:
- Prioritizing unserved locations first
- Ensuring a robust and healthy ecosystem of internet service providers to offer competitive and affordable services
- Leveraging existing infrastructure, including community supported networks
- Complementing concurrent and prior state and federally funded projects
- Creating economically sustainable broadband networks
- Incentivizing affordable broadband access at a regional scale
- Enhancing network resilience and redundancy throughout the state, and
- Maximizing the number of un- and underserved locations that are funded through BEAD.

Balancing this combination of goals represents a significant challenge, but is necessary to maximize impact and long-term public benefit. Maine's population is very dispersed, creating barriers to achieving economic sustainability for broadband providers through increased cost per passing. Existing infrastructure ownership is heavily influenced by legacy local exchange boundaries, increasing costs for competitors willing to expand beyond those boundaries, and new entrants. Maine's geography consists of heavily forested mountains, rocky coasts and islands, and very rural farmlands interwoven with rivers and lakes, all creating physical barriers to creating contiguous project areas. Many unserved BSLs are dispersed in dense clusters of single-provider-served locations, increasing the difficulty of fostering competition to provide affordable service. Lack of sufficient Middle Mile infrastructure creates single points of failure, and adds significant cost to Last Mile deployments through high backhaul fees.

MCA's process to define Project Areas (PAs) will prioritize the creation of un- and underserved clusters based on geospatial analysis, presence of existing infrastructure, geographical features, proximity to middle mile routes, including MCA's NTIA-funded MOOSE Net, jurisdictional and municipal boundaries that influence network cost and community involvement, presence of existing enforceable state or federal commitments, and input from community stakeholders and ISPs.

Project Area definitions require a known set of Eligible BSLs. Before the conclusion of the State-Led Challenge Process, MCA will deduplicate enforceable commitments and perform geospatial analysis on un- and underserved locations to form template Project Areas. PAs will be refined based on criteria developed in coordination with community stakeholders and applicants participating in the pre-qualification process and finalized after the State-Led Challenge Process is complete. At that time, most American Rescue Plan funding will have been deployed, further defining those Project Areas, and NTIA will confirm the final list of Eligible BSLs.

During the Subgrantee Selection Process, the inclusion of a Project Area in an application creates an obligation to deploy to all eligible locations in the PA if the application is awarded.

Deconflicting

MCA's Project Area (PA) design eliminates conflict with individual locations. Only complete PAs will be selected in applications, and PAs do not overlap locations. The application process may result in a single PA being selected by multiple applicants, and deconfliction for this type of scenario is addressed in 2.4.1, Stage 4: Application Evaluation.

2.4.7 Project Areas Included in No Eligible Applications

If a specific Project Area is not included in any eligible applications, the MCA Review Team will identify pre-qualified applicants with other applications in close proximity or with existing infrastructure in the area. Potential outcomes include the addition of these unselected Project Areas to existing applications or the creation of a new application with pre-qualified applicants.

To secure applicants for these Project Areas, MCA may consider inducements such as waiving the match requirement or using supplemental funding or financing toward the match requirements. This process is outlined further in Section 2.4.1, Stage 4: Application Evaluations.

2.4.8 Tribal Government's Consent

MCA will continue to consult with Tribal leadership for all projects proposed to serve any locations on Tribal lands. An orientation meeting for the BEAD subgrantee process has already been held with several Tribal leaders, and more are being scheduled. Ongoing consultations throughout the subgrantee process will include a meeting to review the details of any proposed applications that include locations on Tribal lands and to share information about all required permitting and review for those projects. MCA will create a consent form that Tribal leaders and MCA can sign to reflect agreement and consent on the specific project(s) within their purview.

2.4.9 Identification of Extremely High Cost Per Location Threshold (EHCPLT)

Based on detailed analysis, MCA anticipates that its BEAD allocation is insufficient to reach all eligible locations in the state with FTTH service without using the Extremely High Cost Per Location Threshold (EHCPLT).

In the face of a potential funding shortfall to provide fiber service to all unserved and underserved locations across the state, MCA views the EHCPLT as a key tool to maximize the use of its BEAD allocation to provide broadband service to as many Mainers as possible. MCA will determine the EHCPLT during Stage 4 of the process outlined in 2.4.1, after the subgrantee application period (Stage 3) has closed and after the designation of Project Areas.

MCA will strategically set the EHCPLT to achieve the State's goals of maximizing the use of FTTH while reaching as many eligible locations as possible in Project Areas. An optimization and sensitivity analysis will be conducted to identify how setting the EHCPLT at different levels is projected to impact the number of unserved, underserved and CAI locations connected, allowing MCA to set the threshold as high as possible (prioritizing fiber) while serving as many eligible locations as possible.

Inputs into MCAs modeling and analysis process to identify the EHCPLT:

- NTIA verified location data of eligible BSLs - via CQA
- NTIA provided Extremely High Cost Per Location Threshold tool
- Proprietary project data from the past 5 years of last-mile connectivity grant applications submitted to ConnectMaine and MCA - primarily FTTH plus some alternative technologies
- Proprietary project financial data from active ConnectME and MCA grant portfolio projects in various project lifecycle stages - primarily FTTH plus some alternative technologies
- MCA GIS modeling and analysis of BEAD subgrantee project applications received
- MCA analysis of capital and operating costs associated over the lifetime of the proposed project
- MCA financial sensitivity analysis

Once established, the EHCPLT may enable MCA the ability to consider the strategic and tactical use of alternative technology types where FTTH is cost prohibitive and in such a way that BEAD investments maximize as many connectivity co-benefits as possible.

2.4.10 Extremely High Cost Per Location Utilization

MCA will set and use the EHCPLT in accordance with the methodology offered in section 2.4.9 above.

If an application to serve a Project Area (PA) exceeds the EHCPLT, when viewed as average funding requested per location, MCA will evaluate non-priority applications received for that Project Area. The BEAD program defines non-priority project applications as those that do not provision service via end-to-end fiber-optic facilities to each end-user premises. These projects must still meet the BEAD required speeds of at least 100/20 Mbps with latency less than or equal to 100 milliseconds.

If no non-priority applications are received for that PA, MCA will engage with applicants who submitted proposals for priority projects and determine if the costs outlined over EHCPLT are appropriate and warrant an award over this threshold.

MCA does not anticipate unserved and underserved locations remaining that do not require a subsidy to provide the location with access to broadband. These areas should generally be addressed in the challenge process, where broadband providers may formally state that additional areas are served beyond those identified in the most recent version of the FCC National Broadband Map. Non-priority projects that may not meet the definition of reliable broadband will only be entertained if all priority broadband projects submitted exceed the EHCPLT.

Deployment Subgrantee Qualifications

2.4.11 Minimum Qualifications: Financial Capability

MCA is committed to a fair and comprehensive vetting of applicants through the subgrantee selection process and will require applicants to submit financial documentation and related analysis that substantiates the sustainability of the proposed project. Applicants will be required to submit audited financial statements (as required by the BEAD program) as well as:

- Pro Forma analyses and business plans of the proposed project
- Reasonableness of proposed construction budget
- Reasonableness of the proposed operating budget and cash flow analysis
- Applicant's financial capacity for the project as well as the totality of all project applications submitted to MCA by the applicant
- Other key factors outlined in program guidance materials

MCA will ensure applicants are aware of these regulations before and throughout the selection process by conducting webinars focusing on capacity and compliance, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as contract negotiations records, grant agreement terms/conditions and subrecipient grant monitoring program requirements.

Beginning in the pre-qualification phase (stage 2), applicants must submit specific evidence that they have the financial capacity to meet the commitments of the subgrantee under a subgrant, the requirements of the Program and other requirements that NTIA or the MCA has prescribed. In addition, MCA requires evidence in stage 2 that the applicant can execute activities funded by the subgrant competently and in compliance with all applicable federal, state, and local laws, as well as that the applicant has the financial and managerial capacity to meet the commitments of the subgrantee, and the technical and operational capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award.

