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Compare Results

Old File:

OK - BEAD Initial Proposal - Volume 2 Draft (no appendices).pdf

64 pages (1.65 MB)
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versus

New File:

OK V2 Final.pdf

96 pages (843 KB)
8/2/2024 10:58:21 AM

Total Changes

433

Text only comparison

Content

298 Replacements
51 Insertions
84 Deletions

Styling and Annotations

0 Styling
0 Annotations

Go to First Change (page 2)

INTERNET FOR ALL

Initial Proposal

Volume II

Oklahoma

U.S. Department of Commerce
National Telecommunications and Information Administration

Federal Award ID Number	40-20-B304
Grant Request Number	GRN-000304
Funding Program Name	Broadband Equity Access and Deployment (BEAD) Program
Funding Request Name	Oklahoma-BEAD-Initial Proposal-Volume 2
Applying Organization	OKLAHOMA OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES
Applicant Name	Edyn Rolls

02.01.01 Objectives

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.

The current Oklahoma Broadband Office (OBO) was created by HB 3363 of 2022*(hereafter, HB 3633) lasting until June 30, 2028, to be governed by the Broadband Governing Board and advised by the Broadband Expansion Council, with an ambitious mandate that includes creating and maintaining a Statewide Broadband Plan that "shall include, but not be limited to, detailing a pathway for ninety-five percent (95%) of the state's population to be adequately served by June 30, 2028." *http://webserver1.lsb.state.ok.us/cf_pdf/2021-22%20ENR/hB/HB3363%20ENR.PDF

This mandate resembles, yet is imperfectly aligned with, the goals and timeframes of the Broadband, Equity, Access, and Deployment (BEAD) program. It seems however, the OBO can satisfy both by adopting the more ambitious of the two mandates in each case.

Thus, instead of HB 3633's goal of 95%, the OBO must aim for 100% coverage to satisfy BEAD. But the HB 3633 target date of June 30, 2028, is earlier than the BEAD deadline will fall. However, the OBO might use its discretion within the BEAD program framework to target 100% coverage early, by June 30, 2028, thus meeting its state-defined goals while still beating the BEAD deadline.

The OBO tentatively proposes to do this and target 100% complete deployment by June 30, 2028, a few months in advance of the BEAD deadline. However, an alternative approach to reconciling the timelines would be to set 95% coverage as a milestone to be achieved by June 30, 2028, on the way to 100% coverage in 2029. It's not clear, however, how the statewide milestone would be enforced against specific BEAD subgrantees, many of whom might want the extra time to complete their deployments. Therefore, for the sake of clarity and simplicity, we set a goal of 100% state coverage by the date of June 30, 2028, that was defined in HB 3633, with the option of adjusting this if state law changes.

Within the vision of universal broadband access, certain priorities and definitions have been settled by the NTIA, and Oklahoma embraces this more detailed BEAD vision.

Priority Objective #1: Expand Broadband Availability and Achieve Universal Broadband Access

1a: Provide broadband to all unserved addresses in Oklahoma.

1b: Provide broadband service to all underserved addresses in Oklahoma.

First, broadband is still defined by the FCC as 25/3 Mbps, which is arguably adequate for most everyday online functions. Therefore, areas lacking even 25/3 broadband access are the top priority for broadband expansion. However, infrastructure investment should look to the future, and rising data demand will foreseeably make 25/3 increasingly inadequate over time. Therefore, new deployments in these areas should not offer merely 25/3, but 100/20 Mbps, the speed standard targeted by the BEAD program.

Once all unserved areas are on track to be served, the state can proceed to target underserved areas that have 25/3 but lack 100/20. There, too, the BEAD program will seek upgrades that raise speeds to at least 100/20.

Since broadband technologies differ across many performance factors, not just speed, and these become complex to quantitatively define, the NTIA has retreated somewhat from the tradition of technology neutrality in broadband grantmaking and adopted an explicit scheme of technological prioritization, which Oklahoma will follow, targeting first end-to-end fiber, then, where it is too costly, looking for less expensive alternatives such as cable (hybrid fiber-coax-HFC) systems, DSL, and fixed wireless using licensed spectrum, but not satellite or fixed wireless using unlicensed spectrum unless cable, DSL, and licensed fixed wireless are also too expensive. These technologies, although their widespread availability is certainly welcome, often do not reliably meet the performance standards necessary for full participation in the 21st century society and economy, and therefore should not be the only options for internet service.

How far the OBO succeeds in achieving Objective #1 will be measurable in the future, above all, by scrutiny of the FCC National Broadband Map. While the OBO cannot be certain at this time about the format in which the FCC will report broadband coverage several years down the line, it is likely that citizens will still be able, like today, to visit the FCC National Broadband Map, use the "Area" feature to zoom in on Oklahoma, select "All Wired and Licensed Fixed Wireless" in Settings, and see a "Percent of Units Covered" chart displayed. If the BEAD Program has been fully successful in achieving Objective #1, including both #1a and #1b, the chart will show 100% coverage at 25/3 and 100/20 speeds. If it has been successful in achieving at least #1a, then the chart will show 100% coverage at 25/3. If the OBO must resort to non-reliable broadband technology for some of the hardest-to-serve locations, the statistics may fall slightly short of 100%, not capturing the alternative technology projects, without compromising too much of the OBO's success. And of course, the FCC's BDC dataset, on which the FCC National Broadband Map is based, has some known limitations, so the OBO will also need to monitor broadband coverage data quality on an ongoing basis to make sure coverage claims are real. But the primary indicator of success in achieving Objective #1 will be broadband coverage will be 100% coverage at 25/3 and 100/20 speeds with reliable broadband technology by June 30, 2028, or a date not too long after that, when the FCC has had time to collect and process data.

Priority Objective #2: Provide Support to Community Anchor Institutions (CAIs)

2a: Provide broadband service to the CAIs.

A secondary goal is to ensure that CAIs — a term for which a more refined definition is forthcoming by the OBO but that will certainly include K-12, higher education, libraries, local, state, and federal governments, public safety, public housing, and others to be determined by the state — should enjoy a faster service standard than what is normative for private households and ordinary businesses. CAIs can help non-subscribers to home internet service get occasional access, as well as meet the needs of people

on the go or provide help, training, and coaching for people who lack basic digital skills and struggle to use the internet on their own. CAIs may need to accommodate many users at the same time, so it's appropriate, and in the public interest, that they receive greater speeds.

Priority Objective #3: Encourage Broadband Affordability

3a: Work with internet service providers (ISPs) to make broadband more affordable.

3b: Encourage participation in programs such as Lifeline and ACP.

3c: Encourage competition among broadband providers where applicable.

Other objectives include making internet service more affordable, both by inducing ISPs to charge less, especially for low-income consumers whenever possible, and by encouraging people in need to participate in programs such as Lifeline and the Affordable Connectivity Program (ACP). While the OBO plans to avoid subsidizing competitors that serve the same area, as this can be inefficient and cause projects to fail due to competition eroding the business case, competition is still welcomed in general. The OBO will actively seek ways to encourage it.

Priority Objective #4: Enhance Economic Growth and Job Creation through Improved Connectivity
As a result of the improved connectivity through the BEAD program, rural Oklahomans can look forward to economic growth and job creation. Modern capitalist economies are built on rich networks of specialization and division of labor, which have to be mediated by transportation and communication systems. By improving communications, the BEAD program will enable affected Oklahomans to participate more fully in the national economy, by accessing online shopping, telework, telemedicine, online education and training, etc.

In general, any broadband investment tends to be good for the local economy, so there is no need for broadband planning to be informed in detail by economic planning. At a high level, the features of the network that the BEAD program will build should be informed by a reasonable projection of what economic growth and job creation will demand in terms of network performance. The BEAD standard of 100 Mbps download/20 Mbps upload reflects appropriate national deliberations about the performance specifications needed for key internet applications of the present and future (e.g., videoconferencing). But the standard may be somewhat less ambitious than would be desirable. Accordingly, incentives are provided by the fiber prioritization and extra points in the scoring rubric for ISPs to develop and propose projects that will offer a higher standard of performance with respect to bandwidth and underlying delivery technology. In general, the OBO will seek to leverage the influence that it enjoys over the future development of broadband investment in Oklahoma through its administration of the BEAD program to direct the buildout of networks in a way that may be expected to maximize economic growth and job creation in rural Oklahoma.

Priority Objective #5: Digital Equity
More broadly, in implementing the BEAD program, the OBO aims to advance the large objective of digital equity, that is, of enabling every Oklahoman to participate in the digital economy and society of the 21st century. While the primary focus of BEAD will be on infrastructure, in order to achieve the goal of universal broadband access at 100/20 speeds, if possible, or failing that, at speeds of at least 25/3 (if funding falls short of serving the underserved), the OBO will bear in mind throughout the process that affordability, access to devices, adoption, and acquisition of digital skills are critical if the networks built are to be impactful and achieve their potential for advancing digital inclusion. The parallel

implementation of the State Digital Equity Capacity Grant will help leverage the BEAD-built networks to spread online flourishing more broadly.

02.02.01 Local, Tribal and Regional Broadband Planning Processes

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.

The OBO developed and implemented an inclusive engagement model that provided opportunities for residents, organizations, and leaders across the state to provide insight into planning priorities.

Leveraging existing structures, such as the Oklahoma Broadband Governing Board (OBGB) and the Oklahoma Broadband Expansion Council (OBEC), and expanding outreach in coordination with state agencies, local and regional governments, CAIs, and community-serving organizations providing services to covered populations, the OBO gleaned a holistic understanding of broadband challenges, assets, and priorities across Oklahoma. This engagement allowed the OBO to understand local and regional plans and priorities for broadband and incorporate them as appropriate into this Initial Proposal. This coordination, further described in Section 2.3, allowed for robust data collection and feedback that informed BEAD and Digital Equity (DE) planning documents.

The OBO engaged local and regional governments throughout the process, including individual meetings, listening tour stops, and other outreach efforts. Data from local planning and broadband infrastructure projects informed the development of this Initial Proposal.

Tribal Consultations

From April through November 2023, the OBO engaged all 39 tribal nations with communications and invitations to attend tribal consultations. Both in-person, individual tribal consultations, along with two statewide consultations, gleaned important insights into the unique perspectives, needs, and challenges of Oklahoma's tribal nations. Thirty-eight of the 39 tribal nations participated in a consultation with the OBO. NTIA tribal representatives were included in these consultation meetings and conversations. Tribal consultations include:

- Wichita and Affiliated Tribes – 4/15/2023
- Southwest Tribal Meeting – 4/19/2023
- (Apache Tribe of Oklahoma, Fort Sill Apache Tribe, Kiowa Tribe, Cheyenne and Arapaho Tribes, Wichita and Affiliated Tribes, Caddo Tribe)
- Wichita and Affiliated Tribes – 5/4/2023
- Kiowa Tribe – 5/4/2023
- Osage Nation – 5/10/2023
- Sac and Fox Nation – 5/12/2023
- Kickapoo Tribe of Oklahoma – 5/12/2023
- Southwest Tribal Meeting – 5/19/2023
- (Apache Tribe of Oklahoma, Fort Sill Apache Tribe, Kiowa Tribe, Cheyenne and Arapaho Tribes, Wichita and Affiliated Tribes, Caddo Tribe)
- Choctaw Nation – 5/23/2023
- Cheyenne and Arapaho Tribes, Kiowa Tribe, Indian Nations Council of Governments, Muskogee Creek Nation, Peoria Tribe, Ottawa Tribe – 5/24/2023
- Statewide Consultation -5/25/2023
- (Fort Sill Apache Tribe, Shawnee Tribe, Osage Nation, Seneca Cayuga Tribe, Eastern Shawnee Tribe)

- Muscogee Nation – 6/6/2023

- Southwest Tribal Meeting– 6/9/2023
- (Apache Tribe of Oklahoma, Fort Sill Apache Tribe, Kiowa Tribe, Cheyenne and Arapaho Tribes, Wichita and Affiliated Tribes, Caddo Tribe)
- Muscogee Nation – 6/6/2023
- Southwest Tribal Meeting – 6/9/2023
- (Apache Tribe of Oklahoma, Fort Sill Apache Tribe, Kiowa Tribe, Cheyenne and Arapaho Tribes, Wichita and Affiliated Tribes, Caddo Tribe)
- Chickasaw Nation – 6/12/2023
- Seneca Cayuga Nation – 6/23/2023
- Kickapoo Tribe of Oklahoma – 6/26/2023
- Modoc Tribe of Oklahoma, Ponca Tribe, Chickasaw Nation, Kiowa Tribe, Kickapoo Tribe of Oklahoma – 6/29/2023
- Thlopthlocco Tribal Town – 7/28/2023
- Cherokee Nation – 8/8/2023
- United Keetowah Tribe – 8/10/2023
- Iowa Tribe of Oklahoma – 8/12/2023
- Cheyenne and Arapaho Tribes – 8/22/2023
- Quapaw Tribes – 8/23/2023
- Cheyenne and Arapaho Tribal Meeting – 8/24/2023
- Southwest Tribal Meeting – 9/21/2023
- (Apache Tribe of Oklahoma, Fort Sill Apache Tribe, Kiowa Tribe, Cheyenne and Arapaho Tribes, Wichita and Affiliated Tribes, Caddo Tribe)
- Comanche Tribe of Oklahoma, Delaware Tribe of Indians, Kialegee Tribe of Oklahoma – 9/21/2023
- Miami Tribe of Oklahoma, Wyandotte Nation – 10/20/2023
- Citizen Potawatomie Nation – 11/1/2023
- Otoe-Missouria Tribe – 11/1/2023
- Fort Sill Apache Tribe – 11/6/2023

The Tonkawa Tribe acknowledged receipt of the Dear Tribal Leader Letter but has declined to establish a formal relationship for the purpose of broadband infrastructure and adoption planning. The OBO has indicated a willingness to engage in a partnership with the Tonkawa Tribe if and when the tribe determines they would like to do so at a later date.

Key takeaways from these consultations include:

- Within the tribes, there is a digital divide among some who have tribal-owned ISPs and those who do not, and some who have made connections with workforce education resources and those who have not (OSUIT and CareerTech were named as available resources at several listening tour stops). Many tribes desire more fiber technicians and installers.
- Of the tribes that do not have tribal-owned ISPs, they wish to work cooperatively and in collaboration with existing ISPs in their territories.
- The cost of laying fiber is very expensive (a sentiment shared by ISPs across the state at most listening tour stops).
- Several of the tribes do not have sufficient grant-writing experience in-house, which led to their first attempts at securing Tribal Broadband Connectivity Program funding being denied.
- Several tribes desire to use BEAD funding to connect non-tribal households.
- Some tribes expressed concern for ongoing equipment and maintenance of infrastructure into the future.
- Digital equity needs expressed include:

- Home computer assistance
- Digital navigators in libraries, tribal community centers, or CAIs to provide digital skills training, and/or tech mobiles that could visit smaller communities to train people
- Telehealth resources
- Remote work opportunities

Tribal nations had opportunities to participate in all the stakeholder engagement activities described in Section 2.3. During the "Let's Get Digital: Oklahoma Broadband Tour," 2% of the attendees represented tribal governments. A tribal member focus group was conducted to provide qualitative data about the barriers to internet access and use.

The OBO sought and received written feedback from Oklahoma's tribal nations in the development and drafting of the Five-Year Action Plan. This feedback was incorporated into both the Five-Year Action Plan and relevant sections of this Initial Proposal. The OBO also conducted specific outreach to tribal nations to share the Initial Proposal, Volume I, and Initial Proposal, Volume II, as well as the Digital Equity Plan, and requested feedback. The OBO received feedback for all documents and has analyzed and revised these documents as appropriate.

02.03.01 Local Coordination Tracker and Description

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.

To fully engage with all members of the community the OBO used a broad array of data collection and engagement methods. At the beginning of the process the OBO traveled more than 6,000 miles across Oklahoma on a "Let's Get Digital: Oklahoma Broadband Tour" listening tour that included 19 separate locations. The OBO presented information to the public on the state of broadband expansion and asked participants to fill out surveys identifying common issues and areas of focus for further engagement. The OBO also engaged all 39 tribal nations through communications and invitations to attend tribal consultations to gain their unique perspectives. Thirty-eight of 39 tribes engaged in tribal consultation — these engagement efforts are described in Section 2.2 and throughout this section. While many of the connectivity issues within tribal communities are like the rest of the state (affordability and access), the same outreach efforts and solutions are not necessarily applicable due to differences in cultural norms and organizational structure. More details on the OBO's stakeholder engagement process are outlined below.

Local Coordination

The stakeholder engagement process outlined in this section demonstrates the breadth of engagement across Oklahoma and the variety of mechanisms for outreach and engagement. This work included identifying and engaging with critical stakeholders with whom understanding of BEAD and DE priorities is essential to a holistic understanding of connectivity challenges and opportunities in the state. The engagement model the OBO developed to engage with stakeholders during the planning and implementation phases of the BEAD program aligns with local coordination criteria from the BEAD NOFO. See attachment "2.3.1 Location Coordination Engagement Model" in section 2.17.2 for a visual overview of the state's Engagement Model.

The model highlights Oklahoma's 3-pronged approach to engagement, starting with "advisory support" from the Broadband Governing Board, Broadband Expansion Council, and Digital Equity Working Group at the state level. These groups oversee the work of the Office, provide policy recommendations, funding oversight, and central coordination for the expansion of reliable and affordable high-speed internet connectivity in Oklahoma. Second, the Office leverages "participatory mechanisms" to drive

engagement at the local and regional level. These include Tribal consultations, stakeholder meetings, local and state government coordination, listening tours, industry roundtables, and focus groups with covered populations. These efforts drive local input and bring awareness to the digital divide. Rounding out the Engagement Model is "quantitative data analysis", which is used to better understand the connectivity needs of Oklahomans. The OBO deployed residential phone surveys, community organization surveys, and data set analysis. Data gathering allows the office to make informed, statistically significant decisions tailored to the needs of Oklahomans. Combined, the Engagement Model provides a window into state, regional, and local efforts to engage populations across the state and better understand their connectivity needs and goals.

While a full description of outreach activities occurs in this section, highlights from the strategies to address each of these criteria include:

- Full geographic coverage – The OBO visited 19 sites during its "Let's Get Digital: Oklahoma Broadband Tour," with stops in all parts of the state. A map of counties visited is below. The OBO visited an additional 11 sites in October and November to discuss and share about the Office's planning and implementation work during the "Oklahoma's Digital Promise" tour. The OBO conducted a statewide residential survey to understand the barriers to broadband adoption. The OBO also held virtual and in-person stakeholder meetings with groups from different communities and regions of the state. The local coordination tracker provides a full list of stakeholder meetings, as well as the geographic representation of those meetings, including whether the meeting was local, regional, or statewide in nature and the county represented, as appropriate. Ensuring geographic coverage across the state and tribal lands ensures that the OBO has a comprehensive understanding of the challenges and opportunities related to broadband deployment and adoption.

The following locations hosted meetings for the "Let's Get Digital" tour

- Weatherford (May 8, 2023)
- Stillwater (May 12, 2023)
- Vinita (May 15, 2023)
- Poteau (May 16, 2023)
- Broken Bow (May 18, 2023)
- Durant (May 23, 2023)
- Tulsa (May 24, 2023)
- Chickasha (May 26, 2023)
- Altus (June 2, 2023)
- Enid (June 5, 2023)
- Sallisaw (June 6, 2023
- Sulphur (June 8, 2023)
- Lawton (June 9, 2023)
- Ada (June 13, 2023)
- Okmulgee (June 20, 2023)
- Goodwell (June 22, 2023)
- Woodward (July 18, 2023)

The following locations hosted meetings for the "Oklahoma's Digital Promise" tour

- Hobart (October 3, 2023)
- Muskogee (October 5, 2023)
- Krebs (October 11, 2023)
- Burns Flat (October 12, 2023)
- Atoka (October 17, 2023)
- Okarche (October 24, 2023)

- Duncan (October 25, 2023)
- Watonga (October 26, 2023)
- Ponca City (November 9, 2023)

The following locations hosted meetings for both tours
- Oklahoma City (May 22, 2023; October 19, 2023)
- Miami (June 7, 2023; November 14, 2023)

See attachment "Section 2.3.1 Location Coordination Map" in Section 2.17.2 for a map depicting these meeting locations. Locations for the "Let's Get Digital" tour are marked in blue. Locations for the "Oklahoma's Digital Promise" tour are marked in yellow. Counties that hosted events for both tours are marked in green.

- Meaningful engagement and outreach to diverse stakeholder groups – The OBO developed and engaged with a diverse group of organizations, governments, and leaders representing covered populations. Through focus groups, a statewide listening tour, survey collection, and interviews, the OBO learned about barriers to access, adoption, and use for diverse stakeholders. Additionally, the OBO hosted consultations with tribal governments in the state.
- Utilization of multiple awareness and participatory mechanisms – The OBO leveraged digital and non-digital means of communication for education and outreach purposes. These mechanisms included meetings, surveys, emails, TV/radio/print interviews, social media, focus groups, and more to ensure that stakeholders could engage with the planning process and were informed of the OBO's work.
- Clear policies to ensure transparency – The OBO operated transparently throughout the planning process, utilizing its website, email distribution lists, and monthly updates to the OBGB and OBEC to provide updates to stakeholders and promote opportunities to engage in the process. The OBO maintained and updated the outreach page on its website with information about listening tour stops, roundtables, and local coordination events. Listening tour stops were open to the public and media, and were promoted through social media, as well as statewide and local press releases.
- Outreach and engagement of unserved and underserved communities – The OBO prioritized outreach and made substantial efforts to engage with unserved and underserved communities. Entities representing these populations participate in the Digital Equity Coalition. The OBO conducted focus groups with underrepresented populations and included these populations in the residential survey. The OBO also specifically focused on unserved and underserved communities during these engagement efforts to better understand the places and people who will be most affected by the BEAD program.

The OBO ensured transparency of both participation in and results of the outreach and engagement conducted during the development of the Initial Proposal. Perspectives and input gathered during the engagement process were included in the Initial Proposal draft that was available for public comment. The survey and stakeholder meeting data collection analysis are discussed extensively in the Digital Equity Plan. Additionally, the OBO provided regular updates about the results and outcomes of coordination and outreach efforts at monthly OBEC and OBGB meetings, sharing top priorities, barriers, and other data collection findings from the listening tour.

Stakeholders

Having access to a reliable, affordable broadband connection is critical for Oklahoma residents and is a requirement for many governmental and private-sector activities. The OBO identified a wide range of stakeholders for outreach and engagement to demonstrate geographic coverage and interaction with diverse groups, as provided by the local coordination requirements found in Section IV.C.1.c of the BEAD program NOFO:

- Accordingly, each Eligible Entity is required to coordinate with political subdivisions, Tribal

Governments, local and community-based organizations, and unions and worker organizations within its territory to ensure full representation and inclusion of unserved, underserved, and underrepresented communities throughout the planning and deployment processes. Each Eligible Entity must document its local coordination and outreach activities by providing a detailed description of their efforts to engage local governments, community groups, union and worker organizations, Tribal Governments, and underrepresented populations in its Five-Year Action Plan, Initial Proposal, and Final Proposal, relative to each stage in the BEAD Program process. Each Eligible Entity is strongly encouraged to integrate its local coordination efforts with any outreach and coordination efforts it is required to undertake pursuant to the Digital Equity Act.

See attachment "Section 2.3.1 OK Stakeholder Groups" in Section 2.17.2 for a table depicting Oklahoma stakeholder groups and their public engagement involvement. The table highlights a variety of stakeholder groups from across the state. These stakeholder groups include:

- State agencies
- CAIs
- K-12 education institutions
- Higher education institutions
- Libraries
- Public safety
- Public housing organizations
- County and municipal governments
- Chambers of commerce
- Internet service providers
- Nonprofit and faith-based organizations serving underrepresented and covered populations
- Tribal governments
- Local and municipal government leaders
- Civil rights organizations
- Labor unions
- Workforce and economic development organizations
- Regional associations of governments
- Broadband coalitions
- Faith-based organizations

Residents who lack access to affordable, reliable high-speed internet or the skills to use it in ways that improve their quality of life.

The table tracks the involvement of these groups in a range of stakeholder activities such as listening tours, focus groups, surveys, digital equity coalition, roundtables, workshops, and more. The table is color-coded to define involvement by organization type and includes a section for individuals and organizations who represent the eight covered population categories outlined by the NTIA. Notably, all organizations on the list participated in listening tours, the statewide organization survey, local coordination workshops, and ongoing media outreach. Additionally, most groups are directly or indirectly represented on the DE Coalition. The full table highlights the extensive and exhaustive engagement efforts of the OBO to reach all Oklahomans.

Advisory Supports

The Oklahoma Broadband Governing Board (OBGB) oversees the work of the OBO. Members of the board include:

- Katy Boren, CEO, Oklahoma City Innovation District Inc. – Oklahoma City
- Mike Erhart, Managing Partner, Erhart & Associates LLC – Oklahoma City

- Dwight Hughes, Superintendent/CEO, Autry Technology Center – Enid
- Fob Jones, Attorney, Fob F. Jones Law – Sulphur
- Jim Meek, District 9 Director, The Oklahoma Farm Bureau Inc. – Okmulgee
- Amanda Mullins, Managing Attorney, Amanda Mullins PLLC – Chickasha
- Matt Pinnell, Lieutenant Governor – Oklahoma City
- Todd Russ, State Treasurer – Cordell
- Russ Teubner, CEO, HostBridge Technology LLC – Stillwater

The Oklahoma Broadband Expansion Council (OBEC) advises the OBO and provides recommendations for policies that can improve, expand, and reduce the cost of high-speed internet in the state. Members of the council include:

- Mark Argenbright, Director, Public Utility Division & Consumer Services, Oklahoma Corporation Commission – Oklahoma City
- Darlene Brugnoli, Vice President Governmental Affairs, Verizon
- Jason Constable, Director, Regulatory Affairs, AT&T Corp. – Oklahoma City
- Sachin Gupta, Director of Government Business and Economic Development, Centranet LLC – Stillwater
- Mike Hilliary, Chief Administrative Officer, Hilliary Communications – Lawton
- Ernie Martens, Mayor, City of Sallisaw – Sallisaw
- Stacie Pace, Associate Director, Canopy Healthtech – Owasso
- Mike Sanders, Executive Director – Kingfisher
- Josh Snow, President, Trace Fiber Networks LLC – Ada
- Robbie Squires, Director of Government & Regulatory Affairs, Cox Oklahoma Telecom LLC – Yukon
- Billy Frank Staggs, President, Chickasaw Holding Co. – Sulphur
- Daniel Webster, CEO, Northeast Oklahoma Electric Cooperative – Vinita
- Jerry Whisenhunt, General Manager, Pine Telephone Co. Inc. – Broken Bow
- Dr. Brian Whitacre, Professor of Agricultural Economics, Oklahoma State University, Department of Agriculture Economics – Stillwater

The Oklahoma Digital Equity Coalition provides insight on barriers to accessing and using affordable, reliable high-speed internet for covered populations. Members of this group include:

- Urban League of Greater OKC
- Oklahoma Department of Libraries
- Southern Prairie Library System
- Oklahoma Complete Health
- Heartland Forward
- YWCA
- Hinton Public Library
- Oklahoma State University
- Oklahoma Department of Career and Technology Education
- Bristow Public Library
- OU Health
- Rise Broadband

The OBO previously convened a digital equity work group in late 2022 and early 2023 at the start of the planning process. Those meetings included many of the stakeholder groups above, as well as representatives from tribal nations. A key action described in the Digital Equity Plan is to increase tribal nation representation as part of the coalition.

Participatory Mechanisms & Outreach Activities

The OBO engaged with stakeholders by utilizing multiple awareness and participatory mechanisms. Through these mechanisms, the OBO ensured the public was aware of ongoing planning efforts and could provide feedback to the OBO on connectivity challenges and opportunities. Key outreach platforms and mechanisms included:

- Statewide listening tour
- Focus groups
- Roundtables
- Tribal consultations
- Site visits
- Organizational and residential surveys
- Email updates
- Board meeting updates
- Press releases
- Social media
- TV, radio, and print interviews
- Partnerships with organizations across the state

This variety of engagement activities, with a combination of digital and in-person opportunities, provided stakeholders with clear ways to share their connectivity priorities. Several of these mechanisms are described in more detail below.

Statewide Listening Tour

The OBO hosted a 19-session "Let's Get Digital: Oklahoma Broadband Tour," traveling the state and hosting public meetings in libraries, university campuses, veterans' halls, and other local venues, to hear from communities about regional needs and priorities. Individuals representing local, regional, and statewide entities all attended these meetings, providing diverse perspectives and representing the full geography of the state.

The OBO visited the following communities:

- Weatherford (May 8, 2023)
- Stillwater (May 12, 2023)
- Vinita (May 15, 2023)
- Poteau (May 16, 2023)
- Broken Bow (May 18, 2023)
- Oklahoma City (May 22, 2023)
- Durant (May 23, 2023)
- Tulsa (May 24, 2023)
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- Okmulgee (June 20, 2023)
- Goodwell (June 22, 2023)
- Woodward (July 18, 2023)

Understanding local context, including assets and success stories from the region, as well as pain points and needs, provided the understanding necessary to craft this plan. The tour incorporated interactive polling to collect quantitative data for analysis, aggregation, and comparison across the regions. Through guided discussion, participants elucidated key barriers, regional assets, and top priorities for the state. Several Broadband Governing Board members promoted and attended these events, often as co-facilitators.

Outreach to local and regional governments, nonprofits, and CAIs ensured diverse participation and outreach to covered populations. An outreach toolkit, with sample social media, email/newsletter language, and flyer, allowed organizations to promote these events within their networks. The OBO staff participated in multiple regional and statewide media interviews to promote the listening tour and ensure that residents were aware of the meetings.

Overall, 299 Oklahomans participated in the listening tour. Covered population representation at the tour was as follows:

Covered Population Representation

- Aging individuals – 40.4%
- Incarcerated individuals – 12.7%
- Veterans – 32.4%
- People with disabilities – 31.8%
- Individuals with a language barrier – 28.4%
- Racial and ethnic minorities – 33.8%
- Individuals who reside in a rural area – 56.2%
- Low-income individuals – 42.1%

Critical stakeholders to BEAD program implementation, including ISPs, local governments, and CAIs, attended these regional events to share their perspectives on connectivity challenges, opportunities, and current and planned partnerships. Representation by organization type on the tour was:

Stakeholder Type Representation

- Representing an ISP – 24.7%
- Representing a government agency – 19.4%
- Attending as a resident interested in home internet news and service options – 15.4%
- Representing a for-profit business – 12.0%
- Representing a nonprofit organization 8.4%
- Other – 5.7%
- Representing a college, university, or other institution of higher (post-secondary) learning – 5.7%
- Representing a library – 2.7%
- Representing a tribal government – 2.7%
- Representing a hospital, doctor's office, or other health care provider – 2.0%
- Representing a K-12 school or school system – 1.7%

The OBO, as a new state agency, leveraged this listening tour to educate communities about the work of the office, make introductions to key leadership and staff, and build relationships with local networks to support the OBO during the planning and implementation phases of the Digital Equity Plan.

Additionally, the OBO collected quantitative and qualitative data from participants, allowing for the identification of key barriers and challenges by region, as discussed in the BEAD Five-Year Action Plan. The following is an agenda from a 2023 OBO public meeting held to discuss broadband road mapping and planning efforts in the state.