During the application stage (stage 3), applicants will provide a more detailed financial analysis in the form of pro forma statements or analyses, business plans, inclusive of cash flow and balance sheet projections, and should include at least three years of operating cost and cash flow projections post targeted completion of the project. MCA will require applicants to certify that they are qualified to meet the obligations associated with a Project, that the applicants will have available funds for all project costs that exceed the grant amount, and that the applicants will comply with all Program requirements, including service milestones.

MCA anticipates it may be required to disburse funding to subgrantees upon completion of the associated tasks for the BEAD program (different than with prior programs). Each applicant will be required to certify that it will have sufficient financial resources to cover its eligible costs for the Project until MCA authorizes additional disbursements.

Subgrantees must also provide a letter of credit or performance bond before executing any subgrantee agreement. If using a letter of credit, the letter must meet all NTIA requirements specified in the BEAD NOFO, the subsequent BEAD Letter of Credit Waiver issued by NTIA, and any subsequent waivers or guidance provided by NTIA. During Stage 2, the Applicant Pre-Qualification Period, each applicant will be required to provide audited financial statements from two prior fiscal years or unaudited for the most recent year if audited are not yet available.

During Stage 3 of the BEAD Application Period, the Financial Analysis that MCA requires of all applicants includes financial analysis for each Application that will apply to all Project Areas included in that application. If the applicant needs to provide varying financial analyses for other Project Areas, a separate Application should be filed for those Project Areas. MCA will provide a template to streamline and coordinate this process, and some elements of this task may be contained in an accompanying workbook if necessary.

Applications that fail to meet the minimum qualifications for financial capability by not submitting the information outlined on pages 72-73 of the BEAD NOFO will not be considered to receive BEAD funding.

2.4.12 Minimum Qualifications: Managerial Capacity

MCA will ensure that all applicants seeking to deploy network facilities comply with the managerial capability requirements outlined in the BEAD NOFO. During stage 2 (applicant pre-qualification), MCA will require applicants to submit resumes for all key management personnel and any necessary project organizational chart(s) and corporate relationships detailing all parents, subsidiaries, and affiliates. Each applicant must also provide a narrative describing the applicant's readiness to manage a broadband services network. The narrative should describe the experience and qualifications of key management for undertaking this project, its experience undertaking projects of similar size and scope, recent and upcoming organizational changes, including mergers and acquisitions, and relevant organizational policies.

MCA shall not approve any grant for the deployment or upgrading of network facilities unless it determines that the documents submitted demonstrate the applicant's managerial capability with respect to the proposed project. MCA will ensure applicants are aware of these regulations prior to and throughout the selection process by conducting informational webinars, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as grant agreement terms/conditions and subrecipient grant monitoring program requirements.
Applications that fail to meet the minimum qualifications for managerial capability as outlined on pages 73-74 of the BEAD NOFO will not be considered to receive BEAD funding through MCA.

2.4.13 Minimum Qualifications: Technical Capability

MCA will ensure that all applicants seeking to deploy network facilities comply with the minimum qualifications for technical capability outlined in the BEAD NOFO. MCA will require, during stage 2 (applicant pre-qualification), that applicants submit certification that they are technically qualified to complete and operate a project that meets BEAD requirements and that they are capable of carrying out the funded activities in a competent manner, including that they will use an appropriately skilled and credentialed workforce.

During stage 3 of the Subgrantee Selection Process, MCA will also require applicants to submit a network design, diagram, project costs, build-out timeline and milestones for project implementation, and a capital investment schedule evidencing complete build-out and the initiation of service within four years of the date on which the entity receives the subgrant, all certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project.

The MCA Review Team will collect the engineer's signature, certifying that the network can meet the proposed timelines, milestones, and construction schedule proposed within the costs specified in the application. MCA will also collect the engineer's state of registration and registration number to demonstrate that the engineer holds an applicable license.

MCA will not approve any grant for the deployment or upgrading of network facilities unless it determines that the documents submitted demonstrate the applicant's technical capability with respect to the proposed project. MCA will ensure applicants are aware of these regulations prior to and throughout the selection process by conducting informational webinars, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as grant agreement terms/conditions and subrecipient grant monitoring program requirements.

Applications that fail to meet the minimum qualifications for technical capability as outlined on page 74 of the BEAD NOFO will not be considered to receive BEAD funding through MCA.

2.4.14 Minimum Qualifications: Compliance with Applicable Laws

During Stage 2 (Applicant Pre-Qualification Period) of the Subgrantee Selection Process, MCA will require all applicants seeking to deploy network facilities to supply evidence that they can execute activities funded by the subgrant competently and in compliance with all applicable federal, state, and local laws. This includes details about how the applicant intends to permit the creation of worker-led health and safety committees that management will meet with upon reasonable request.

2.4.15 Minimum Qualifications: Operational Capability

MCA will ensure that all applicants seeking to deploy network facilities comply with the minimum qualifications for operational capability outlined in the BEAD NOFO. During Stage 2 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require applicants to submit evidence that they have the operational capability to complete and operate a project that meets BEAD requirements.

If the prospective subgrantee has provided a voice, broadband, and/or electric transmission or distribution service for at least two consecutive years before the date of its application submission or that it is a wholly-owned subsidiary of such an entity, the applicant must submit a certification that attests to these facts and specifies the number of years the prospective subgrantee or its parent company has been operating.

If the prospective subgrantee has provided a voice and/or broadband service, it must certify that it has timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period, and otherwise has complied with the Commission's rules and regulations. Alternatively, a prospective subgrantee should explain any pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with Commission rules or regulations.

If the prospective subgrantee has operated only an electric transmission or distribution service, it must submit qualified operating or financial reports that it has filed with the relevant financial institution for the relevant time period, along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.

For a new entrant to the broadband market, a prospective subgrantee must provide evidence sufficient to demonstrate that the newly formed entity has obtained sufficient operational capabilities through internal or external resources. Such evidence may include resumes from key personnel, project descriptions and narratives from contractors, subcontractors, or other partners with relevant operational experience or other comparable evidence.

MCA will not approve any grant for the deployment or upgrading of network facilities unless it determines that the documents submitted to it demonstrate the applicant's operational capability with respect to the proposed project.

2.4.16 Minimum Qualifications: Ownership Information

MCA will ensure that all applicants seeking to deploy network facilities comply with the minimum qualifications for providing ownership information outlined in the BEAD NOFO. During Stage 2 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require applicants to submit ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7).

2.4.17 Minimum Qualifications: Public Funding Information

MCA is committed to ensuring applicants seeking to deploy network facilities comply with the minimum qualifications for providing information on other public funding as outlined in the BEAD NOFO. During Stage 2 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require that applicants submit information about other public funding as detailed on pages 75-76 of the BEAD NOFO.

Each applicant will be required to disclose, for itself and its affiliates, any application the applicant or its affiliates have submitted or plan to submit and every broadband deployment project that the applicant or its affiliates are undertaking or have committed to undertake at the time of the application using public funds, including but not limited to funds provided under: the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan of 2021 (Public Law 117-2; 135 Stat. 4), any federal Universal Service Fund high-cost program (e.g., RDOF, CAF), or any Eligible Entity or local universal service or broadband deployment funding program. MCA will require the disclosure, for each broadband deployment project, of the following:

- The speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules),
- The geographic area to be covered,
- The number of unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage),
- The amount of public funding to be used, the cost of service to the consumer, and
- The matching commitment, if any, provided by the applicant or its affiliates.