OBO Public Meeting Agenda

- Oklahoma landscape & broadband context
- Overview of BEAD and DEA (federal funding programs)
- Discussion about regional broadband context

- Barriers
- Opportunities
- Priorities for state planning
- Next Steps

In the fall of 2023, the OBO embarked on a second round of listening tour stops as a part of the "Oklahoma's Digital Promise" listening tour. These tour sites included new counties not previously visited by the OBO, as the office expanded its geographic footprint farther in the state. The OBO visited communities across Oklahoma to continue discussions around barriers to accessing, affording, and using the internet. Local governments, CAIs, education institutions, community-based organizations serving covered populations, and residents were invited to participate in these events. During each event, participants received updates from the OBO and engaged in structured conversations about the connectivity barriers and assets in their communities. Participants also had the opportunity to complete a survey about digital connectivity. The OBO also discussed the state Digital Equity Plan and promoted the public comment process for BEAD and DEA. Stops on the fall listening tour included:

- Hobart (October 3, 2023)
- Muskogee (October 5, 2023)
- Krebs (October 11, 2023)
- Burns Flat (October 12, 2023)
- Atoka (October 17, 2023)
- Oklahoma City (October 19, 2023)
- Okarche (October 24, 2023)
- Duncan (October 25, 2023)
- Watonga (October 26, 2023)
- Ponca City (November 9, 2023)
- Miami (November 14, 2023)

Internet Service Provider Roundtables

Internet service providers (ISPs) and other companies in broadband-related industries are important constituents in the work of ensuring affordable internet access for all. The OBO hosted an industry roundtable on June 15, 2023, to engage with ISPs on key aspects of BEAD and DE planning. Thirty representatives joined the call, with a provider type breakdown of:

- Telephone company — 20%
- Electric cooperative — 12%
- Investor-owned utility — 16%
- Private business – 48%
- Other – 4%

The roundtable engaged on various BEAD policy decision points, providing feedback to the OBO on workforce priorities, low-cost options, and ways to ensure universal coverage through implementation of the BEAD program.

The OBO intends to continue this engagement with regular roundtable discussions open to all ISPs.

Surveys

The OBO conducted a residential survey to gain deeper understanding of the barriers and assets in the state. Respondents were contacted over the phone for their participation; the dialer offered the survey in English, Spanish, or Mandarin, and it took an average of eight and a half minutes to complete. Roughly 34% of individuals contacted to participate in the survey completed it. The survey ran from July 10 to August 18, 2023, and ultimately collected information from 1,802 Oklahomans living all around the state.

Responses from this survey reflect diverse perspectives with varying experiences and concerns. Individuals over the age of 60 made up almost a third (31.6%) of respondents. About a quarter of respondents (24.6%) identified themselves as a racial or ethnic minority. Nearly one in five respondents (17.4%) came from low-income households – defined as at or below 150% of the federal poverty threshold. The survey also gathered information from other federally recognized covered populations, including persons with disabilities, individuals with language barriers, veterans, and people who reside in rural areas.
These survey results are discussed in detail in the OBO's Digital Equity Plan, which was released for public comment on October 12, 2023.

Local Coordination Workshops
The OBO hosted two local coordination meetings during the planning process. In partnership with NTIA, the OBO hosted an "Internet for All: Oklahoma Local and Tribal Nation Coordination Workshop" in Oklahoma City on January 19, 2023. The event brought together key participants from federal, state, tribal, and local governments, industry, and other important stakeholders to discuss coordination on broadband efforts as the state prepares to receive significant broadband funds from the IIJA.
The OBO hosted a follow-up event in Tulsa on May 24, 2023, to provide updates on workforce priorities, tribal nation engagement, and funding programs. At this event, two roundtables were held: workforce and tribal coordination. A key takeaway from the workforce panel highlighted that while there are opportunities for Oklahomans to receive training as fiber technicians, ISPs lack enough funding to hire these highly trained individuals upon completion of their training programs.
Impact of Engagement
All these local coordination activities allowed the OBO to engage with communities and industries about the barriers they face accessing and using the internet and what their priorities are for BEAD and DE planning and implementation. Having these diverse perspectives was essential as the OBO drafted this Initial Proposal to meet the needs of Oklahomans and deliver on the programmatic goal of universal service. Feedback and insights gained from each of these stakeholder engagement activities informed the development of the policies in this document. For example:

The OBO's approach to affordability was informed by the "Let's Get Digital" tour, during which the OBO heard from many stakeholders about how affordability is a large barrier to getting and maintaining access. The OBO's conversations with a wide variety of stakeholders reinforced the office's preference for fiber among broadband technologies and motivated the office's policy decision-making to align with the BEAD program's prioritization of fiber over alternative technologies.

Ongoing Engagement
The OBO will continue to build on its stakeholder engagement experience and evolving relationships to maintain a participatory policymaking and program administration process to the extent feasible, with the understanding that (a.) decision input windows must sometimes close when the OBO has set a course and begun to take action, and also (b.) the interest and willingness to participate of various stakeholder groups and organizations will wax and wane. Stakeholder engagement priorities will shift over the life cycle of the BEAD program, with program design, challenge process, subgrantee selection, project monitoring and closeout all requiring different kinds of communication with and input from industry, local government, other state agencies, and citizens.
The OBO plans to continue stakeholder engagement and outreach through many of these established advisory groups and communications channels, including regularly convening the Digital Equity Coalition and Internet Service Provider Roundtable. This will ensure ongoing awareness of, and participation in, the OBO's work from stakeholder groups, local governments, tribal nations, and

communities.
To monitor agreements and subrecipient progress, the OBO will hold weekly check-ins and in-depth quarterly meetings. This information will be aggregated and submitted to the Treasury Department in the OBO's semi-annual reports. The OBO will also continue working with, and collecting data from, outreach partners on an as-needed basis.

02.03.01.01 Local Coordination Tracker Tool

As a required attachment, submit the Local Coordination Tracker Tool to certify that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, unions and work organizations, and other groups.

OK Local Coordination Tracker-12-22-2023 10-04-Oklahoma Office Of Management And Enterp-GRN-000304.xlsx

02.03.02 Tribal Consultation

Describe the formal tribal consultation process conducted with federally recognized Tribes, to the extent that the Eligible Entity encompasses federally recognized Tribes. If the Eligible Entity does not encompass federally recognized Tribes, note "Not applicable."

The OBO sent a "Dear Tribal Leader" letter to each of the 39 Tribal Nations in Oklahoma. The "Dear Tribal Leader" letter copies can be found in Appendix B.

The OBO conducted tribal consultations with 38 of 39 tribes, through a mix of individual and statewide meetings, throughout the engagement process. These consultations included a discussion around:

- BEAD, DEA, and the Tribal Broadband Connectivity Program
- The OBO's work regarding the planning and implementation of broadband infrastructure and digital equity grant programs
- Broadband infrastructure needs and challenges to implementation
- Collaboration and partnership with internet service providers
- Planned or ongoing digital equity planning and programmatic work
- Workforce development and training and digital skills needs
- Feedback and next steps, including technical assistance needs

A full description of the tribal engagement efforts can be found in Section 2.1.

02.03.02.01 Tribal Consultation Evidence

As a required attachment only if the Eligible Entity encompasses federally recognized Tribes, provide evidence that a formal tribal consultation process was conducted, such as meeting agendas and participation lists.

Tribal Agenda and Letters-12-22-2023 09-56-Oklahoma Office Of Management And Enterp-GRN-000304.pdf

2.4 Deployment Projects Subgrantee Selection Process

02.04.01 Subgrantee Selection Process Integrity

Describe a detailed plan to award subgrants to last-mile broadband deployment projects through a fair, open, and competitive process.

The OBO will award grants through a multi-stage process through a series of successive candidate pools. The process will involve the following steps: 1. Initial Geospatial Planning 2. Request for Information (RFI) on Geospatial Planning 3. Decision on Geospatial Planning and Announcement of Recommended Network Expansion Territories (NETs) 4. Candidate pool rounds

5. Potential Final Round to Close Gaps It should be noted that the candidate pools are not about scoring so much but rather to prioritize fiber projects and unserved locations first and to keep track of NETs throughout the process and the number of bids received, if any. The applicant will not be notified of any provisional award until the end of all candidate pool submissions and after scoring has taken place, which will occur once all candidate pools have submitted. All of this to say, scoring will be the overriding determining factor for awards and the candidate pools are just a tool to be utilized to keep order. The text below describes a process by which the OBO would allocate BEAD funds. The process is tentatively expected to last 185 days;; each stage includes a specified time allotment. The timeline should be seen as preliminary, to be superseded by defining key deadlines around the time that subgrantee selection is launched. The actual subgrantee selection process, and the stages within it, may be allotted more or somewhat less time based on the timing of approval of Oklahoma's Initial Proposal Volume I and Volume II, the number of challenges received, the time required to adjudicate them, and other factors. It may also be designed to work around major holidays. (See Attachment "Section 2.4.1 Subgrantee Process Timeline.pdf" in Section 2.17.2 for an image)

Launch Announcement and Timeline
As early as possible, given the need to complete the challenge process, guidelines, application forms, etc., the OBO will launch the subgrantee selection process with a public announcement. Since broad-based participation, especially by the broadband industry but also to some extent by a variety of other stakeholders, is critical to the success of the BEAD Program, the OBO plans to push out information aggressively at and around the time of the launch.

Means of promoting this information may include:

• An e-mail blast to the OBO's mailing list, industry and local government contacts. •Direct outreach to Tribal governments about the BEAD Program launch. •An announcement on the OBO website about the BEAD Program launch, including deadlines and other relevant information. • Public announcement of the BEAD Program launch and timeline at OBEC and OBGB meetings.

Webinars with industry stakeholders to share BEAD Program information, answer questions, address concerns, and mobilize participation.

Initial Geospatial Planning (Timeline: Subgrantee Selection Process Launch to Launch + 20 days)

Begin: Launch of Subgrantee Selection Process (after Location List Finalized) End: Launch + 20 days

An initial round of geospatial planning for the closure of Oklahoma's broadband coverage gaps is planned to occur as soon as the post-challenge list of targeted unserved and underserved locations has been approved by the NTIA. The OBO's geospatial analysts will generate contiguous territories, bounded by counties, tribal boundaries, and other geographical features (e.g., roadways, rivers, rail lines, etc.), using a clustering technique for the nearest unserved/underserved and unfunded BSLs, which have a positive estimated NPV. These contiguous territories may also contain nearby BSLs with a negative estimated NPV that maintains an overall desirable, positive NPV for the entire cluster, so that every unserved/underserved and unfunded BSL is accounted for in a territory. These territories will generally consist of tens to hundreds of BSLs, but potentially, in some cases, as few as one BSL. The output of the geospatial planning will be a list of recommended Network Expansion Territories (NETs).

Cost Estimation Begin: Launch of Subgrantee Selection Process End: Launch + 20 days

To accompany recommended NETs, the OBO will develop an initial estimate of the expected subsidy cost of serving each recommended NET. These nonbinding estimates will be calculated in a way that is consistent with the OBO's success in meeting its goals of statewide universal broadband access. Applicants are encouraged not to request more than these cost estimates in BEAD subsidies, if they can make projects at that subsidy price commercially viable. After BEAD subgrantee applications are received and under review, applications whose subsidy requests greatly exceed the estimated subsidy needs of the targeted areas may receive heightened scrutiny of the allowability and

reasonableness of their budgeted expenses. Note that cost estimation is part of the initial geospatial planning and will be conducted concurrently. As part of the planning, the intention is to provide soft guidance on project costs and likely subsidy offers, but exceeding them will not disqualify any project from consideration in any candidate pool.
Location Threshold, which will determine whether end-to-end fiber projects qualify for early consideration as
Priority Broadband Projects, will be assessed throughout the application process.

The OBO has a preliminary EHCPLT figure but this number will be assessed and adjusted as needed following each application period. Once all applications have been received, the OBO will make its final determination on the EHCPLT and will score all applications utilizing the same figure.

Initial Publication of and Public Comment on Initial Geospatial Planning Begin: Launch + 20 days End: Launch + 40 days

After the OBO has defined and determined a cost estimate for the recommended NETs, it will publish the map of NETs to the OBO website. It will then request input from ISPs and tribes, starting with a Request for Information (RFI) about these geographical definitions, with particular interest in feedback about inapt definitions of NETs that impede cost-effective broadband deployment by grouping locations in unsuitable ways.

The OBO will consider requests to redefine NETs. In these requests, the OBO will look for evidence that a particular grouping of BSLs into a NET is technically or competitively inefficient. For example, commenters might critique a NET definition by showing that it would be unnecessarily costly to serve the BSLs it contains through a single network rather than by extending multiple other, neighboring networks, or they might show that the NET definition was advantageous to one ISP but tends to exclude others. Typically, NETs that are not the subject of feedback through the RFI process will be left as is.

Integration of ISP Feedback and Publication of Recommended NETs (Planned for Launch + 40 days to Launch + 50 days) Begin: Launch + 40 days End: Launch + 50 days

When the OBO has developed the recommended NETs, adjusted as needed considering the RFI feedback, and the accompanying subsidy cost estimates, these will be published on the OBO website. their proposals around the recommended NETs.

Receiving Applications (Planned for Launch + 50 days to Launch + 140 days, for a 90 day application window) Begin: Launch + 50
days End: Launch + 140 days

An application form will be published early in 2024, well in advance of the launch of the subgrantee selection process, and will define the information that BEAD applicants will need to provide to the OBO to be considered for a BEAD award. Information provided in the application will include the technology, pricing, subsidy request, budget, and proposed service area (consisting of, where possible, a set of NETs).

The information in the applications should be sufficient to determine: •Whether the match requirement is met. •Whether the project, as a whole or for some subset of its NETs, qualifies for inclusion in each of the candidate pools defined below. •What score the project should receive under the rubric.

In addition, the application form may include a severability matrix that details an applicant's contingency planning if they qualify to win some parts of their proposed territory but not others.

The OBO recognizes that in some cases, an ISP may have ambitions to expand its network with the help of BEAD funding yet find that it is not possible to propose a project footprint comprising any combination of the predefined NETs. This may occur because the capex requirements for a full NET are too high, because regulatory factors or franchise agreements block the ISP from expanding to parts of a NET, because a full NET would not be commercially sustainable to serve, because considerations of efficient network design motivate a different project footprint, or for other reasons. Applicants must submit applications identifying the NETs that they wish to serve and applications that do not utilize the NETs will not be accepted during the application window. Once all applications have been reviewed, adjudicated and deconflicted, the OBO will review the NETs still available. At that time the OBO will negotiated with providers to achieve 100% connectivity. If negotiations are not fruitful, the OBO reserves the right to open a second round of subrecipient selection not utilizing NETs.

While the OBO does not rule out at this time the possibility of awarding very small or otherwise non-NET-conforming projects as a last resort, in the interests of achieving the maximum possible coverage, it encourages applicants to structure their projects around the NETs if at all possible, and its plans assume that non-NET-conforming projects will only be submitted in special cases. The remainder of this process focuses mainly on NET-conforming projects. For example, the deconfliction process described below will deconflict by NET, not by BSL.

Severability

When projects offer to serve multiple NETs, the applicants' willingness to accept awards for subsets of the NETs, or subprojects, can be variable. Both network design considerations and shared fixed costs can make some subprojects commercially infeasible to deploy to in a cost-effective and commercially sustainable way. But other subprojects may comprise workable project footprints. In its quest to achieve a universal broadband access solution with no overlapping projects, the OBO anticipates a need to make extensive use of all the flexibility that BEAD applicants can offer.
Applicants will be expected to note which NETs could be severed from the application. This will allow the OBO flexibility to achieve the overall goal of determining how best the state may be served. The OBO plans to include in the application a severability matrix form by which applicants may communicate to the OBO any flexibility that they may have to vary their proposed project areas.