MCA will ensure applicants are aware of these requirements prior to and throughout the selection process by conducting informational webinars, posting a list of requirements on the MCA website, and including the requirements in grant applications/instructions as well as contract negotiation record grant agreement terms/conditions and subrecipient grant monitoring program requirements. Applications that fail to meet the minimum qualifications for providing information on other public funding as outlined on pages 75-76 of the BEAD NOFO will not be considered to receive BEAD funding through MCA.

2.5 Non-Deployment Subgrantee Selection (Requirement 9)

Describe a fair, open, and competitive subgrantee selection process for eligible non-deployment activities. Responses must include the objective means, or process by which objective means will be developed, for selecting subgrantees for eligible non-deployment activities.

2.5.1 Fair, Open, and Competitive Subgrantee Selection Process for Non-Deployment Activities

MCA's priority is to utilize the state's BEAD allocation to extend broadband infrastructure to every unserved location, underserved location, and Community Anchor Institution without gigabit symmetrical connectivity in the state. Following this, any potential remaining funds may be used to fund non-deployment programs related to addressing the digital divide beyond access in Maine. MCA will ensure that in all subgrantee selection processes for potential BEAD non-deployment programs, applications for funds will be allocated through a competitive process, and awards will be made in accordance with the results of that process. MCA will ensure that non-deployment subgrantee programs are conducted via a fair, open, equitable, and competitive subgrantee selection process and that adequate safeguards are in place to protect the integrity of the competition, including safeguards against collusion, bias, conflicts of interest, arbitrary decisions, and other factors that could undermine confidence in the process.

MCA anticipates that any remaining funds available will be used for non-deployment activities in the following categories:

- User training for cybersecurity, privacy, and other digital safety matters
- Remote learning or telehealth services/facilities
- Digital literacy/upskilling (from beginner-level to advanced)
- Computer science, coding and cybersecurity education programs
- Implementation of Eligible Entity digital equity plans (to supplement, but not to duplicate or supplant, Planning Grant funds received by the Eligible Entity in connection with the Digital Equity Act of 2021)
- Broadband sign-up assistance and programs that provide technology support
- Multi-lingual outreach to support adoption and digital literacy
- Prisoner education to promote pre-release digital literacy, job skills, online job acquisition skills, etc.
- Digital navigators

- Costs associated with stakeholder engagement, including travel, capacity-building, or contract support
- Other allowable costs necessary to carry out programmatic activities of an award, not to include ineligible costs described in Section V.H.2 of the BEAD NOFO
- Activities related to the incorporation of "smart" technologies and capabilities into farming practices
- Broadband adoption initiatives or programs
- Other activities related to non-deployment.

2.5.2 Non-Deployment Activities and Initiatives

MCA will develop specific evaluation criteria used to evaluate applications for subgrants at a later time. The criteria will be developed in close coordination with the State Digital Equity Capacity Grant Program. Preferences in selecting the type of non-deployment initiatives MCA intends to support using BEAD Program funds will align with the Statewide Digital Equity Plan. In that Plan, MCA established seven measurable objectives for federal funding:

- Improve access to broadband.
- Increase the affordability of internet service.
- Ensure access to affordable devices (desktops, laptops, tablets & tech support).
- Improve Mainers' digital skills.
- Help Mainers stay safe online.
- Make it easier to access government resources & programs online.
- Sustain & grow our investment.

Initiatives aligned with one or more of the above objectives will generally meet an acute need identified in the digital equity plan or invest in communities and systems to build a lasting and sustainable foundation for future digital equity efforts.

2.5.3 Non-Deployment: Un- and Underserved Location Coverage

MCA's clear priority for BEAD funding is to serve currently unserved and underserved locations with broadband access, and cost projections to reach the remaining unserved and underserved locations are still being refined in light of enforceable commitments and continued private investment. In addition to cost projections, MCA is sequencing the BEAD program to ensure that enough funding exists to address gaps in infrastructure, as well as gaps in infrastructure to Community Anchor Institutions, before allocating funding for other eligible uses. Except for workforce, which is both a deployment and non-deployment activity, subawards for non-deployment will not begin until after subawards for deployment projects have been completed. This approach would ensure that deployment uses of BEAD funds are prioritized ahead of non-deployment uses. If funding availability is sufficient, the approach also gives MCA additional time to make thoughtful, transformational non-deployment investments through a subgrantee selection process in line with the Broadband Action Plan and Digital Equity Plan.

2.5.4 Non-Deployment: Subgrantee Qualifications

MCA will ensure that any applicants for non-deployment funding meet NTIA's general qualifications before awarding any subgrant. Those general qualifications include ensuring the subgrantee:

- Is capable of carrying out activities funded by the subgrant in a competent manner in compliance with all applicable federal, Eligible Entity, and local laws;
- Has the financial and managerial capacity to meet the commitments of the subgrantee under the subgrant, the requirements of the Program and such other requirements as have been prescribed by the Assistant Secretary or the Eligible Entity; and
- Has the technical and operational capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award.

2.6 Eligible Entity Implementation Activities (Requirement 10)
Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.

2.6.1 Direct Implementation Activities

MCA proposes to fund workforce development initiatives, including a partnership with the Maine Community College System for broadband training, without making a sub-grant. Maine's available workforce is not sufficient to support broadband deployment. Analysis done by MCA in 2022 and NTIA in 2023 points to a significant need for capacity and skills to support the sector. Pursuant to NTIA guidance, MCA intends to allocate a modest amount of program funding for workforce development and readiness efforts, such as those successfully funded during MCA's BEAD planning phase.

These efforts are necessary to support infrastructure deployment efforts by ensuring an available, diverse, and skilled workforce can support the broadband sector through this significant deployment of capital and the need for ongoing network support and maintenance. Specific workforce activities planned include:

- Broadband training and certification programs
- Initiatives to build awareness of the job and career opportunities
- State-level coordination to drive this effort
- Leveraging existing partnerships and resources to scale up the broadband workforce as quickly as possible
- Partnerships with other academic and vocational training organizations may be incorporated into potential funded activities

2.7 Labor Standards and Protection (Requirement 11)
Describe the specific information that prospective subgrantees will be required to provide in their applications and how the Eligible Entity will weigh that information in its competitive subgrantee selection processes.

2.7.1 Federal Labor and Employment Laws

MCA will require applicants to submit the following information during the application process for subgrantee selection.

- Applicant's record of past compliance with federal labor and employment laws, which:
  - Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;
  - Must include a certification from an Officer/Director-level employee (or equivalent) of the applicant evidencing consistent past compliance with federal labor and employment laws by the applicant, as well as all contractors and subcontractors; and
  - Must include written confirmation that the applicant discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.

- Applicant's plans for ensuring compliance with federal labor and employment laws, which must address the following:
  - How the applicant will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:
    - Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network; and
    - How the applicant will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

During the subgrantee selection process, MCA will determine that the information submitted is complete and meets the federal BEAD requirements unless otherwise noted in this document. Provided the applicant meets this requirement, full scoring will be awarded under the Fair Labor Practices scoring criteria.

2.7.2 Labor Standards and Protections Requirements

MCA does not plan to incorporate any of the following items into legally binding commitments for subgrantees (including contractors and subcontractors) outside of what is explicitly required in the BEAD NOFO.

As noted in the workforce narrative (Sec 2.6), MCA is dedicated to fostering strong partnerships among employers, educators, the public workforce system, unions, and community-based organizations. MCA aims to develop effective training programs tailored to Maine's unique broadband needs, cultivating a skilled and inclusive workforce vital for the safe and efficient deployment of high-speed internet. Given the tight labor market and difficulty competing for scarce resources, MCA encourages these measures voluntarily rather than mandating participation.

- Using a directly employed workforce, as opposed to a subcontracted workforce;
- Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collecting the required certified payrolls;
- Using project labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project);
- Use of local hire provisions;
- Commitments to union neutrality;
- Use of labor peace agreements;
- Use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded);
- Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and
- Taking steps to prevent the misclassification of workers.

2.8 Workforce Readiness (Requirement 12)
Describe how the Eligible Entity and their subgrantees will advance equitable workforce development and job quality objectives to develop a skilled, diverse workforce as outlined on page 59 of the BEAD NOFO.

2.8.1 Equitable Workforce Development

Reliable high-speed broadband is vital for Maine's economic growth. Addressing the skilled workforce shortage is urgent to achieve MCA's ambitious timeline and ensure statewide access. Challenges like a low birth rate and an aging population have intensified labor market competition, particularly in skilled trades. Key strategies to address local labor market constraints aligned to meet federal labor and employment requirements are outlined below.

- MCA will actively support subgrantees in ensuring a safe working environment by encouraging those with in-house training and certification programs to incorporate essential skill certifications, safety standards, bucket truck certifications, and compliance with all 811/Dig Once policies.

Any workforce training provided or endorsed by MCA for subgrantees will include these critical components. This approach guarantees worker safety and adherence to industry standards.

- MCA will encourage subgrantees to provide job opportunities that surpass the prevailing local wage in the region, extend benefit packages, and actively assist employees in advancing their skills for long-term career development.

- MCA will also ensure that subgrantees receive clear guidance on federal labor and employment requirements, promoting transparency and accountability throughout the process. By proactively engaging with labor organizations and community-based groups, there will be an open channel of communication to address worker needs and job quality concerns.

- MCA will actively support and potentially incentivize subgrantees in recruiting and retaining workers from historically underrepresented and disadvantaged groups, such as women, individuals from diverse racial backgrounds, tribal communities, veterans, and more. This will be achieved by adhering to rigorous labor standards, specific investment criteria, extensive community outreach, and partnering with organizations like Jobs for Maine Graduate, New Ventures, the National Association of Women in Construction, New Mainers Resource Center, and others.

- MCA will encourage subgrantees to incorporate soft skills training into their training programs. This requirement ensures that all employees, including women, feel welcome and prepared, and that partner organizations actively promote an inclusive environment free from harassment and discrimination. This approach attracts diverse talent and nurtures a motivated, skilled broadband workforce.

The Maine Connectivity Authority (MCA) is dedicated to fostering strong partnerships among employers, educators, the public workforce system, unions, and community-based organizations. MCA's goal is to develop effective training programs tailored to Maine's specific broadband needs, cultivating a skilled and inclusive workforce vital for the safe and efficient deployment of high-speed internet.

- MCA will collaborate with grantees to promote registered apprenticeships facilitated by the Maine Apprenticeship Program (MAP), a proven method for attracting and retaining talent. According to the U.S. Department of Labor, registered apprenticeships improve productivity, quality, and safety, reduce turnover, foster loyalty, and retain skilled employees. Notably, 90% of apprenticeship program completers stay employed, with an average $1.47 return on every $1 invested.

- MCA is committed to building a diverse and inclusive Maine workforce, including the re-entry and recovery populations. MCA's Digital Equity and Workforce staff are coordinating to integrate justice-involved individuals into the broadband workforce through digital access, literacy, and credentialing initiatives in collaboration with broadband employers. Grantees will be encouraged to hire from this untapped labor pool, extending the model to attract workers from the recovery populations.

- Additionally, an underutilized workforce exists among underemployed professional immigrant populations facing barriers. According to a 2020 study by the Maine Governor's Office of Policy Innovation and the Future, an estimated 24.2% of Maine's college-educated immigrants are either unemployed or underemployed.

Strategic partnerships will identify, upskill, and integrate these individuals into the broadband workforce pool for grantees/subgrantees to hire, providing access to high-quality job opportunities in the broadband sector.

- MCA will collaborate with Workforce Boards and WIOA programs to assist vulnerable populations in pursuing broadband careers, either within ISP's in-house training facilities or through community colleges. MCA has allocated workforce funding for stipends at three community colleges, emphasizing encouragement for subgrantees to hire from this pool.

The Maine Connectivity Authority (MCA) is committed to creating equitable pathways into broadband-related jobs, upholding job quality for new and existing workers within the sector, and maintaining an open dialogue with labor organizations and community-based entities to ensure worker representation. MCA's strategy involves multiple key elements:

- **Promoting Lifelong Learning:** MCA will encourage subgrantees and employers to support lifelong learning opportunities for their workers. This includes creating internal programs for ongoing skill development, upskilling, and access to further education or certifications. By fostering a culture of continuous learning, the state aims to maintain a highly skilled and adaptable broadband workforce.

- **Prioritizing Local Workers:** MCA will prioritize local workers by encouraging subgrantees to collaborate with local labor unions, such as IBEW. Recruiting historically underrepresented populations facing potential labor market barriers will guarantee their access to job opportunities created by subgrantees.

- **Establishing an Online Job Matching Platform:** MCA intends to establish a robust online job matching platform that offers accessible on-ramps for job seekers to identify broadband jobs aligning with their skills and experience. An online jobs board facilitating matches between job seekers and employers will help open opportunities for marginalized populations. Potential partners include Lightcast's SkillFit, Tallo, Maine JobLink, and Maine Broadband Coalition.

MCA is committed to ensuring that job opportunities created by the BEAD Program and other broadband funding initiatives in Maine are accessible to a diverse pool of workers. To achieve this goal and address the unique challenges, a comprehensive strategy has been devised to promote equity and diversity in the telecommunications workforce. The approach includes various key elements:

- **Diverse and Inclusive Workforce:** MCA will encourage subgrantees to make reasonable best efforts, supported by MCA, to ensure a diverse and inclusive workforce that includes women, people of color, immigrant populations, and tribal populations. Best efforts include promoting inclusivity in job advertisements and marketing materials, collaborating with local community organizations, tribal authorities, and immigrant support networks for outreach and recruitment, and ensuring financial aid information is widely accessible and well-promoted.

- **Flexible Training Options:** Encouraging subgrantees to provide flexible, tailored training opportunities, including virtual and onsite training, tuition assistance, childcare, transportation support, and sponsorships for relevant coursework to remove access barriers.

- **Mobile Training Lab:** Investing in mobile training units to ensure training accessibility, especially for rural areas with limited resources or mobility, further promoting inclusivity.

- **DEIA Training Programs:** Subgrantees will be required to offer Diversity, Equity, Inclusion, and Accessibility (DEIA) training programs to all workers, aligning training with the organization's values and promoting inclusive behavior.

- **Community-Based Organizations:** Maine has a network of well-established organizations, including Educate Maine, IntWork, Maine Works, New Ventures Maine, Prosperity Maine, Maine Immigrant and Refugee Services (MEIRS), Catholic Charities Refugee & Immigration Services, and the Immigrant Welcome Center. These organizations have a strong presence in the state and a track record of assisting disadvantaged populations. For example, New Ventures Maine offers programs for employment and career advancement. Collaborating with these organizations, MCA taps into their expertise, resources, and community reach to better support marginalized individuals connecting with broadband workforce opportunities.

2.8.2 Ensuring an Appropriately Skilled and Credentialed Workforce

For a subgrantee to be considered eligible for an award, the applicant will be required to submit a plan demonstrating that the project workforce will be appropriately skilled and credentialed, specifically including:

- The use of an appropriately skilled workforce, e.g., through registered apprenticeships or other joint labor-management training programs that serve all workers.

- The use of appropriate credentials, e.g., appropriate and relevant occupational training, certification, and licensure.

- Declaring whether the project workforce will be directly employed or a subcontracted workforce will perform the work.

- Identification of entities that the applicant proposes to contract and subcontract with in carrying out the proposed plan of work.

- Declaring whether the project workforce will be unionized or not.