Further guidance will be forthcoming, but ideally, severability matrices should indicate: • All combinations of NETs for which an ISP would be willing to accept a BEAD award and commit to building. •

The BEAD grant that the applicant would require in order to serve any subproject, or sub-combination of the proposed NETs, as a standalone project. While the OBO sets no upper limit on the number of NETs that projects can include, applicants are encouraged to keep projects small enough to make the severability matrix manageable. The purpose of every severability matrix is to capture and communicate the willingness of the applicant to accept any of the possible subprojects as a partial award, and the grant that it would require for each case. In general, subproject grant requirements do not need to bear any proportional relationship to the overall project grant request. Applicants may reasonably require either more or less per location for a smaller subproject, relative to a larger original project. The OBO expects to provide severability matrix forms to help communicate information requirements, structure incoming information, and encourage applicants to perform contingency planning and severability reporting in as much detail as possible. The OBO also plans to utilize incomplete severability information insofar as it is sufficiently informative to define subprojects to which an applicant has indicated its willingness to commit. Applicants who are unable to perform contingency planning on all possible subprojects are encouraged to perform it for as many subprojects as they can.

The OBO encourages BEAD applicants to invest in substantial contingency planning and use severability information in the application form to provide the OBO with the optionality that it needs in order to find a comprehensive statewide solution to Oklahoma's broadband coverage gaps. BEAD applicants should bear in mind that a well-designed severability matrix will be critical to success in winning BEAD funds. Some projects may immediately win all their proposed areas, but if not, indicating flexibility through a severability matrix will be critical to continued consideration.

If incoming BEAD applications provide sufficient optionality through severability matrices, the OBO will plan to leverage these matrices to find a cost-effective statewide solution, as described below. If too few applicants take the opportunity to describe their flexibility, leaving the OBO with too little optionality to effectively pursue a statewide solution, the OBO may, either prior to or during the deconfliction process, lean on direct outreach to ISPs to probe for severable subprojects that they would

be willing to serve. The OBO will move to negotiations once all candidate pools have been reviewed, scored, and deconflicted and NETs without a bid are identified. OBO desires to minimize the need for outreach to applicants during the deconfliction phase, which will likely make timelines drag and/or demand unreasonably quick decisioning by applicants, so advance contingency planning through severability matrices is strongly encouraged.

Ultimately, awards cannot be finalized until the NTIA approves the OBO's Final Proposal.

The BEAD NOFO requires states to prioritize (a.) end-to-end fiber projects over other technologies, if they have subsidy costs per location below the

Extremely High Cost Per Location Threshold (Threshold), and (b.) unserved areas over underserved areas. Accordingly, the OBO distinguishes four pools of candidate projects that must be considered in due order of priority, namely:

• The First Candidate Pool will consist of (a.) end-to-end fiber projects (b.) whose proposed project footprints contain at least 80 percent unserved locations and (c.) comprised a set of recommended NETs that they fully serve, (d.) whose subsidy costs per location are below the Threshold. Note that at this stage, these projects will be scored only on the unserved BSLs they propose to serve, in conformity with the IIJA and BEAD NOFO requirement that states prioritize unserved over underserved locations. For example, Minimal BEAD Program Outlay will be calculated with the number of unserved BSLs as the denominator.

• A Second Candidate Pool will consist of (a.) all projects using reliable broadband technology, not already awarded, (b.) whose project footprints contain unserved locations and (c.) are comprised of a set of recommended NETs that they fully serve. The second candidate pool will include any end-to-end fiber projects from the first candidate pool, not yet funded, that serve unserved areas. All second candidate pool projects must remove from their project footprints any NETs already included in tentatively awarded first candidate pool projects. Severability matrices will be used to determine whether they are willing to do so or not, and those which are not will be omitted from the second candidate pool even if they otherwise qualify. Note that if all unserved locations get served by projects in the first candidate pool, there will be no second candidate pool. As with the first candidate pool, while these projects may include underserved BSLs, they will be scored only on the unserved BSLs they propose to serve.

• A Third Candidate Pool will be created and considered for funding if BEAD funds are still available. It will consist of two categories of projects, on the condition that they are willing to remove from their project footprints any NETs that already have a proposed solution from the first and second candidate pools. The two categories are: a. all end-to-end fiber projects, not yet funded, whose subsidy costs are below the Threshold, and whose project footprints comprise of a set of recommended NETs that they fully serve, as well as b. all unserved area projects not yet funded.

• A Fourth Candidate Pool will be created if (a.) there are still BEAD funds remaining, and (b.) there are still BEAD-eligible BSLs that do not have a solution. It will consist of all remaining projects using reliable broadband technology, proposing to serve BEAD eligible NETs and which are willing to remove from their project footprints any NETs that already have a proposed solution from the first, second, and third candidate pools.

Reviewing, Scoring, and Awarding Proposed Projects

Application review will occur after all candidate pools have been received. The appropriate value of the Extremely High Cost Per Location Threshold will depend, as is further explained in section 2.4.9, not only on the costs and subsidy requests of end-to-end fiber projects, but also on the other technology projects in the other Candidate Pools, which will determine the cost of closing the remaining coverage gaps after the fiber projects have been exhausted.

The OBO will plan to revisit the Extremely High Cost Per Location Threshold following the initial review of all candidate pool applications. If the other technology projects are more costly in subsidies than was anticipated, the Threshold may need to fall to create fiscal space for achieving universal coverage, likely resulting in the removal of some projects from the First Candidate Pool. If the other technology projects are less costly, the Threshold may be able to increase, allowing additional end-to-end fiber projects to qualify for the First Candidate Pool. All this Threshold optimization based on incoming data will occur prior to the final determination of the Threshold, after which the Threshold will remain fixed. Within each candidate pool, the OBO will select winning projects on the basis of the

rubric score, allocating NETs to the highest-scoring project.

As is also discussed in section 2.4.2, the OBO will exert its best efforts to mitigate discretion and minimize arbitrariness in the grantmaking process, and it has done so to a considerable degree through the definitions contained in this Initial Proposal. However, it is not feasible to remove all judgment calls or define all desiderata in strictly objective or quantitative terms. It will be important to ensure that the personnel ultimately tasked with the grant application review work that will inform award decision-making to have a substantial amount of expertise, as well as verifiable independence of judgment and a lack of conflicts of interest.

The timeline for completing the deconfliction for each candidate pool is as

follows:

• Determination of Extremely High Cost Per Location Threshold: Launch + 115 days. In practice, the Threshold will need to be determined internally, in advance of this, to ensure that review and deconfliction of Candidate Pool projects is aligned with the Threshold determination that is announced. The OBO will aim to complete the deconfliction process to arrive at award decisions within 20 days of the closing of the Fourth Candidate Pool application window. This should be feasible given that deconfliction is a fully automated process, unless remedial efforts are required to induce applicants to provide sufficient severability options.

The Deconfliction and Award Process Within each of the candidate pools described above, the OBO can expect that some project footprints will overlap. In the special case where projects share the exact same proposed project footprint, a straightforward like-to- like comparison using the rubric can select the candidate project to award. However, the OBO needs to situate this special case in a more general process that can address scenarios where proposed service areas partially overlap, and as such is the motive for including a deconfliction process.

Deconfliction will be an iterative process, implemented for each candidate pool in succession, whereby the OBO will first define an unresolved area consisting of all the NETs that projects in the candidate pool propose to serve, then assign NETs to projects. In each iteration, each NET will be allocated to the highest-scoring project based on the rubric score. Note that rubric scores will always be calculated for a whole application, not for each individual NET contained in the application.

Note: If a project being scored loses a NET to another entity, the application will have said NET removed and the OBO will recalculate the new score utilizing the updated information and the minimal BEAD outlay. This process will occur until all projects are deconflicted. Projects that win all their NETs will be identified for provisional awards. Those projects will then be removed from the candidate pool, and their NETs will be removed from the unresolved area. The deconfliction algorithm will then check the severability matrices of the remaining projects.

For each project, if the applicant has indicated that it is willing to accept a subproject that removes the provisionally awarded NETs from its footprint, that application will remain under consideration, and that subproject will be added to the candidate pool for the next iteration. Projects for which an acceptable subproject is not found will be removed. Throughout the process, NETs will always be awarded to the highest-scoring project that is willing to accept the offer to serve them, given the way the other NETs were awarded. It follows from this, for example, that a project that is willing to serve separately all the NETs that comprise its project footprint, will be certain to win all NETs where it has the highest rubric score. It can occur, however, that the highest-scoring project by the rubric will not win a NET, because its offer to serve that NET was contingent on winning other NETs where it was not the highest-scoring project. While iterative deconfliction may, in principle, require many iterations, it seems unlikely to require more than two or three, except maybe in a few highly competitive areas, and even then, the iterations will be reduced if applicants provide a lot of severability options. The iterations can be performed quickly because they do not involve any fresh outreach to or decisioning by applicants, who will already have done their contingency planning and included it in the severability matrices in their applications.

The process is entirely automatable. An algorithm will proceed through successive steps of the following form:

1. Allocate all NETs to the highest scoring project in the candidate pool.
2. Identify all projects in the candidate pool which have won all their NETs and thus been fully

awarded.

3. End the iteration if either of the following two conditions applies: a. All NETs have been allocated to a fully awarded project. b. (Or more generally) No NETs that have not been allocated to a fully awarded

project have any projects left in the candidate pool that offer to serve them.

4. Among all projects not fully awarded, identify those that overlap the fully awarded projects.

5.For each project that overlaps a fully awarded project: a. Check the severability matrix to see if it will accept a subproject that removes the overlap. b. If yes, replace the original project in the candidate pool with a subproject that excludes the overlap. At this time, the OBO would recalculate the applications score removing the NET that had been lost to another project c. If no, remove the overlapping project from the candidate pool.

6. If any projects remain in the candidate pool, return to (1). Else, end the iteration.

The demo provides a reminder that the deconfliction of each candidate pool after the first vis-à-vis previous candidate pools, which is required before it goes through the process of internal deconfliction, may eliminate more projects than competition among projects within the same candidate pool. When it is the second candidate pool's turn to be considered, all projects will be checked against the awards to the first candidate pool's projects, and if their service areas overlap, the severability matrices will be used to check whether the applicants have indicated a willingness to accept the revisions that would be needed to eliminate the overlaps. If so, revised versions of the project will be included in the second candidate pool with the lost NET(s) removed and considered for award.

At the time that the application is reviewed in the second candidate pool, the project will be rescored. If not, the projects will be removed from further consideration. Likewise, third candidate pool projects will first be deconflicted vis-a-vis the first and second candidate pool, and fourth candidate pool projects will first be deconflicted vis-a-vis the first three candidate pools. No project will be considered that requires, for its viability, a NET that has already been allocated to another project.

The OBO will utilize the suggested rubric throughout the scoring process and fiber projects will continue to be prioritized up to the EHCPLT that will be finalized after all candidate pools applications have been received and reviewed. The OBO will be utilizing an automated scoring tool that will have the ability to adjudicate the applications based on the rubric and preferences suggested in this Volume II proposal. The OBO will not be scoring applications until it has received all applications from all candidate pools.

Final Round to Close Gaps

After two to four candidate pools have been considered, depending on funding availability, a final round will be conducted, during which the OBO will seek solutions for any locations or groups of locations for which it has still received no proposals. For this purpose, the OBO may engage with existing providers and/or other prospective subgrantees to find providers willing to expand their existing or proposed service areas. The scope of the final round will adjust to the required prioritizations of the BEAD program. If the OBO has achieved a solution for all unserved locations, the final round may focus on underserved locations. If there are still gaps in the coverage plans for unserved locations, those will be the focus. See section 2.4.7 for further discussion of the OBO's approach to closing any coverage gaps left behind after the candidate pools are resolved into awards.

Subgrantee Selection from the Applicant's Perspective Up to this point, this section comprises a holistic, high-level account of the OBO's plans for BEAD subgrantee selection, with further details to be elaborated in subsequent sections. However, it will be helpful, and contribute to the completeness of this account, to describe the process from the perspective of an aspiring BEAD subgrantee. What are the implications of the OBO's process for how ISPs can apply, and for the best strategies for winning funding? The remainder of this section does not feature any policy decisioning over and above what has been articulated already, and is strictly advisory for applicants. However, it is consistent with the OBO

subgrantee selection policy and may be used by readers of this Initial Proposal to check their understanding of the process. The OBO anticipates that many ISPs in Oklahoma will have questions about the subgrantee selection process described here. The OBO urges ISPs to communicate to the OBO any questions that they may have about the process. The OBO will make sure to release FAQs and other documentation that suffices to address any lingering questions, with the objective of making understanding of the Oklahoma BEAD Program as clear as possible. To succeed in winning funds, and to be as helpful as possible to the OBO in pursuing its objective of closing the digital divide in Oklahoma, we encourage ISPs to understand the application requirements and strategic implications of the process, and to structure their plans around them. In

additional to general principles of designing technically and commercially viable networks, and filling out application forms completely and accurately, the following advice to ISPs captures the key points that ISPs need to know to succeed in the Oklahoma BEAD Program.

1) ISPs should start early and participate in the Request for Information on the Initial Geospatial Planning. ISPs can start designing their BEAD projects at any time, and those who start early can get an important advantage by weighing in through the RFI process on the Initial Geospatial Planning to make it more likely that the areas they want to deploy to get defined as NETs or sets of NETs.

2) After the NETs are released, ISPs should make sure their projects are conformable to the OBO's geospatial planning. Since applicants who submit project footprints not conforming to the OBO's division of the state into NETs will be at a severe disadvantage in competing for BEAD funds, it's a good idea for ISPs to look at the final Recommended NETs, once they are released, and see whether it's technically and commercially feasible for them to structure their expansion plans so that their project footprints consist of one or more complete NETs, and not of any partial NETs. If possible, they should revise their plans to comprise a set of NETs.