In the event the project workforce or any subgrantee, contractor, or subcontractor workforce is not unionized, MCA will require the subgrantee to provide the following information:

- The job titles and size of the workforce (FTE positions) required to carry out the proposed work

2.9 Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms Inclusion (Requirement 13)

Describe the process, strategy, and the data tracking method(s) the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are recruited, used, and retained when possible.

2.91. MBEs/WBEs/Labor Surplus Firms Inclusion

Historically, Minority Business Enterprises and Women's Business Enterprises have encountered disparities in contracting compared to other entities despite their experience, qualifications, and impact in communities. As major economic and employment growth drivers, MCA will make concerted efforts to engage with underrepresented enterprises when possible. By adhering to Federal guidelines such as 2 C.F.R. § 200.321, MCA, in partnership with other state and local entities, such as the Maine DBE Program, will create an environment in Maine's broadband deployment ecosystem that allows minority-owned businesses, women-owned businesses, and labor surplus area firms to have equality in seeking contracted work while also acting in accordance with State regulations. MCA is committed to ensuring that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are recruited, used, and retained when possible.

Pursuant to 2 C.F.R. § 200.321, MCA will implement the following affirmative steps to ensure MBEs, WBEs, and labor surplus area firms are included in the contracting process:

- Place qualified small and minority businesses and women's business enterprises on solicitation lists;
- Assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce;
- Require subgrantees to take the affirmative steps listed above regarding their subcontractors.

In addition to these measures, MCA will develop a system to track key metrics on the inclusion of underrepresented enterprises throughout the process, including recruitment, utilization, and retainment. MCA will ensure applicants are aware of these expectations before and throughout the selection process by conducting information webinars, posting a list of regulations and expectations on the MCA website, and including the requirements in grant applications/instructions as well as grant agreement terms/conditions and subrecipient grant monitoring program requirements.

2.9.2 MBEs/WBEs/Labor Surplus Firms Inclusion Check Box

✓	Maine Connectivity Authority will take all necessary affirmative steps to ensure minority businesses, women's business enterprises, and labor surplus area firms are used when possible, including the following outlined on pages 88 – 89 of the BEAD NOFO. Including: a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists; b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and f. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.

2.10 Cost and Barrier Reduction (Requirement 14)

Identify steps that the Eligible Entity has taken or will take to reduce costs and barriers to deployment, including promoting the use of existing infrastructure; promoting and adopting dig-once policies; streamlining permitting processes; streamlining cost-effective access to poles, conduits, easements; and streamlining rights of way, including the imposition of reasonable access requirements.

2.10.1 Cost and Barrier Reduction

MCA continually works to improve broadband access and connectivity. MCA identified many costs and barriers during the Broadband Action Planning process in 2023. It is essential to note that these barriers are often more intense and manifest specifically for the more vulnerable covered populations as identified by NTIA. MCA and its partners must prioritize resources to address these more difficult barriers first.

- **Promoting the use of existing infrastructure -** MCA will include existing infrastructure in the analysis and definition of Project Areas. MCA's current programming, enabled through Capital Projects Funds, includes a line extension program specifically designed to utilize and extend existing infrastructure in the State.

MCA partnered with broadband service providers to identify where there are gaps and opportunities to extend networks to prevent costly overbuilding in areas where demand does not support competitive network offerings. Through this program, MCA has expanded its knowledge of infrastructure in the state and providers' ability to extend that infrastructure in an economically viable manner. MCA will create Project Areas around locations to encourage using existing infrastructure where that solution would result in the lowest cost to deploy broadband service to those locations.

- **Streamlining rights of way, including the imposition of reasonable access requirements.**

- **Promoting and adopting dig-once policies and streamlining permitting processes** - Efforts are underway to promote increased coordination and work to remove the duplication of efforts of utilities and other infrastructure co-locating in the right-of-way. For example, broadband providers are coordinating with the Maine Department of Transportation to place telecommunications infrastructure within the public right of way. These efforts may lead to coordinated and streamlined deployment across multiple sectors requiring right-of-way-based infrastructure. MCA has formed and been working extensively with an Interagency Broadband Working Group of state agency representatives to work on cross-agency coordination of these efforts.

- **Streamlining cost-effective access to poles, conduits, and easements -** The pole attachment process is critical to Maine broadband deployment as that deployment will be implemented aerially and reliant on pole attachments. There are several initiatives underway intended to streamline access to joint-use utility poles.
  - Key to pole access is dedicated time and focused relationship-building. Maine has three large pole owners that own over 90% of the utility poles in the state. Two pole owners have started onboarding a joint-use asset management database to track pole applications and make ready.
  - The Maine Legislature enacted An Act to Clarify Insurance in the Joint Use of Public Utility Equipment, which standardizes the general liability insurance requirements that owners can require of attachers and authorizes the Maine Municipal Association to offer a pooled insurance product to municipalities who own their broadband network to reduce their insurance costs.
  - A recently passed Maine State Resolve to Study the Effect of Current Laws and Rules on the Expansion of Broadband charges the Maine Public Utilities Commission and the Maine Connectivity Authority to study the average time involved in each stage of the pole make-ready process work. The comprehensive study will collect data on all stages of the process, from application to deployment. The Maine Legislature has two report dates for this study: February 2024 and December 2024. Both study dates provide the opportunity for policy changes should the data indicate that a change would benefit broadband deployment across Maine.
  - MCA convened pole owners and attachers in separate stakeholder conversations, and both conversations surfaced the need for additional transparency and education in the pole attachment space. MCA is creating a pole attachment guide and a One Touch Make Ready guide for review by pole owners and attachers.

This exercise will identify areas MCA can target for refinement, including those that show duplication or excessive delays and areas MCA can standardize between pole owners.

- Workforce is an identified constraint. More than 3,400 new **broadband workforce** positions are needed to address the surge of investment, highlighting an increasing need to develop a talent pipeline to meet these needs. Failure to secure an adequate workforce will continue to constrain deployment and limit efforts to improve affordability.

- The **cost of broadband service for consumers** continues to be a significant barrier to universal access. Almost half of respondents (47%)to the Maine Broadband Survey have at least some difficulty paying for service. Many Mainers, especially those who could benefit, are unaware of initiatives like the Affordable Connectivity Program and the potential savings they could provide. MCA and partners have worked to increase awareness of and enrollment in ACP.

MCA will continue to address the other barriers identified in the Broadband Action Plan, including:

- Maine's **unique geography, demographics, and current broadband infrastructure** present challenges when efficiently and inexpensively deploying new broadband infrastructure.

- The **quality of internet connections** causes frustration for Mainers across the board, whether because of a slow connection, a lack of capacity to support all the devices and uses, or periodic outages. The Maine Broadband Survey showed that 40% are dissatisfied with their connection.

- **Baseline data is being updated and refined** regularly, impacting the scale of the problem and available resources and provoking communication and process challenges.

- Community broadband planning in Maine has traditionally taken place at a municipal level, but **efforts must be regionalized** for deployment at this scale to happen at a cost-effective and relatively rapid pace.

- **Access to capital at scale** is limited for public and private partners; so far in Maine, deals have been small and outside investment limited. Specifically, **financing for public ownership** at a regional scale is critical, but support and financing for utility districts and publicly owned efforts remain limited.

- Some elements of the broadband infrastructure deployment, such as the **pole attachment process**, permitting, insurance, and other regulations, require significant resources to navigate and will slow the overall process if not addressed.

- More than 3,400 new **broadband workforce** positions are needed to address the surge of investment, highlighting an increasing need to develop a talent pipeline to meet these needs.

- The **cost of broadband** continues to be a significant barrier. Almost half of the survey respondents (47%) have at least some difficulty paying for service. Many Mainers, especially those who could benefit, are unaware of initiatives like the Affordable Connectivity Program and the potential savings they could provide.