3) If possible, ISPs should conduct detailed contingency planning and submit fully populated severability matrices that give the OBO lots of options for funding revised versions of their projects. The OBO will rely on applicants to give them enough optionality to solve a statewide universal coverage puzzle by fitting together many different projects, including both complete projects with their original footprint, and revised, partial projects that win some but not all the areas that they propose. Applicants who proactively participate in this process by analyzing their technical and commercial options and determining which subsets of the proposed NETs comprise viable standalone projects will enjoy a major advantage in competing for BEAD grant funds. Ideally, each applicant will analyze every sub combination of NETs in the project, arrive at a determination, for each of them, whether that subproject is viable, estimate the grant required if so, and report all this information to the OBO for use in its decision-making. A format for reporting the severability matrix will be provided with the application form. subgrantee selection, but ambitious prospective BEAD applicants should start preparing early, since once the process begins, the tight 365-day timeline from Initial Proposal approval to Final Proposal submission will compel the OBO to proceed quickly. Frequently Asked Questions 1. Who will score the applications? The applications will be scored either by OBO staff, or by contractors working for OBO under the supervision of OBO staff, duly vetted for conflicts of interest, in teams that include a range of qualifications such as network design and financial analysis. Each application will be reviewed by at least two team members who can compare notes, to avoid error and bias. Contractors can only make recommendations, and all decisions must be confirmed by OBO staff. 2. How and how long will you engage with subgrantees during each round and what happens if they decline to modify their application? The OBO will rely mainly on the severability matrices provided by applicants at the time of application to determine if they are willing to modify their applications. Given the brief timeline available for subgrantee selection, relative to the scale of the task, the OBO does not expect to have time to reach out to applicants to inquire about their willingness to modify their applications if they do not proactively supply this information initially through the severability matrix forms that will be provided. On the other hand, in view of the possibility that BEAD applicants will not provide enough optionality for the OBO to solve the statewide universal coverage puzzle, the OBO reserves the right to reach out to applicants and ask for more options. This may take the form of a second request for severability information from applicants. The OBO does not intend to award any applicant any area where it is not the highest-scoring applicant simply because it refuses to accept the removal of that area from its project footprint. Rather, declining to modify an application as needed will typically result in the removal of the application from consideration, at least as part of a given candidate pool. 3. Will scores be assigned for each individual NET that a project covers, or as a single score per application? Each project that passes gating criteria will be scored as a whole. There will be only one score for the application, taken holistically. Severable subprojects with their own project footprints and grant requirements will get different scores based on the Outlay factor, but other rubric factors will remain constant for the

subprojects within a project, Applicants will be expected to fulfill the same rubric-related expectations, such as network capabilities, speed to deployment, and affordability thus justifying the score for each rubric factor. Different NETs within a project will not get separate scores. 4. Will the scoring of applications be automated as part of the algorithm? The algorithm that is referenced in the description of the subgrantee selection process refers to deconfliction, not to scoring. The scoring of applications will be conducted by human reviewers, not algorithms. Subprojects that are considered during deconfliction may get scores different than the overall projects from which they are derived, based on one factor: Minimal BEAD Program Outlay. This factor may be repeatedly recalculated in the course of deconfliction without human intervention because it is strictly determined by a mathematical formula. In order to justify the application of rubric scores for all factors other than Minimal BEAD Program Outlay to all subprojects of that project, it is necessary that the subprojects retain certain features of the original project, especially: • Satisfaction of all gating criteria • Speed and other network characteristics • Speed to deployment • Affordability For example, if an applicant proposes a licensed fixed wireless project, with symmetric 100/100 speeds, to be completed within two years of contract award, with no means testing of the low-cost option, and with monthly prices no greater than $60 for 100/20 service, but is awarded, instead of the full project, a severable subproject covering only part of the original project footprint, then the applicant must still commit, and demonstrate in its revised materials that it is still capable, of delivering a licensed fixed wireless project, with symmetric 100/100 speeds, to be completed within two years of contract award, with no means-testing of the low-cost option, and with monthly prices no greater than $60 for 100/20 service, for the smaller project footprint. All obligations incurred in connection with the attainment of a given quantity of rubric points for a full project flow down to all subprojects thereof. 5. When multiple applicants apply for the same NET, how will OBO determine which project to award? The principal determinant will be the rubric score, with the highest-scoring project winning. However, in some cases, the highest-scoring project for one NET may be a lower-scoring project in other NETs in its project footprint, and therefore fail to win these other NETs. The loss of these other NETs may, in turn, cause the project not to be commercially viable and/or worthwhile for the applicant, so that it declines to indicate it in its severability matrix as a severable subproject. In that case, a lower-scoring project for a given NET may win by default when a higher-scoring project withdraws. It is also possible that what is initially the highest-scoring project for a given NET loses to an initially lower-scoring project because, during revisions necessitated by the deconfliction process, it ceases to be the highest-scoring project. A severable subproject may score lower or higher than the total project, based on the Outlay factor. In particular, the highest-scoring project in a NET may lose other NETs and have to fall back on a severable subproject, but in the process become much less competitive, because its grant requirements per location for the subproject are much higher than its grant requirements per location for the total project. This is one reason why the OBO will not work through to a provisional award for each NET separately, but instead, will iteratively consider the whole unresolved area of NETs targeted by the projects in a candidate pool. An initially lower-scoring project may turn out to be the best solution for a NET because the project's approach to serving the NET needs less cross-subsidy from other NETs. Also, in the case of the first and third candidate pools, an initially highest-scoring project for NET may drop out of the candidate pool altogether in the course of deconfliction, not because the subproject that would serve that NET is not severable, but because the grant requirements for that subproject would breach the Extremely High Cost Per Location Threshold. If the NET doesn't get awarded during that candidate pool, the same severable subprojects could be awarded later, as part of the second or fourth candidate pools. But the NET may be awarded to an initially lower-scoring project which either is unaffected by the loss of other overlap areas to other projects, or else has grant requirements for the subprojects that do stay in play which are below the Threshold. 6. Can an applicant submit overlapping projects? While the submission of overlapping projects is not disallowed, it is the OBO's belief that there is no strategic benefit to applicants in doing this, because the same ends could be achieved by submitting larger, more holistic projects and then using the severability matrices to indicate

which subprojects are acceptable. The system is, however, robust enough to leverage overlapping projects from the same applicant to achieve a statewide solution. But applicants should make sure not to use overlapping applications as an alternative to severability matrices, which could result in the removal of projects that are actually viable and otherwise competitive. For example, if applicant A submits overlapping projects B and C, with no severability provided, then it is impossible for applicant A to win the joint project footprint of B and C, since the award of either project would trigger the removal of the other project from consideration. 7. If an applicant declines to revise a proposal in connection with the deconfliction process, what will the OBO's next step be? Will it go to other applicants in that same candidate pool? Yes, if an applicant is the highest-scoring bidder for some of the NETs in its project footprint, but not for other NETs, and if it has not indicated in its severability matrix that it is willing to sever from its project footprint the NETs that it did not win, then the OBO will remove that application from the candidate pool and turn to other, lower-scoring applications in the same candidate pool in search of a deployment solution for the NETs that the exiting project initially won. Any NETs that do not get a solution in each candidate pool will remain in play to be won in the next round. For example, if an unserved NET does not get an end-to-end fiber solution through the first candidate pool selection and deconfliction process, it will remain in contention for possible fixed wireless solutions as part of the second candidate pool. 8. Under what circumstances will a project be excluded from further consideration because of its lack of severability? In considering each candidate pool, the OBO will iteratively revise the candidate pool and the set of NETs for which it still seeks solutions through the projects in the candidate pool, as it identifies provisional awards. For each set of provisional awards identified, the OBO's automated process will check the severability matrices of each of the projects in the candidate pool to see whether either (a) the subproject containing only the NETs it was provisionally awarded (if any), and/or (b) the subproject excluding all the provisionally awarded NETs it contains (if any), are acceptable subprojects. Note that the subprojects described in (a) and (b) may be the same as one another and/or the original subproject. If these checks identify an acceptable subproject, it will be returned to the candidate pool for further consideration, with one exception. The exception is that in the first and third candidate pools, subprojects will also need to have grant requests below the EHCPLT, which is a membership requirement for those candidate pools. A project for which consideration is terminated as part of a given candidate pool can still be considered for later candidate pools, if it has any severable subprojects composed of NETs that have not yet been awarded to other projects. Also, if a subproject is considered as part of an earlier candidate pool than the full project, e.g., because the subproject qualified as an "unserved area project" while the overall project did not, then the remainder of the project can get consideration as a standalone project in later candidate pools. In general, the OBO will make maximum use of all the options offered by applicants and their projects and severability matrices to make progress towards universal coverage. Consideration of a qualified project will terminate only if the project and all severable subprojects thereof contain NETs provisionally awarded to other applicants. 9. If a NET doesn't get a solution as part of a candidate pool, how will the OBO let applicants to later candidate pools know that the NET is still available for bidding? In general, it won't. The OBO's overlapping application windows approach, necessitated by this compressed timeline, means that applicants for candidate pools other than the first will not know at the time they apply which of the NETs may already have been awarded before the highest candidate pool they qualify for gets considered. This is one reason why it's critical for applicants to use the severability matrix to indicate in advance that they are willing to let certain NETs be removed from their project footprints. Applicants who fail to provide severability matrices will in some cases be removed from further consideration because some NETs in their project footprints have already been awarded to applicants in higher candidate pools, and while other NETs they bid on remain in need of solutions, the applicant has not indicated a willingness to serve those NETs separately from the NETs already awarded to others. How does the OBO plan to automate the deconfliction process? The specific software solution for automating the deconfliction process has not been determined and may depend on the outcomes of current and

future procurement efforts. As mentioned, a demo has been developed in Microsoft Excel for purposes of illustration, and is available to any interested party upon request. That demo has supplied most of the examples used for illustration in this proposal, although the demo does not cover all the situations that may arise. In general, the specifications of the automated process are determined by the rules described in this Initial Proposal. Although the implementation of the deconfliction is a significant computational challenge, many software are capable and available, and the OBO is confident that contractors are available that can rise to the challenge. 11. What geographic unit will the OBO deconflict by? The deconfliction process described in this Initial Proposal will only be applied at the level of the NETs created in the geospatial planning process. There will be no deconfliction by other geographic units such as Census blocks or BSLs. Applicants who submit project footprints that do not conform to the geospatial planning embodied in the NETs, although they will not be ruled out entirely, will be deprioritized relative to NET-conforming applications, and will only get consideration after all four candidate pools, for potential use in any coverage gaps that remain at that stage. 12. If two applicants both include a NET on their severability matrix, how will the OBO determine which application to sever the area from if necessary? In general, every NET will be awarded to the highest-scoring project application as a whole that is willing to serve it, given what other NETs it is awarded. As a specific example of that, in a case where two projects overlap, such that both projects contain a certain NET, which, however, both projects have indicated is severable, and the projects would otherwise win an acceptable combination of NETs and could be ready for award, the severable overlap NET would be awarded to the project with the higher rubric score. Of course, it might also happen that the higher-scoring project, though willing to consider some severable subprojects, rejects (through its severability matrix) the subproject that is actually offered to it, and thereby exits the candidate pool, leaving the NET to be won by the lower-scoring project. To better understand how these and many other scenarios will be handled by the OBO's subgrantee selection process, readers are advised to request and study OBO's subgrantee selection demo.

2.4 Deployment Projects Scoring Criteria

02.04.02 Scoring Rubric and Prioritization

Describe how the prioritization and scoring process will be conducted and is consistent with the BEAD NOFO requirements on pages 42 – 46.

The OBO developed a scoring rubric that rewards Minimum BEAD Outlay per Location, best-of-class affordability plans, and long-term financial viability of proposed projects. The OBO's goal in developing the grant application and scoring rubric is to not only award the most qualified subgrantee for each proposed project, but also to collect sufficient data from each applicant to fairly judge each proposed project on established metrics such as cost per location, cost per route mile of deployed network, and density of locations per route mile. Scoring Process The OBO plans to continue building its in-house capabilities, but to meet the escalated need for subject matter expertise to fulfill the demanding expectations of the BEAD program, it anticipates (at the time of writing) releasing a Request for Proposals to solicit the services of contractors knowledgeable about broadband deployment who can knowledgeably analyze incoming BEAD grant applications for technical feasibility, performance outcomes, adequacy of financing, and long-term operational and commercial sustainability. Other skills the OBO may need to procure include geospatial analytics, which is necessary to check the permissibility of proposed project footprints and to navigate the deconfliction process, as well as to keeping applicants, stakeholders, and the public informed about the progress of the BEAD program statewide and for specific locations. Legal expertise may also need to be procured in order to ensure that the contracts signed with subgrantees create the obligations that applicants indicated their willingness to incur, as part of their applications, in ways that contributed to the scores they earned and may have enabled them to win the grant money. As was discussed in section 2.4.1, while the OBO will exert its

best efforts to mitigate discretion and minimize arbitrariness in the grantmaking process, and it has done so to a considerable degree through the definitions contained in this Initial Proposal, it is not feasible to remove all judgment calls or define all desiderata in strictly objective or quantitative terms. It will be important to ensure that the personnel ultimately tasked with the grant application review work that will inform award decision-making to have a substantial amount of expertise, as well as verifiable independence of judgment and a lack of conflicts of interest. The scoring process is expected to continue for several months, inasmuch as the OBO plans to consider four different candidate pools of projects in succession. Each project will be scored once as a whole. The score may, however, vary over the course of the deconfliction phase, depending on how the conditional subsidy requests for various sub-projects in the severability matrix relate to the number of locations served. Thus, if a project initially had a subsidy cost per location of $3,000, but it does not win its full proposed territory and proceeds to be considered as a severable sub-project with a subsidy cost per location of $5,000, its score will fall because of the change in the Minimal BEAD Program Outlay rubric factor. This will not require fresh involvement of the grant application review team, with its telecoms expertise, but can be calculated on a strictly quantitative and geospatial basis in the context of an automated process. Rubric scores other than Minimal BEAD Program Outlay will, however, remain constant throughout the deconfliction phase. Per the BEAD NOFO, scoring factors are distinguished into Primary Criteria and Secondary Criteria. For Non-Priority Broadband Projects, the Primary Criteria account for 75% of the total points. For Priority Broadband Projects, the Primary Criteria account for 79.5% of the total points, because Speed & Latency are not included in the rubric for Priority Broadband Projects. The smallest weight on a Primary Criterion is for Fair Labor Practices, which has 11 points. Per the BEAD NOFO, this does not exceed the largest weight on a Secondary Criterion, which is 10 points, for Sustainability. Primary Criteria • Minimum BEAD Outlay per Location o Description: Eligible applicants should identify eligible costs and in-kind contributions (which must, absent a waiver, cover no less than 25% of the project cost) by category. Applicants should provide a thorough narrative describing their budget, including leveraging existing broadband, a financial plan, additional costs, etc. o Scoring: (See range chart below.) Determined by formula: 65*($10,000 – BEAD Program Outlay per Passing)/$10,000. Note that in some cases, the EHCPLT may limit the costs per location for inclusion in a candidate pool, so that all applicants in a candidate pool will get substantially positive scores here, reducing the range of variation, while in other cases high-cost projects may get negative scores. (Note that the number $10,000 is an arbitrary scaling factor but ensures similar treatment across candidate pools in the way that cost-effectiveness affects selection decisions.) Outlay per Location After Match | Point Value $0* 65 points $1,000 58.5 points $2,000 52 points $3,000 45.5 points $4,000 39 points $5,000 32.5 points $6,000 26 points $7,000 19.5 points $8,000 13 points $9,000 6.5 points $10,000 0 points $15,000 -32.5 points** *Note: The “$0” value for Minimum BEAD Program Outlay is included in the table for completeness in elucidating the impact of the formula on applicant score. The OBO does not expect to receive $0 offers of deployment, and would be hesitant to accept them if offered, since the lack of a grant would create legal challenges for the office to enforce a deployment commitment. But 65 points is in principle the highest score available for Minimum BEAD Program Outlay, and no precise lower bound for what the subsidy per location can be is here defined. **Note: The use of a formula that can, in plausible scenarios, result in NEGATIVE point values arguably implies that the Minimal BEAD Program Outlay factor actually has greater weight than its 65 points would suggest, since the range of variation is not from 0 to 65, but from 65 down to negative numbers with no particular floor. In principle, where projects are very costly projects in per location subsidy terms, the Minimal BEAD Program Outlay factor could dominate all other scoring factors and render their influence negligible. This outcome presents a certain tension with the general BEAD policy that projects should be compared on a multi-factor basis. In practice, however, the OBO does not expect this scenario to be important. Preliminary estimates suggest that the OBO will have roughly $3,000 to $5,000 per BEAD eligible location. The OBO is unlikely to be able to afford many projects with subsidy requirements per location of $10,000 or

more. Moreover, where subsidy requirements per location do turn out to be very high, they will be disciplined by the Extremely High Cost Per Location Threshold, exceeding which triggers a right by the OBO to negotiate grant requests down, as is discussed in section 2.4.10. While negative point values for Minimal BEAD Program Outlay will probably not occur often, they will sometimes play a critical role. If projects with subsidy requirements per location above $10,000 were simply given scores of 0, there would be no incentive for them to economize their subsidy requests. With negative scores coming into play, high cost projects still need to look to be as cost-effective as possible in order to be competitive. • Affordability o Definition: The prospective subgrantee's commitment to provide for the useful life of the network as defined in recent NTIA guidance to continue for ten years after the project closeout that marks the completion of the build, the most affordable total monthly price to eligible subscribers as defined in the BEAD NOFO for 1 Gbps symmetrical service (latency: <100 milliseconds), in the case of Priority Broadband Projects, or 100 Mbps/20 Mbps (latency: <100 milliseconds) in the case of Non-Priority Broadband Projects, in the project area(s), inclusive of all taxes, fees, and charges with no additional non-recurring costs or fees to the consumer. Any proposed low-cost option shall not be subject to data caps, surcharges, or usage-based throttling. All subgrantees must participate in the ACP. Pricing commitments made by applicants in their applications, in such a way that they earn rubric points, will be translated into binding contract terms, and applicants will be liable for funding stoppages and clawbacks if they are not sustained until project closeout and an additional five years. o Scoring: (See range chart below.) Point value determined by total monthly price that applicants commit to offering for the relevant speed tier (1 Gbps/1 Gbps for Priority Broadband Projects, 100 Mbps/20 Mbps for Non-Priority Broadband Projects) within the project footprint until five years after project closeout. Total Monthly Price | Point Value <$30.00 44 points $30.01 - $40.00 40 points $40.01 - $50.00 35 points $50.01 - $60.00 30 points $60.01 - $70.00 25 points $70.01 - $80.00 20 points $80.01 - $90.00 10 points $90.01 - $100.00 5 points >$100.01 0 points • Fair Labor Practices¸ Description: As explained in Section IV.C.1.e of the BEAD NOFO, eligible applicants must give priority to projects based on an applicant's demonstrated record of and plans to be in compliance with federal labor and employment laws. New entrants without a record of labor and employment law compliance must be permitted to mitigate this fact by making specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects. The OBO will request documentation to demonstrate a record of compliance. Considering this documentation, the OBO will score applicants on whether they certify full compliance with all applicable labor laws and demonstrate in their application records of and plans for outstanding labor practices as defined in NOFO Section IV.C.1.e, and provides forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects. In the case of new entrants, the forward-looking commitments alone will suffice. o Applicant's workforce plan does not address federal compliance with all applicable labor laws, and/or reveals substantial recent violations.¸ Scoring: 0 Points o Applicant certifies full compliance in the past five years (if applicable) and provides strong forward-looking commitment to future compliance.¸ "¸ Scoring: 11 Points Secondary Criteria (Required for All Subgrantee Selection) • Speed to Deployment o Description: All subgrantees that receive BEAD program funds for network deployment must deploy the planned broadband network and begin providing services to each customer that desires broadband services within the project area no later than four years after the date on which the subgrantee receives the subgrant from the Eligible Entity. Eligible Entities must give secondary criterion prioritization weight to the prospective subgrantee's binding commitment to provide service by an earlier date, subject to contractual penalties to the Eligible Entity, with greater benefits awarded to applicants promising an earlier service provision date. o Scoring: 0, 2, 5, 8 Points¸ Subgrantee does not provide binding commitment to provide service by an earlier date certain = 0 Points*¸ Applicant provides binding commitment to provide service by a date earlier than three years from the date on which the subgrantee receives the subgrant from the Eligible Entity = 2 Points¸ Applicant provides binding commitment to provide service by a date earlier than two years from the date on which the

subgrantee receives the subgrant from the Eligible Entity = 5 Points¸ Applicant provides binding commitment to provide service by a date earlier than one year from the date on which the subgrantee receives the subgrant from the Eligible Entity = 8 Points *Note that since, as mentioned above, the OBO plans to target 100% completion by June 30, 2028, it is likely that all subgrantees will be required to target deployment completion prior to four years from the date of award. • Sustainability o Description: Prospective subgrantees shall submit business plans and related analyses that substantiate the sustainability of the proposed project. This can be provided in the form of pro forma statements or analyses, inclusive of quarterly cash flow, balance sheet, and customer adoption rate projections and should include 7-10 years of operating cash flow projections post targeted completion of project, depending on the useful life of equipment deployed throughout the project area. o Scoring: 0, 3, 6, 10 Points¸ Weak demonstration: Forecast figures not clear or not practical, i.e., very high adoption rate, or very high revenue per unit (RPU) = 0 Points¸ Moderate demonstration: (a.) quarterly cash flow and balance sheet pro forma to include EBITDA and subscriber adoption rates for 5-10 years beyond targeted completion date, depending on the useful life of network equipment deployed throughout the project area; (b.) projected EBITDA is positive but less than 5% of total revenue in less than 10 years = 3 Points¸ Strong demonstration: (a.) quarterly cash flow and balance sheet pro forma to include EBITDA and subscriber adoption rates for 5-10 years beyond targeted completion date, depending on the useful life of network equipment deployed throughout the project area; (b.) projected EBITDA is positive in a range of 5%-10% of total revenue in less than 10 years = 6 Points¸ Very Strong demonstration: (a.) quarterly cash flow and balance sheet pro forma to include EBITDA and subscriber adoption rates for 5-10 years beyond targeted completion date, depending on the useful life of network equipment deployed throughout the project area; (b.) projected EBITDA is positive and greater than 10% of total revenue in less than 10 years = 10 Points • Local and Tribal Coordination o Description: NTIA encourages Eligible Entities to adopt selection criteria reflecting a prospective subgrantee's support from the local and/or tribal government with oversight over the location or locations to be served. (Note that while a Tribal Resolution of Consent is required for award, for projects that overlap areas with tribal jurisdiction, the inclusion of points for a tribal letter of support can strengthen a project whose footprint is partially located in tribal areas in competition for non-tribal overlap areas that the project also offers to serve. See the description of deconfliction in section 2.4.1.) o Gating: If the project includes locations that are under tribal jurisdiction, but no tribal letter of support is provided, consideration of the project will be deferred. In such cases, the project may only be considered as a last resort if the main subgrantee selection process fails to secure a solution for parts of its footprint. In this scenario, the OBO may work with the applicant to secure the Tribal Resolution of Consent. o Scoring: 0, 6 Points¸ The applicant does not provide any letters of support from local or tribal governments in the areas that the grant will impact, or any submitted letters of support do not name the prospective subgrantee = 0 Points¸ Applicant provides letter(s) of support for proposed project from at least one local and/or tribal government that has jurisdiction in some part of the project's proposed service territory. Letters of support must mention the prospective subgrantee by name and at least some description of the project = 6 Points • No Means Testing of the BEAD Low-Cost Service Option o Description: While the low-cost service option for eligible subscribers is a BEAD program requirement, the program experiences of the Affordable Connectivity Program and Lifeline show that the administrative burden of documenting that a subscriber meets a means test is a significant burden and inhibits participation by many qualifying households, contrary to the intent of these affordable broadband programs. Accordingly, to increase the impact of the low-cost service option, OBO encourages BEAD subgrantees to remove the means test and offer the option to all customers. A small number of points in the rubric have been reserved for applicants who commit to doing so. o Scoring: 0, 7 Points¸ Offers to eligible subscribers the low-cost option for 100 Mbps/20 Mbps service for $60 per month or less, inclusive of all taxes, fees, and charges if the subscriber does not reside on tribal lands, or $75 per month or less, inclusive of all taxes, fees, and charges if the subscriber resides on tribal lands,

with no additional non-recurring costs or fees to the consumer, as described in section 2.12 = 0 Points, Offers low-cost option for 100 Mbps/20 Mbps service for $60 per month or less, as described in section 2.12, not only to listed categories of eligible subscribers but to all subscribers in the project areas. Applicants who take this option can therefore satisfy the low-cost service option requirement without checking whether customers are "eligible subscribers" or not, since those who in fact qualify as "eligible subscribers" can sign up for the option just like everyone else. = 7 Points Secondary Criteria (Only Required for Selection Among Other Last-Mile Broadband Deployment Projects) • Speeds & Latency o Description: Eligible applicants must weigh the speeds, latency, and other technical capabilities of the technologies proposed by prospective subgrantees seeking to deploy projects that are not Priority Broadband Projects. Applications proposing to use technologies that exhibit greater ease of scalability with lower future investment and whose capital assets have longer useable lives should be afforded additional weight over those proposing technologies with higher costs to upgrade and shorter capital asset cycles. oScoring: 0, 4, 9 Points, Applicant able to provide 100/20 Mbps and latency below 100 milliseconds, but no faster = 0 Points, Applicant able to provide 100 Mbps symmetrical and latency below 100 milliseconds = 4 Points, Applicant able to provide 1 Gbps symmetrical and latency below 100 milliseconds = 9 Points, Each eligible applicant must complete an application that requires company information, relevant history, project narrative, and a table of proposed passings by category and serviceability. They must also address multiple gating factors either by narrative, or attachments, such as audited financial statements, letter of credit, and financial certification, among others. Applicants must also certify that all information is true, complete, and accurate.

02.04.02.01 Scoring Rubric and Prioritization

As a required attachment, submit the scoring rubric to be used in the subgrantee selection process for deployment projects. Eligible Entities may use the template provided by NTIA, or use their own format for the scoring rubric.

02.04.03 Prioritization of Projects

Describe how the proposed subgrantee selection process will prioritize Unserved Service Projects in a manner that ensures complete coverage of all unserved locations prior to prioritizing Underserved Service Projects followed by prioritization of eligible CAIs.

The prioritization of unserved service projects, and with them unserved locations, over underserved service projects, and with them underserved locations, will occur through the division of incoming BEAD applications into candidate pools based on their service territories and technology. Unserved area projects will be classified into the first and second candidate pools. The first two candidate pools will be considered and resolved into awards before the third and fourth candidate pools are considered. In this way, the OBO will make its best effort to fund projects sufficient to deploy 100/20 Mbps reliable broadband to all unserved broadband serviceable locations in Oklahoma not otherwise scheduled to receive service, thereby achieving universal broadband access at 100/20 Mbps speeds, before it turns to projects targeting underserved locations. The OBO will also attempt to fund broadband deployment to all underserved locations not otherwise scheduled to receive service, thereby achieving universal 100/20 broadband access. Unfortunately, cost analyses suggest that this goal may not be achievable, but the OBO will pursue it as far as funding permits. Underserved area project awards will not be conditional on the actual construction of BEAD-funded broadband networks sufficient to serve all unserved locations. Rather, the ODO will consider the unserved area coverage gap to be addressed when commitments to deploy have been secured from qualified ISPs. If BEAD funds are still available after all residential and commercial broadband serviceable locations in Oklahoma have prospective access to

100/20 broadband service that will be deployed by BEAD and other programs, the OBO will make a determination that the first and second priorities of the BEAD program have been achieved, and turn to the third priority, the deployment of gigabit service to all community anchor institutions (CAIs). This scenario is not expected to occur because the OBO's cost analysis indicates that the office will likely run out of BEAD funds before it reaches all unserved and underserved locations, and therefore lack funds for CAI projects. However, a variety of evidence, including grant requests under SLFRF, CPF, and incoming BEAD applications, updates to the FCC National Broadband Map, and announcements of RDOF milestones being achieved, will be monitored on an ongoing basis to determine whether this expectation continues to be warranted by the evidence, or whether positive surprises on deployment progress and costs indicate there is after all no funding shortfall, and the OBO will be able to meet its universal 100/20 broadband access objective, and proceed to CAI gigabit projects. In that case, further program design efforts will be initiated in order to define how these projects will be solicited and selected. By that time, the OBO will have extensive additional experience in administering the BEAD and Digital Equity programs, which can inform the design of a CAI gigabit component of the Oklahoma BEAD program. Also, the OBO will be able to look to the experiences of other states which, with less of a broadband coverage gap to close than Oklahoma, are even now planning and launching CAI gigabit deployment programs. The OBO will also be able to make a more reasonable claim to stakeholder inputs about how to meet CAI needs if, in future, it can credibly claim to have sufficient funds to sponsor a substantial amount of CAI gigabit deployment. The OBO therefore defers specific plans for CAI gigabit projects to a future time, if the need applies.

02.04.04 Prioritization of CAIs

If proposing to use BEAD funds to prioritize non-deployment projects prior to, or in lieu of the deployment of services to eligible CAIs, provide a strong rationale for doing so. If not applicable to plans, note "Not applicable."

Not applicable.

02.04.05 Subgrantee EHP and BABA Requirements

The proposed subgrantee selection process is expected to demonstrate to subgrantees how to comply with all applicable Environmental and Historic Preservation (EHP) and Build America, Buy America Act (BABA) requirements for their respective project or projects. Describe how the Eligible Entity will communicate EHP and BABA requirements to prospective subgrantees, and how EHP and BABA requirements will be incorporated into the subgrantee selection process.

First, eligible applicants will include, among their "gating" eligibility requirements, affirmative certifications of compliance with all BEAD program requirements, including EHP and BABA. Those eligible applicants neglecting to certify this compliance as a part of their subgrantee application proposal will be disqualified from further consideration in Round 1 but may reapply in subsequent rounds (if needed) if they then make this certification.

Second, the subgrantee awardees will contract with the state to receive their awards. This subgrantee contract will contain these EHP, BABA, and all other BEAD program requirements and certifications for funding.

The OBO maintains an ongoing dialogue with broadband eco-system to include providers, associations and vendors through roundtable discussions, surveys, website postings, and email communications. Through these outreach mechanisms, the OBO will communicate EHP and BABA requirements to all applicants prior to the application process.

It is critical that all applicants are aware of the importance of understanding and complying with these prerequisites to participate in the BEAD program as a potential subgrantee. The OBO will actively encourage prospective subgrantees to collaborate with a multitude of federal, state, and local stakeholders, including federal land and resource management agencies, including:

- National Park Service (NPS),
- U.S. Fish and Wildlife Service (USFWS),
- Bureau of Land Management (BLM),
- U.S. Army Corps of Engineers (USACE),
- U.S. Forest Service (USFS),
- Bureau of Reclamation,
- U.S. Bureau of Indian Affairs,
- U.S. Geological Survey (USGS), and others.

These agency relationships will assist subgrantees in understanding restrictions, special conditions and permitting requirements that might pertain to infrastructure proposals on federal land or potentially affect federally managed resources like wetlands, endangered species, navigable waterways, and more. Specific to BABA, the OBO will highlight the following key points:

- 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% 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 IIJA 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.

Projects that fail to comply with EHP and/or BABA requirements will not be considered as a potential subgrantee of BEAD funding.

02.04.06 Project Area Definition

Describe how the Eligible Entity will define project areas from which they will solicit proposals from prospective subgrantees. If prospective subgrantees will be given the option to define alternative proposed project areas, describe the mechanism for de-conflicting overlapping proposals to allow for like-to-like comparisons of competing proposals.