- A **shortfall of critical digital skills support** is a major barrier to Mainers leveraging the internet to advance education and work goals or access other relevant resources online.

There is widespread interest in and need for digital skill building, especially among older adults and other covered populations.

- **Access to devices and technical support** to operate them is an ongoing issue. People are using friends, family, or coworkers for technical support. There are insufficient trusted and accessible sources for technical support in communities or awareness of existing supports. In the survey, just 5% went to a local institution for help, and more than a quarter simply gave up when they couldn't fix their device.

2.11 Climate Assessment (Requirement 15)

Describe the Eligible Entity's assessment of climate threats and proposed mitigation methods. At a minimum, this response must clearly address those items outlined on pages 62 − 63 of the BEAD NOFO.

2.11.1 Climate Assessment

To account for, mitigate, and avoid climate risks, MCA reviewed reports and maps from NOAA, FEMA, and the State of Maine's Climate Action Plan (Maine Won't Wait). The impacts of climate change will be pronounced in Maine, impacting legacy industries such as fisheries, forestry and agriculture and pressuring land use demand as Northern New England becomes a pronounced destination for climate refugees. These pressures alone will drive demand for more access to reliant and resilient infrastructure.

According to the National Oceanic Atmospheric Administration's National Centers for Environmental Information State Climate Summaries 2022: "Temperatures in Maine have risen almost 3.5°F since the beginning of the 20th century. Winter temperatures have been increasing about twice as fast as summer temperatures. Under a higher emissions pathway, historically unprecedented warming is projected during this century. Precipitation since 2005 has averaged 6.6 inches more than during 1895–2004. The number of extreme precipitation events has been near to well above average since 2005 and is projected to increase during this century. Global sea level is projected to rise, with a likely range of 1−4 feet by 2100. Sea level at Portland has risen by about 7.4 inches since 1912 and is projected to rise another 1−4 feet by 2100."

By 2050, climate models suggest that Maine may warm by 2−4 degrees Fahrenheit if no further action is taken to reduce greenhouse gas emissions. FEMA's risk assessment map categorizes Maine in the very low and moderately low categories for weather hazard-type risks. FEMA's SoVI (Social Vulnerability Index), which considers the socioeconomic and demographic factors that contribute to a community's ability to prepare for, respond to, and recover from a hazard, rates Maine as slightly more vulnerable with a score of 40.13 versus the national average of 38.35. This is partly due to an aging population and unreliable access to communication infrastructure. Both of these factors were considered as MCA considered its climate resiliency plans.

The major impact of the temperature rise is expected to cause Maine to become wetter, with more frequent storms of 2 to 4 inches of rain increasing the risk of flooding and more prone to periods of drought, which impacts forests and increases risks of wildfire and disease.

In addition to the drought and wildfire risks, Maine is also subject to wind, snow, and ice storms that may put heavy loads on aerial fiber installations. Nor'easters and hurricanes can impact Maine and its surrounding areas with high winds and large amounts of rain. Storms of this severity will only become a more common occurrence as climate change progresses.

All of Maine's counties are vulnerable to climate threats, but some counties are more vulnerable than others. The following counties are particularly vulnerable to climate threats:

- Androscoggin County is located on the coast of Maine and is therefore vulnerable to sea level rise, storm surge, and flooding.
- Aroostook County is located in northern Maine and is vulnerable to extreme heat, drought, and wildfires.
- Cumberland County is Maine's most populous county and is vulnerable to a wide range of climate threats, including sea level rise, storm surge, flooding, extreme heat, and drought.
- Franklin County is located in northern Maine and is vulnerable to extreme heat, drought, and wildfires.
- Hancock County is located on the coast of Maine and is therefore vulnerable to sea level rise, storm surge, and flooding.
- Kennebec County is located in central Maine and is vulnerable to a wide range of climate threats, including sea level rise, storm surge, flooding, extreme heat, and drought.
- Knox County is located on the coast of Maine and is therefore vulnerable to sea level rise, storm surge, and flooding.
- Lincoln County is located on the coast of Maine and is therefore vulnerable to sea level rise, storm surge, and flooding.
- Oxford County is located in western Maine and is vulnerable to extreme heat, drought, and wildfires.
- Penobscot County is located in central Maine and is vulnerable to a wide range of climate threats, including sea level rise, storm surge, flooding, extreme heat, and drought.
- Piscataquis County is located in northern Maine and is vulnerable to extreme heat, drought, and wildfires.
- Sagadahoc County is located on the coast of Maine and is vulnerable to sea level rise, storm surge, and flooding.
- Somerset County is located in northern Maine and is vulnerable to extreme heat, drought, and wildfires.

These counties are particularly vulnerable to climate threats due to their geographic location, topography, and socioeconomic conditions. For example, coastal counties are more vulnerable to sea level rise and storm surge, while inland counties are more vulnerable to extreme heat and drought. Counties with a high proportion of low-income residents are also more vulnerable to climate change, as these residents are less likely to have the resources to adapt to the changing climate.

In partnership with the Maine Governor's Office of Policy and Innovation for the Future (GOPIF), MCA has already committed to producing a climate impact and mitigation report with recommendations for MCA's entire middle mile network and implementing the appropriate recommendations of that report.

Additionally, MCA and GOPIF resolved to update the climate impact study at least every five years for the network's life as part of the NTIA-funded middle mile project. MCA will now expand that climate impact study work to include BEAD-funded infrastructure as well.

MCA will require that all BEAD-funded networks are designed to mitigate the foreseeable impacts of climate change by looking for evidence of techniques such as hardening infrastructure, diversifying power supplies, utilizing technologies that are more resilient to extreme weather events, and designs that seek to minimize the impact of single-point-of-damage events from all causes to increase reliability. Increased broadband access also helps Mainers to create greater energy efficiency for their homes, reduce vehicle miles traveled, and lower the maintenance and costs of homes, cars, buses, and businesses. Broadband deployment and other digital inclusion activities designed to maximize its impact, as described in the Maine Digital Equity Plan, will improve access to work, medical, educational and civic opportunities, allowing people to reduce vehicle miles traveled. The Maine Climate Council's plan for climate action "Maine Won't Wait" includes the following goal that highlights the importance of broadband to climate change mitigation and adaptation: *To deploy high-speed broadband to 95% of Maine homes by 2025 and 99% by 2030.*

2.11.1.1 Attachments - Relevant Reports to the Previous Section

- [Maine Won't Wait](#) - Maine Climate Council
- [Maine Won't Wait One Year Progress Report](#) - Maine Climate Council
- [Scientific Assessment of Climate Change and Its Effects in Maine](#) - Maine Climate Council
- https://www.maine.gov/future/initiatives/climate/climate-council/reports
- [NOAA National Centers for Environmental Information | State Climate Summaries 2022](#)

2.12 Low-Cost Broadband Service Option (Requirement 16)
Describe the low-cost broadband service option(s) that must be offered by subgrantees as selected by the Eligible Entity, including why the outlined option(s) best services the needs of residents within the Eligible Entity's jurisdiction.

2.12.1 Low-Cost Service Option

Affordability is a critical barrier to digital equity in the state, with 47% of Mainers surveyed saying they have at least some difficulty affording their monthly internet service. For NTIA's defined covered populations, the barrier was even more acute - for example, 77% of low-income households reported having difficulty affording the cost of internet service. MCA and its partners will make significant investments outlined in the [Maine Digital Equity Plan](#) to address the many barriers to connectivity.

In addition, BEAD-funded infrastructure deployment and the subgrantee selection process will be critical in promoting greater affordability for all Mainers, especially the most vulnerable. MCA will strive to balance the vital need for affordability with MCA's goal of creating sustainable and financially viable networks to ensure connectivity for all. To achieve these goals, Maine will be adopting a low-income affordability program with the following criteria:

- All subgrantees under the BEAD program will be required to offer a low-cost plan option at a non-promotional rate of $30/month to eligible households, or up to $75 to eligible households on tribal lands, determined by the Affordable Connectivity Program (or a successor program) eligibility requirement of up to 200% of Federal Poverty Limit (FPL).
- The subscriber may use the ACP subsidy of $30/month, or $75/month for those on tribal lands, to reduce the plan cost to $0. The low-cost plan shall be inclusive of all taxes, fees, and any recurring monthly charges.
- The subscriber may choose to switch to another low-cost plan with higher upload and download speeds offered by the subgrantee at no cost.
- The low-cost plan must provide the greater of (a) typical download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps, or the fastest speeds the infrastructure is capable of if less than 100 Mbps/20 Mbps, or (b) the performance benchmark for fixed terrestrial broadband service established by the Federal Communications Commission pursuant to Section 706(b) of the Communications Act of 1934.
- Service shall be installed within ten calendar days of a service request.
- Round trip latency for the low-cost plan must be less than 100 milliseconds.
- Households enrolled in the low-cost plan may not be subject to data caps, surcharges, or usage-based throttling, and will be held to the same acceptable use policies offered to other home subscribers of other service tiers offered by the subgrantee on the BEAD-funded network.
- The subgrantee shall provide service outage credits, measured at 1/30 of the monthly rate per day for an outage of over 12 hours.
- Subgrantees will be required to offer the low-cost plan for five years (period of performance) from the date the funded network is operational. The subgrantee may not increase the $30 per month plan rate for the 100/20 Mbps service for the period of performance.
- The low-cost plan must be well-marketed, publicly available, easily accessible, provided in multiple languages, and made available to highlight on the MCA website. Subgrantees will be required to describe their adoption campaign plans for ensuring these standards and supporting adoption within the project area.

2.12.2 ACP Participation Certification

✔ Maine Connectivity Authority certifies that all subgrantees will be required to participate in the Affordable Connectivity Program or any successor program.

2.13 Middle-Class Affordability Plans

Describe a middle-class affordability plan that details how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices. This response must clearly provide a reasonable explanation of how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices.

2.13.1 Middle-Class Affordability Plan

BEAD-funded projects in Maine must be both aligned with NTIA's affordability strategy and further aligned with MCA's goal to expand affordability beyond the low-cost plan option required of subgrantees as articulated in Maine's Five-Year Broadband Action Plan. During outreach and engagement efforts to develop the Broadband Action Plan and Digital Equity Plan, MCA discovered that even those in middle- and higher-income households find paying for internet service at least somewhat difficult. MCA will utilize its subgrantee selection process and scoring to further incentivize affordability for households and consumers beyond those eligible for the low-cost plans required of subgrantees. The plan also seeks to balance this priority with recognizing that BEAD-funded networks should be financially sustainable to provide the maximum benefit to all Mainers.

In Maine, the middle-class income ranges from $42,123 to $126,364. This range is based on the Pew Research Center's definition of "middle-class" as households with annual incomes that are two-thirds to twice the median household income, which, according to the ACS 2021 survey, is $63,182 per year. Acknowledging a standard broadband affordability threshold is 2% of monthly income; this equates to $70 - $210 per household ([The State of Broadband: Broadband as a Foundation for Sustainable Development](#), BCSD, Sept. 2019). As such, the reference price of $100 for symmetrical 1 Gbps service and $30 for 100/20Mbps have been designated as within the price range considered affordable for middle-class households. If the subgrantee offers 100/100Mbps service for $70, they offer the Maine state definition of broadband at 2% of the lower range of the median household middle income.

To ensure all Maine residents have access to affordable broadband service that meets their needs, the subgrantee selection scoring process offers 30 points for Affordability. Further, the BEAD strategy must not further the digital divide by providing a lower standard of service for low-income residents than that of other Maine households. The subgrantee selection process ensures that any Mainer can access the service their household needs at a truly affordable price point.

All speed tiers and pricing include all taxes, fees, and recurring monthly charges. Maine internet consumers should not be subject to hidden fees. The baseline of 5 points will be awarded to subgrantees that offer a non-promotional plan with the Maine broadband service definition of 100 Mbps/100 Mbps at no more than $70 per month. 2 additional points will be awarded for every $5 below $70 for a maximum of 15 points. If the retail price for this service exceeds $70, no points will be awarded.

Inclusive monthly price for 100 Mbps/100 Mbps	Points awarded
$70	5 Points
$65-$69	7 Points
$60-$64	9 Points
$55-$59	11 Points
$50-$54	13 Points
$49 and below	15 Points

Within the remaining 15 points available within the Affordability score of 30 points, the subgrantees will be further encouraged to:

- Offer 1G/1G residential service for $100 or less per month **(3 points)**
- 100 Mbps/20 Mbps service available at $30/mo. regardless of household income **(6 points)**
- Cover special construction costs and service drops for new connections requested within the BEAD-funded area for a period of 12 months following network completion. **(6 points)**

As a rural state, Maine residents identify the expense of long service drops as a barrier to broadband access. To address this, the subgrantee will be required to install the service drop at no cost to the customer for any location not currently a BSL, but that becomes one within 12 months of network completion. There is no restriction on subgrantees charging standard connection fees associated with any connection made on the network.

To qualify for the additional points in the subgrantee scoring process, providers must offer these non-promotional plans and meet all other requirements of the low-cost plan outlined above, including the latency requirements, outage credits, ensuring the price is inclusive of all taxes, fees and recurring monthly charges for the life of the network. These additional incentives for subgrantees will complement other initiatives to ensure affordability as outlined in the Maine Broadband Action Plan and Digital Equity Plan, including an ongoing commitment to increase enrollment in the Affordable Connectivity Program through the ACP4ME Campaign, improving connectivity for residents of affordable housing, and promoting and funding internet service options and competition for all Mainers.

2.14 Use of 20 Percent of Funding (Requirement 17)

Describe the Eligible Entity's planned use of any funds being requested. If the Eligible Entity is requesting more than 20 percent (up to 100 percent) of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use upon approval of the Initial Proposal, the intended use of funds, how the proposed use of funds achieves the statutory objective of serving all unserved / underserved locations, and provide rationale for requesting funds greater than 20 percent of the funding allocation.

2.14.1 Use of Funding Request

The State of Maine requests that upon approval of the Initial Proposal, NTIA obligate 100 percent of its BEAD allocation so MCA and its partners can begin work to close the digital divide as quickly as possible. MCA believes 100% allocation is necessary to swiftly position Maine to implement the initiatives described throughout this proposal and achieve budget certainty. With 100 percent of the funding obligated, MCA's partners will have the assurance they need to invest appropriate time and resources to participate fully in MCA's grant processes.

NTIA provides that each State may budget its BEAD allocation in four expense categories. MCA will provide NTIA with a detailed budget and justification via an Initial Program Funding Request ("IPFR") accompanying the submitted version of this plan. MCA will ensure that deployment, programmatic and administrative funds are applied appropriately.

- **Deployment Activities:** Deployment funds will be primarily used for broadband deployment, including construction and acquisition of infrastructure. Pursuant to NTIA guidance for "Eligible Entity Deployment Activities," MCA intends to use a portion of the total allocation for workforce development and readiness efforts. These efforts directly support deployment activities—a requirement to achieve universal service—as they will ensure ISPs and other subgrantees have an available, diverse, and highly skilled workforce.