NOTE: The content in this section is prepared in response to Template item 2.4.6, concerning project areas and deconfliction. Section 2.4.1 provides a holistic account of the BEAD subgrantee selection in Oklahoma. This section answers specific questions related to that process. However, the answers are essentially answered by the holistic narrative. Since the review process does not allow for answers to

some sections to depend for their completeness on allusions to other sections, we here include extensive quotations from section 2.4.1, followed by explanations of how they address the questions here. * The OBO will be contacting with a consultant to create an automated system to assist in the deconfliction process. It is the desire of the OBO to remove any human decision making from the provisional award process. Once NTIA approves Volume II, the OBO will release an RFP to contract with said consultant and work is anticipated to begin ASAP. The process will be put into place and the software completed before the opening of the BEAD application portal. The first topic is the definition of project areas. Section 2.4.1 states: "An initial round of geospatial planning for the closure of Oklahoma's broadband coverage gaps is planned to occur as soon as the post-challenge list of targeted unserved and underserved locations has been approved by the NTIA. The OBO's geospatial analysts will generate contiguous territories, bounded by counties, tribal boundaries, and other geographical features (e.g., roadways, rivers, rail lines, etc.), using a clustering technique for the nearest unserved/underserved and unfunded BSLs, which have a positive estimated NPV value. These contiguous territories may also contain nearby BSLs with a negative estimated NPV value that maintains an overall desirable, positive NPV for the entire cluster, so that every unserved/underserved and unfunded BSL is accounted for in a territory. These territories will generally consist of tens to hundreds of BSLs, but potentially, in some cases, as few as one BSL. The output of the geospatial planning will be a list of recommended Network Expansion Territories (NETs)... "To accompany recommended NETs, the OBO will develop an initial estimate of the expected subsidy cost of serving each recommended NET. These nonbinding estimates will be calculated in a way that is consistent with the OBO's success in meeting its goals of statewide universal broadband access. Applicants are encouraged not to request more than these cost estimates in BEAD subsidies, if they can make projects at that subsidy price commercially viable. After BEAD subgrantee applications are received and under review, applications whose subsidy requests greatly exceed the estimated subsidy needs of the targeted areas may receive heightened scrutiny of the allowability and reasonableness of their budgeted expenses. "Note that cost estimation is part of the initial geospatial planning and will be conducted concurrently. As part of the planning, the intention is to provide soft guidance on project costs and likely subsidy offers but exceeding them will not disqualify any project from consideration in any candidate pool. The Extremely High Cost Per Location Threshold, which will determine whether end-to-end fiber projects qualify for early consideration as Priority Broadband Projects or are relegated to competing with other reliable technology projects as Non-Priority Broadband Projects, will be determined later after BEAD applications begin to be received... "After the OBO has defined and determined a cost for the recommended NETs, it will publish the map of NETs to the OBO website. It will then request input from ISPs and tribes, starting with a Request for Information (RFI) about these geographical definitions, with particular interest in feedback about inapt definitions of NETs that impede cost -effective broadband deployment by grouping locations in unsuitable ways. "The OBO will consider requests to redefine NETs. In these requests, the OBO will look for evidence that a particular grouping of BSLs into a NET is technically or competitively inefficient. For example, commenters might critique a NET definition by showing that it would be unnecessarily costly to serve the BSLs it contains through a single network rather than by extending multiple other, neighboring networks, or they might show that the NET definition was advantageous to one ISP but tends to exclude others. Typically, NETs that are not the subject of feedback through the RFI process will be left as is..."When the OBO has developed the recommended NETs, adjusted as needed considering the RFI feedback, and the accompanying subsidy cost estimates, these will be published on the OBO website. BEAD applicants are encouraged to structure their proposals around these recommended NETs to the extent that this is technically and commercially feasible. The NETs whose definition is here described are not so much project areas as the "atoms" of project areas. ISPs can propose multi-NET projects, with or without options for severability. The OBO knows ISPs sometimes need to develop large, holistic projects to achieve economies of scale. It will therefore structure its application intake so that projects including multiple NETs can be submitted. The OBO expects that, in many cases, ISPs' project areas

will overlap in complex ways, and a robust deconfliction process will be required to sort out the winners so that every NET will have one solution, no NET will have more than one, and all overlaps will be eliminated." To make deconfliction work, the OBO will need ISPs to conduct proactive contingency planning to provide options the OBO can use to reconcile project footprints and find a statewide solution. This is also described in section 2.4.1: "When projects offer to serve multiple NETs, the applicants' willingness to accept awards for subsets of the NETs can be variable. Both network design considerations and shared fixed costs can make some subsets of the project area commercially infeasible to deploy to in a cost-effective and commercially sustainable way. But other subsets of the project area may comprise a workable project footprint. In its quest to achieve a universal broadband access solution with no overlapping projects, the OBO anticipates a need to make extensive use of all the flexibility that BEAD applicants can offer. Applicants will be expected to note which NETs could be severed from the application. This will allow the OBO flexibility to achieve the overall goal of determining how best the state may be served. The OBO plans to include in the application a severability matrix form by which applicants may communicate to the OBO any flexibility that they may have to vary their proposed project areas. "Further guidance will be forthcoming, but ideally, severability matrices should indicate: • "All combinations of NETs for which an ISP would be willing to accept a BEAD award and commit to building. • "The subsidy price that the applicant would require to serve any combination of NETs… "More generally, the OBO encourages BEAD applicants to invest in substantial contingency planning and use severability information in the application form to provide the OBO with the optionality that it needs to find a comprehensive statewide solution to Oklahoma's broadband coverage gaps. BEAD applicants should remember that a well-designed severability matrix will be critical to winning BEAD funds. Some projects may immediately win all their proposed areas, but if not, indicating flexibility through a severability matrix will be critical to continued consideration. "If incoming BEAD applications provide sufficient optionality through severability matrices, the OBO will plan to leverage these matrices to find a cost-effective statewide solution, as described below. If too few applicants take the opportunity to describe their flexibility, leaving the OBO with too little optionality to effectively pursue a statewide solution, the OBO may lean on direct outreach to ISPs to probe for a greater willingness to adapt to revisions of their proposed service areas than they indicated in their applications, either prior to or during the deconfliction process. The OBO desires to minimize the need for outreach to applicants during the deconfliction phase, which will likely make timelines drag and/or demand unreasonably quick decisioning by applicants, so advance contingency planning through severability matrices is strongly encouraged." In this way, the OBO will ask applicants to show their contingency planning work in the form of a severability matrix, which will then become an input to an automated process that leverages applicants' declared willingness to commit to a variety of sub-projects carved out from their overall proposals, in order to fit all the network expansion plans together into a set of mutually exclusive projects that jointly deliver universal broadband access to the entire state. The expectation is that applicants should stand ready to accept any sub-project that they show as acceptable in their severability matrices. Additional documentation may be required to support contracting when a project's footprint has been revised. As discussed in section 2.4.1, applicants should bear in mind that if they do not provide severability matrices with their applications, or if they provide limited severability matrices that offer less flexibility to the OBO than what the applicant could really accommodate, it is likely that they will not get another chance to negotiate, and their projects may be rejected altogether because they lost some NETs to higher-scoring projects. As was also explained in section 2.4.1, the OBO will review the incoming applications in a series of candidate pools, the sequencing of which is designed to satisfy the BEAD Program's built-in prioritizations of unserved areas over underserved, and of end-to-end fiber over other reliable technologies. Quote: "The BEAD NOFO requires states to prioritize (a.) end-to-end fiber projects over other technologies, if they have subsidy costs per location below the Extremely High Cost Per Location Threshold (Threshold), and (b.) unserved areas over underserved areas. Accordingly, the OBO distinguishes four pools of candidate projects that must be

considered in due order of priority, namely: • “The First Candidate Pool will consist of (a.) end-to-end fiber projects (b.) whose proposed project footprints contain at least 80 percent unserved locations and (c.) comprised a set of recommended NETs that they fully serve, (d.) whose subsidy costs per location are below the Threshold, and (e) that are received during a 30-day window for first candidate pool applications. Note that at this stage, these projects will be scored only on the unserved BSLs they propose to serve, in conformity with the IIJA and BEAD NOFO requirement that states prioritize unserved over underserved locations. For example, Minimal BEAD Program Outlay will be calculated with the number of unserved BSLs as the denominator. • “A Second Candidate Pool will consist of (a.) all projects using reliable broadband technology, not already awarded, (b.) whose project footprints contain unserved locations and (c.) are comprised of a set of recommended NETs that they fully serve, (d.) that are received during a 20-day window for second candidate pool applications. The second candidate pool will include any end-to-end fiber projects from the first candidate pool, not yet funded, that serve unserved areas.. Severability matrices will be used to determine whether they are willing to do so or not, and those which are not will be omitted from the second candidate pool even if they otherwise qualify. Note that if all unserved locations get served by projects in the first candidate pool, there will be no second candidate pool. As with the first candidate pool, while these projects may include underserved BSLs, they will be scored only on the unserved BSLs they propose to serve. • “A Third Candidate Pool will be created and considered for funding if BEAD funds are still available after the First and Second Candidate Pools have been considered and resolved into awards. It will consist of two categories of projects, insofar as they have been received before the end of the third candidate pool applications, on the condition that they are willing to remove from their project footprints any locations that already have a proposed solution from the first and second candidate pools. The two categories are: a. all end-to-end fiber projects, not yet funded, whose subsidy costs are below the Threshold, and whose project footprints comprise of a set of recommended NETs that they fully serve, as well as b. all unserved area projects not yet funded. • “A Fourth Candidate Pool will be created if (a.) there are still BEAD funds remaining, and (b.) there are still BEAD-eligible BSLs that do not have a solution, after the First, Second, and Third Candidate Pools have been considered and resolved into awards. It will consist of all remaining projects using reliable broadband technology proposing to serve BEAD eligible locations that are received before the end of the fourth candidate pool applications, and which are willing to remove from their project footprints any locations that already have a proposed solution from the first, second, and third candidate pools.” Deconfliction is the last step in project area definition. The details of deconfliction are fully explicated in section 2.4.1. Quote: “Within each of the candidate pools described above, the OBO can expect that some project footprints will overlap. In the special case where projects share the exact same proposed service area, a straightforward like-to-like comparison using the rubric can select the candidate project to award. But the OBO needs to situate this special case in a more general process that can address scenarios where proposed service areas partially overlap. “For this purpose, an iterative process will be implemented for each candidate pool in succession, whereby the OBO will first define an unresolved area consisting of all the NETs that projects in the candidate pool propose to serve, then assign NETs to projects, with each NET being going to the highest-scoring project based on the rubric. The process will tentatively award projects that win all their areas, and remove the projects from the candidate pool, and their territory from the unresolved area. It will then check the severability matrices of the remaining projects, so as to keep only the projects that will accept the revisions needed to keep them in play and remove those that do not. It will then assign NETs to projects again, iterating until all the projects have either been selected for award, or have seen all their NETs awarded to other projects. “Throughout the process, NETs will always be awarded to the highest-scoring project that is willing to accept the offer to serve them, given the way the other NETs were awarded. A project that is willing to serve all the NETs that comprise it on a severable basis, as separate projects, will be certain to win all NETs where it has the highest rubric score. It can occur, however, that the highest-scoring project by the rubric will not win a NET, because its offer to serve that NET was

contingent on winning other NETs where it was not the highest-scoring project… “While iterative deconfliction may, in principle, require many iterations, it seems unlikely to require more than two or three, except maybe in a few highly competitive areas, and even then, the iterations will be reduced if applicants provide a lot of severability options. The iterations can be performed quickly because they do not involve any fresh outreach to or decisioning by applicants, who will already have done their contingency planning and included it in their applications. The process is entirely automatable… In essence, the OBO will run an automated process that iteratively assigns areas to projects on the basis of highest rubric score, and then uses the severability matrices provided by applicants to see whether projects that win only some of their proposed areas have indicated a willingness to accept the sub-projects that the process would propose to award them, and if so, for what budget. This automated iterative deconfliction process will be conducted for each of four candidate pools, roughly defined as: (a.) Priority Broadband Projects for unserved locations, (b.) Non-Priority Broadband Projects for unserved locations, (c.) Priority Broadband Projects for underserved locations, and (d.) Non-Priority Broadband Projects for underserved locations. Like-to-like comparison of project areas, which will occur repeatedly in the context of the larger deconfliction process, will be conducted based on the rubric, and the highest-scoring project will win where project service areas overlap perfectly. But variances from this are possible in the course of deconfliction, as the OBO seeks to maximize not only the project traits measured in the rubric score, but also the geographic reach of reliable broadband technology solutions. The prompt for this section asked the OBO to “describe the mechanism for de- conflicting overlapping proposals to allow for like-to-like comparisons of competing proposals” in cases where “prospective subgrantees will be given the option to define alternative proposed project areas,” In the OBO’s process, prospective subgrantees can define alternative proposed project areas in the sense that they can assemble NETs into larger project footprints, with customized severability. That gives rise to a need for deconfliction. As discussed in 2.4.1, the OBO’s deconfliction process is not designed to deconflict projects at the BSL level of granularity. The OBO does not plan to conduct a formal deconfliction process for non-NET-conforming projects, because (a) it sees these projects as playing a limited role, and (b) the greater geographic granularity of the projects would complicate deconfliction inordinately.

02.04.07 Coverage for Locations with No Proposals

If no proposals to serve a location or group of locations that are unserved, underserved, or a combination of both are received, describe how the Eligible Entity will engage with prospective subgrantees in subsequent funding rounds to find providers willing to expand their existing or proposed service areas or other actions that the Eligible Entity will take to ensure universal coverage.

If no proposals to serve a location or group of locations that are unserved, underserved, or a combination of both are received, describe how the Eligible Entity will engage with prospective subgrantees in subsequent funding rounds to find providers willing to expand their existing or proposed service areas or other actions that the Eligible Entity will take to ensure universal coverage.

The holistic explanation of subgrantee selection in section 2.4.1 includes some relevant quotes. First, in the FAQ section: “3. If a NET doesn’t get a solution as part of a candidate pool, how will the OBO let applicants to later candidate pools know that the NET is still available for bidding? “It’s critical for applicants to use the severability matrix to indicate in advance that they are willing to let certain NETs be removed from their project footprint. Applicants who fail to provide severability matrices will in some cases be removed from further consideration because some NETs in their project footprints have

already been awarded to applicants in higher candidate pools, and while other NETs they bid on remain in need of solutions, the applicant has not indicated a willingness to serve those NETs separately from the NETs already awarded to others. Once all candidate pools' application windows are closed, the OBO will review applications to determine which NETs, if any, did not receive a bid. At this time OBO will begin negotiations with ISPs prior to a potential second subrecipient selection window". Expanding on this, the OBO plans to leverage both the third and fourth candidate pools and a Final Round, conducted on a negotiated basis, to close any remaining coverage gaps after the first and second candidate pools, which are focused on unserved locations, have been completed. Many factors not known now may affect how this Final Round interacts with the systematic gating, scoring, and deconfliction of application projects in the third and fourth candidate pools. For example, if all unserved locations have been awarded by the end of the second candidate pool deconfliction, no Final Round will occur at all. Similarly, the Final Round may be deemphasized if the OBO has ample projects for unserved locations in the pipeline. As described in 2.4.1, a Final Round to close gaps is planned for the later stages of the subgrantee selection process, to deal with the case where no applications are received for one or more NETs. The Final Round is explained there as follows: "Final Round to Close Gaps "After two to four candidate pools have been considered, depending on funding availability, a final round will be conducted, during which the OBO will seek solutions for any locations or groups of locations for which it has still received no proposals. For this purpose, the OBO may engage with existing providers and/or other prospective subgrantees to find providers willing to expand their existing or proposed service areas. "The scope of the final round will adjust to the required prioritizations of the BEAD program. If the OBO has achieved a solution for all unserved locations, the final round may focus on underserved locations. If there are still gaps in the coverage plans for unserved locations, those will be the focus." Given the likelihood that Oklahoma's BEAD allocation will prove insufficient to fund deployment to all the state's underserved areas, the Final Round is principally expected to come into play for any remaining unserved locations after the first and second candidate pools have been resolved to award. However, the OBO will strive to achieve universal broadband deployment to underserved locations as well, and if positive surprises concerning ISPs' willingness to make deployment commitments put this goal within reach, the Final Round process may close any lingering gaps into the solution for underserved areas as well. The methods employed by the OBO during the Final Round must be proactive, specific to locations and ISPs, and dependent on awards already tentatively made, and therefore cannot be detailed in advance, but the OBO reminds all applicants that all awards are tentative until a statewide solution has been achieved. All awards for underserved areas must remain provisional until a full solution for unserved locations is achieved, so the OBO encourages ISPs to be accommodating and work with the office to make coverage universal, at speeds of at least 100/20. In this connection, the OBO would encourage applicants to bear in mind that while it will leverage competition to limit the BEAD program outlay required for competitive areas, projects in areas that are lacking in other options may qualify for larger capex subsidies, on a per-location basis, to maximize the reach of the statewide BEAD solution. As mentioned in Section 2.4.1, while the prescribed Network Expansion Territories (NETs) are generally required to be the building blocks of BEAD applications, applications that do not conform to the prescribed NETs can be submitted, and these applications, if any are received, will be consulted as part of the Final Round to determine if they can help close any remaining gaps. In general, the OBO will only engage in provider-specific outreach to close remaining coverage gaps after it has solicited proposals through the relevant candidate pool application windows (i.e., the first and second candidate pools for unserved locations, the third and fourth candidate pools for underserved locations) and either failed to obtain any qualifying proposals, or else seen those proposals withdraw, for example, in the course of the deconfliction process.