- **Programmatic Activities - Eligible Entity BEAD Implementation and Deployment Support:** Pursuant to NTIA guidance for "Eligible Entity Deployment Activities", MCA intends to use a portion of the total allocation for activities in support of BEAD implementation and deployment activities, including:
  - Development, management, and implementation of the subgrantee selection process, including prequalification, selection, challenge, rebuttal, and adjudicative processes
  - Deduplication (pre- and post-Challenge process)
  - Grant development, administration, management, reporting, monitoring, and compliance specific to BEAD funds
  - Monitoring subgrantee performance through grant agreements and enforceable commitments
  - Development and refinement of cost models for the EHCPLT threshold and BEAD minimal outlay calculations

- ○ BEAD program communication & coordination via MCA Resource Exchange - focused on infrastructure planning and BEAD readiness with local, regional, and Sovereign Tribal Nation entities
- ○ Mapping including funding areas, public facing maps, and dashboards
- ○ Data collection to support mapping, analysis, and program development
- ○ Successful disbursement of funds and fiscal management processes

Costs will be incurred to ensure an efficient and effective operation of the challenge process and subgrantee process, and administration during implementation, including:

- ○ Funding for personnel costs
- ○ Continued technical assistance support from contractors
- ○ Technology acquisition, licensing, and/or maintenance costs
- ○ Data acquisition and/or licensing costs
- ○ Communications and awareness costs

- **Administrative Costs subject to the 2% Cap:** These funds will be used for expenses relating (directly and/or indirectly) to administration of the grant under Section 60102(d)(2)(B) of the Infrastructure Act.

- **Non-Deployment Activities:** MCA does not expect any non-deployment activities to be funded at this time (with the exception of any identified activities in previous sections) – due to the projected inability to achieve the prioritized goal or serving all unserved and underserved locations before any surplus funds being available for non-deployment activities.

2.14.2 Initial Funding Request Amount:

MCA requests 100% of the remaining funding allocation during the Initial Proposal round (**$266,977,723.07**).

2.14.3 Adherence to BEAD Program Requirements

✓	It is Maine Connectivity Authority's intent to adhere to BEAD Program requirements regarding Initial Proposal funds usage.

2.15 Eligible Entity Regulatory Approach (Requirement 18)

Disclose whether the Eligible Entity will waive all laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer.

2.15.1 Waiving Laws That Preclude Participation

To the knowledge of the Maine Connectivity Authority, the State of Maine has no such laws that (a) preclude certain public sector providers from participation in the subgrant competition for BEAD funding or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer.

2.16 Certification of Compliance with BEAD Requirements (Requirement 19)

Certify the Eligible Entity's intent to comply with all applicable requirements of the BEAD Program, including the reporting requirements, subgrantee accountability procedures, civil rights and nondiscrimination requirements, cybersecurity management, and supply chain risk management requirements.

2.16.1 Compliance Certification

> ✓ Maine Connectivity Authority intends to comply with all applicable requirements of the BEAD Program, including the reporting requirements.

2.16.2 Subgrantee Accountability Procedures

In alignment with the BEAD NOFO and the MCA Grant Administration Manual, MCA will apply the following policies and procedures to ensure accountability under its BEAD Program:

- Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow MCA to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize). Unlike other MCA programs, MCA may consider distribution of predevelopment and project activation cost allocations upon execution of final subgrant contracts, pending approval from NTIA.

- Robust monitoring based on MCA's cross-program subgrantee monitoring policies and practices. This includes an assigned grant manager for each project who will monitor ongoing reports and progress and have regular communication and meetings with subgrantees.

- All projects will be subject to desktop and field validation and verification reviews through a third-party vendor to ensure all outside plant specifications outlined in the project design and standards within the Telcordia Blue Book are deployed and adhered to. Subgrantees will receive documentation of deficiencies and a priority timeline for remediation. Follow-up reviews of remediation measures will be scheduled before closing and final disbursements.

- Subgrantees will have an obligation to report quarterly on their progress to ensure that sufficient progress is being made towards each milestone in the deployment.

- Clawback provisions (i.e., provisions allowing recoupment of previously disbursed funds) will be included in MCA and any subgrantee agreements.

- Subgrantees must report failing to meet interim build-out milestones within ten business days of missing the applicable milestone deadline. MCA will withhold any funding associated with the percentage of missed milestones until the subgrantee complies with the requirement.

- Failure to meet interim milestone obligations may result in the MCA assessing a penalty per location in the project area over the funding term for the relevant locations to that point.

- Upon notification that a subgrantee has not met a final milestone, the subgrantee must seek permission from MCA to be authorized additional time to comply. Such time cannot exceed six months. The subgrantee will be assessed a penalty per location that the subgrantee received in the project area over the support for the relevant locations if it fails to meet the revised final milestone date.

- If a subgrantee can no longer provide broadband service to the end user locations covered by the subgrant, MCA, in consultation with NTIA, will require the subgrantee to sell the network capacity at a reasonable wholesale rate on a nondiscriminatory basis to one or more other broadband service providers or public-sector entities or sell the network in its entirety to a new provider who commits to providing services under the terms of the BEAD Program, subject to approval by MCA, NTIA, and any other federal entity with authority to review the acquisition.

2.16.3 Civil Rights and Nondiscrimination Certification

> ✔ Maine Connectivity Authority will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.

2.16.4 Cybersecurity and Supply Chain Risk Management Requirements
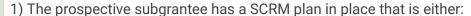
✓

Maine Connectivity Authority will ensure subgrantee compliance with the cybersecurity management requirements on pages 70 - 71 of the BEAD NOFO and will require prospective subgrantees to attest that:

1) The prospective subgrantee has a cybersecurity risk management plan (the plan) in place that is either: (a) operational, if the prospective subgrantee is providing service prior to the award of the grant; or (b) ready to be operationalized upon providing service, if the prospective subgrantee is not yet providing service prior to the grant award;
2) The plan reflects the latest version of the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented;
3) The plan will be reevaluated and updated on a periodic basis and as events warrant; and
4) The plan will be submitted to the Eligible Entity prior to the allocation of funds.
If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days.

✓

Maine Connectivity Authority will ensure subgrantee compliance with the supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO and will require prospective subgrantees to attest that:

1) The prospective subgrantee has a SCRM plan in place that is either:
      (a) operational, if the prospective subgrantee is already providing service at the time of the grant; or
      (b) ready to be operationalized, if the prospective subgrantee is not yet providing service at the time of grant award;
2) The plan is based upon the critical practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented;
3) The plan will be reevaluated and updated on a periodic basis and as events warrant; and
4) The plan will be submitted to the Eligible Entity prior to the allocation of funds.
If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days. The Eligible Entity must provide a subgrantee's plan to NTIA upon NTIA's request.

MCA will require all subgrantees to certify their compliance with cybersecurity and supply chain risk management requirements. MCA will require subgrantees to prepare a cybersecurity risk management plan and to have that plan in place before the award of the grant if the subgrantee is already providing service to the area, or to demonstrate that it is ready to be operationalized upon providing service, if the prospective subgrantee is not yet providing service before the grant award.

- The plan must reflect the latest version of the National Institute of Standards and Technology Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls outlined in Executive Order 14028, and specify the security and privacy controls being implemented.
- The plan will be reevaluated and updated on a periodic basis and as events warrant.
- The plan will be submitted to MCA before MCA allocates funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted within 30 days.

MCA will require subgrantees to submit a Supply Chain Risk Management (SCRM) plan. As with the cybersecurity risk management plan, the SCRM plans must be in place before the award of the grant if the subgrantee is providing service to the area already or to demonstrate that it is ready to be operationalized upon providing service if the prospective subgrantee is not yet providing service before the grant award. The SCRM plans will be:

- Based upon the critical practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800- 161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented.

- Reevaluated and updated on a periodic basis and as events warrant.

- Submitted to MCA before the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted within 30 days.

MCA will make both the Cybersecurity plan and the SCRM available to NTIA upon request.