02.04.08 Deployment Project Tribal Consent

Describe how the Eligible Entity intends to submit proof of Tribal Governments' consent to deployment if planned projects include any locations on Tribal Lands.

The digital divide is particularly acute in tribal nations. The OBO welcomes eligible applicants that cover tribal locations be they residential, business, and/or CAIs. As all federally recognized tribal nations in Oklahoma are considered sovereign nations, they each have sovereign immunity, meaning they have absolute immunity from suit, in government operations as well as commercial transactions, which applies even to contracts and business activities off the reservation. Therefore, it is important to ensure any eligible applicant must have explicit tribal government support for any prospective subgrantee that provides network deployment to any tribal nation location.

In that regard, the OBO will require written support or consent from the tribal government with oversight of the locations to be served. The OBO developed a scoring rubric that rewards subgrantees for securing the appropriate consent.

In the event any subgrantee award proposes to serve locations on tribal lands, the OBO will work closely with the subgrantee and the tribal government(s) to secure a Tribal Government Resolution of Consent that will accompany the Final Proposal. Because the Tribal Resolution of Consent is a requirement for projects that will build on tribal lands, the OBO will seek to avoid awarding projects affecting tribal lands unless they have at least a preliminary letter of support from the tribe affected.

02.04.09 Extremely High Cost Per Location Threshold Identification

Identify or outline a detailed process for identifying an Extremely High Cost Per Location Threshold to be utilized during the subgrantee selection process. The explanation must include a description of any cost models used and the parameters of those cost models, including whether they consider only capital expenditures or include operational costs for the lifespan of the network.

The BEAD program is required to pursue universal 100/20 Mbps broadband access while prioritizing fiber to the extent possible within the framework of that overriding objective. The Extremely High Cost Per Location Threshold (EHCPLT or Threshold) is the policy dial by which the OBO can manage the degree of fiber prioritization in the program so it can deploy as much fiber as possible while still achieving 100/20 broadband coverage for all the state's unserved locations and, if funds permit, all underserved locations. The appropriate way to set the Threshold depends on the underlying cost of broadband deployment using fiber and other technologies. At a time of heightened uncertainty about broadband deployment costs, it is inadvisable to decide on the Threshold in this document. Instead, as permitted in the BEAD NOFO, this document declares a process by which the Threshold will be set in due course. A Data-Driven Approach to Setting the Extremely High Cost Per Location Threshold The OBO hereby lays out a process by which the Threshold can, should, and will be set, for a given set of underlying data about the estimated costs of broadband deployment. The assumed data structure for cost estimations is based on files produced by CostQuest Associates (CQA) and shared with the OBO through the NTIA. This CQA data will also be the basis for the cost estimates for each NET described in section 2.4.1, but those cost estimates will be calculated before the BEAD application window opens, and they play no role in the process beyond providing soft guidance as prospective subgrantees develop their applications, By contrast, the Threshold will be calculated after BEAD applications have been received, when cost estimates can be updated in light of them. The CQA data is location-based, with a record for every broadband serviceable location (BSL), and contains the following fields: Location ID FTTH [Fiber-to-the-home] Total Investment, Greenfield FTTH NPV [Net Present Value], Greenfield FW [Fixed Wireless] Total Investment, Greenfield FW NPV, Greenfield While the granularity of the CQA cost-estimation data is valuable, there are many reasons for uncertainty about whether the CQA

accurately represents the cost structures ISPs in Oklahoma will face when they plan their projects. One factor is the time lag; the actual construction of BEAD-funded broadband networks will occur well after the release date of the CQA data. The BEAD program also imposes special constraints on how network construction will need to occur, including BABA and special labor rules. Broadband deployment supply chains have also experienced price rises in recent years, which may accelerate as BEAD funds start to flow nationwide and heighten demand for many network components. It is therefore critical that the process for setting the Threshold be open to new data about cost, especially the cost data contained in the incoming BEAD applications that will be received in 2024. It is the intent of the OBO to adjust the CQA data by a statewide factor that reflects deployment costs and subsidy requirements as revealed through the BEAD applications, as explained below. The data structure of the CQA data will, however, be maintained. With that in mind, the OBO's approach to setting the Threshold, which is represented graphically in an attachment, starts with ranking all the locations from least cost to highest cost of fiber deployment. The OBO will then calculate the cumulative total cost curve to deploy fiber to any given number of locations. A similar cumulative total cost curve will be calculated for the cheapest reliable technology, which, in the CQA data, will be fiber in some cases and fixed wireless in others. Based on the cheapest reliable technology cumulative total cost curve, the OBO will estimate, for any given number of locations, how much it can afford to pay for fiber deployment to that many locations and still have enough funds left over to close the rest of the statewide broadband coverage gap using the cheapest reliable technology. Based on this, the OBO will project the maximum amount of prioritized fiber that the state can afford. Finally, the OBO will identify the estimated margin cost per location of deploying fiber that corresponds to that amount of prioritized fiber deployment. (See "Section 2.4.9 Process for Determining the Extremely High Cost Per Location Threshold.pdf" in Section 2.17.2) Conceptually, (a.) the fiber marginal cost, (b.) the cheapest reliable technology marginal cost, (c.) the fiber cumulative total cost, (d.) the cheapest reliable technology cumulative total cost, (e.) the maximum affordable fiber spend per location while covering the remaining coverage gap using the cheapest reliable technology, (f.) the total quantity of prioritized fiber deployment that the OBO projects, and (g.) the derived value at which to set the Threshold. This methodology for setting the Threshold has been calculated using the cost-estimation data provided by CQA and yielded a preliminary determination. Adjusting the Cost-Estimation Data to Reflect Revealed Costs of BEAD Deployment a preliminary EHCPLT has been considered by the OBO but will be revisited and adjusted as needed following each intake of candidate pools prior to the final determination of the threshold at which time the OBO will adjudicate all applications utilizing the same threshold. For those locations, it will calculate: • The sum of the CQA estimated fiber deployment costs for those locations. (Pre-Estimated Cost) • The sum of the subsidy requests for proposed fiber deployment solutions for those locations, deduplicating appropriately where multiple fiber solutions are proposed. (Revealed Cost) An Adjustment Factor Equal to Revealed Cost / Pre-Estimated Cost The adjustment factor will then be applied to the location-level CQA cost-estimation data, with each location's cost estimations being multiplied by the adjustment factor. For example, if the proposed cost to deploy fiber to the unserved locations that get fiber proposals was estimated by CQA at $100 million but is revealed in the actual BEAD applications to be $200 million in required subsidies, then the OBO would multiply all the estimated fiber costs by 2 (= $200 million/$100 million) before executing the Threshold determination process described above. The OBO will continue to study options for imputing location-based deployment costs by technology to power a Threshold determination process that is as accurate as possible. But whatever approach is used, the OBO will assume that the cost -estimation data will need to be validated against incoming BEAD applications before it will warrant sufficient confidence to be ready for use to set the Threshold.

02.04.10 Extremely High Cost Per Location Threshold Process

Outline a plan for how the Extremely High Cost Per Location Threshold will be utilized in the subgrantee selection process to maximize the use of the best available technology while ensuring that

the program can meet the prioritization and scoring requirements set forth in Section IV.B.6.b of the BEAD NOFO. The response must describe:

a. The process for declining a subgrantee proposal that exceeds the threshold where an alternative technology is less expensive.

b. The plan for engaging subgrantees to revise their proposals and ensure locations do not require a subsidy that exceeds the threshold.

c. The process for selecting a proposal that involves a less costly technology and may not meet the definition of Reliable Broadband.

Please Note: The OBO will establish an internal Extremely High Cost Per Location Threshold prioritization after the first and second candidate pools however this number shall not be publicly released and will undergo an evaluation upon the completion of all four candidate pools and the same EHCPLT will be applied to all applications, regardless of the candidate pool the application is in. End-to-end fiber projects are entitled to prioritization over other reliable technology projects if they have subsidy cost per location below the Threshold, but they lose this benefit if they exceed it. If they have unserved area footprints, exceeding the Threshold results in end-to-end fiber projects being excluded from the first candidate pool and considered as part of the second candidate pool. If they have underserved area project footprints, exceeding the Threshold (which may have been revised by that time) relegates them from the third to the fourth candidate pool. It is still possible for a subgrantee proposal that exceeds the Threshold to win out over cheaper alternative technology projects based on the rubric. Such projects will, however, need to overcome a substantial disadvantage arising from the way Minimal BEAD Program Outlay feeds into the rubric score. b. The plan for engaging subgrantees to revise their proposals and ensure locations do not require a subsidy exceeding the Threshold. In the event of a funding shortfall, the OBO will have recourse to negotiations with subgrantees to lower their subsidy requests so that OBO can achieve a plan for universal coverage within its BEAD budget. Negotiations are inherently challenging because the OBO will have very imperfect information about the actual costs, revenue expectations, and subsidy requirements of applicants, and applicants will typically not have an incentive to agree to downward revisions of their subsidies except to the extent that the OBO can credibly threaten to refuse the grant. But since the OBO is constrained to seek universal coverage, its ability to threaten to refuse the grant is limited. However, in some cases, the OBO may have alternative projects that it can fund if a provisional awardee is not agreeable to required subsidy reductions. The use of the Extremely High Cost Per Location Threshold as a focal point in negotiations will be useful in moving these conversations forward. This process and discussion, if necessary, will take place after all candidate pools have been received and the OBO has reviewed the overall request dollar figure and the number of NETs with no bids. The process cannot be planned in detail now because of excessive uncertainty. The OBO does not know: • Whether a funding shortfall will occur at all. • Whether it will affect unserved or only underserved areas. • Whether alternative projects will be available in all, some, or no cases. • Whether the funding shortfall, relative to a given program goal, will be large or small. However the process plays out, the OBO will plan to use the Threshold as a decision factor in the process of negotiating to fit the total of grant requests within the constraints of the statewide BEAD budget. c. The process for selecting a proposal that involves a less costly technology and may not meet the definition of Reliable Broadband. As discussed in sections 2.4.1 and 2.4.7, a Final Round to close gaps will be launched if the statewide solution is incomplete. During this Final Round, non-reliable broadband technology solutions will be considered. Throughout the time when the application window is opened, the OBO will welcome non-reliable broadband technology projects to serve as last resort options. If none are forthcoming, the OBO may reach out directly to known providers of non-

reliable technology broadband. In general, the OBO plans to fund Reliable Broadband projects for all unserved, and if funds permit all underserved, areas where such projects are available for subsidy prices below the Threshold. But where Reliable Broadband projects are not available or exceed the Threshold, the OBO will, in the event of a funding shortfall, turn to non-Reliable broadband projects, either funding them or using them as leverage in negotiations. Non-Reliable technology BEAD subgrantees will still be required to deliver bandwidths of at least 100 Mbps download, 20 Mbps upload, and no more than 100 milliseconds of latency, and to meet other BEAD requirements.

02.04.11 Deployment Subgrantee Qualifications: Financial Capability

Describe how the Eligible Entity will ensure prospective subgrantees deploying network facilities meet the minimum qualifications for financial capability as outlined on pages 72 – 73 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to certify that they are qualified to meet the obligations associated with a Project, that prospective subgrantees will have available funds for all project costs that exceed the amount of the grant, and that prospective subgrantees will comply with all Program requirements, including service milestones. To the extent the Eligible Entity disburses funding to subgrantees only upon completion of the associated tasks, the Eligible Entity will require each prospective subgrantee to certify that it has and will continue to have sufficient financial resources to cover its eligible costs for the Project until such time as the Eligible Entity authorizes additional disbursements.

b. Detail how the Eligible Entity plans to establish a model letter of credit substantially similar to the model letter of credit established by the FCC in connection with the Rural Digital Opportunity Fund (RDOF).

c. Detail how the Eligible Entity will require prospective subgrantees to submit audited financial statements.

d. Detail how the Eligible Entity will require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project.

The OBO anticipates significant response from the eligible applicant community in the way of proposals, from which it will need to prioritize a statewide solution to address connectivity to all unserved locations. This will include vetting eligible applicants during the application and subgrantee selection process through a series of gating and scoring criteria. Eligible applicants will be obligated to provide multiple certifications and compliance statements to demonstrate financial, technical, and managerial qualifications and resources to meet all obligations associated with a proposed project. Audited financial statements, an irrevocable letter of credit of at least 25% of the subaward amount, and pro forma business plans demonstrating project sustainability together should provide clear evidence of financial capability long after construction is complete.

The assessment of the adequacy of financing is intimately connected with a demonstration that the prospective subgrantee is qualified to meet the service obligations associated with a Project, and to cover all necessary project costs that exceed the amount of the grant, as well as to cover costs that will be reimbursed by the grant until such time as reimbursement is authorized. The amounts of matching

investment capital and working capital required by the project must be linked to the spending plans of the applicant, and the plausibility and coherence of these spending plans must be assessed and confirmed by grant reviewers. If overly aggressive assumptions and limited financing create too much risk of project failure, the OBO may reject a project on the grounds of excessive financial risk.

The OBO will communicate Program requirements to prospective subgrantees prior to the selection process by conducting outreach efforts to all participating stakeholders via webinars, in-person meetings and postings to the OBO's website.

The OBO will require prospective subgrantees to certify that they are qualified to meet the financial obligations associated with submitted project, that the prospective subgrantees will have available funds for all project costs that exceed the amount of the grant, and that they will comply with all requirements, including service milestones. Further, the OBO will require that each subgrantee certifies that it has and will continue to have sufficient funds to cover its eligible costs for the project until such time as the OBO authorizes additional reimbursements.

The certification process will be integrated within the project application and will become valid upon the completion of signature of an authorized officer of an applicant.

b. Detail how the Eligible Entity plans to establish a model letter of credit substantially similar to the model letter of credit established by the FCC in connection with the Rural Digital Opportunity Fund (RDOF).

The OBO will adopt the model letter of credit established by the FCC in connection with the Rural Digital Opportunity Fund (RDOF) as the template for all subgrantee applicants, in order to fulfill the requirements of the BEAD NOFO. However, the OBO also opts to adopt the BEAD Letter of Credit Waiver policy announced on November 1, 2023, by the NTIA BEAD Letter of Credit Waiver | BroadbandUSA (ntia.gov)*. The waiver does not remove the letter of credit requirement in general, but rather, (a.) allows subgrantees to use credit unions, (b.) allows subgrantees to use performance bonds, and (c.) allows subgrantees to reduce the size of the letter of credit or performance bond as the subgrantee reaches service milestones. *https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD-Letter-of-Credit-Waiver

For completeness, the relevant text from the Letter of Credit Waiver is copied below and thereby incorporated here:

The BEAD NOFO requires Eligible Entities to establish a model letter of credit substantially similar to the model letter of credit established by the Commission in connection with the Rural Digital Opportunity Fund. During each Eligible Entity's application process for subgrantees seeking to deploy network facilities, each applicant must submit a letter from a bank meeting eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue an irrevocable standby letter of credit, in the required form, to the prospective subgrantee. Prior to entering into any subgrantee agreement, subgrantees must provide the Eligible Entity an irrevocable standby letter of credit in the required form, acceptable in all respects to the Eligible Entity, in a value of no less than 25% of the subaward amount. In addition, a subgrantee must provide the Eligible Entity an opinion letter from legal counsel stating that in a proceeding under the Bankruptcy Code the bankruptcy court would not treat the letter of credit as property of the winning subgrantee's bankruptcy estate.

The Assistant Secretary of Commerce for Communications and Information has determined that, for

good cause shown, and in the best interest of the Federal Government, a conditional programmatic waiver of the letter of credit obligation should be granted ... only to the extent to and as described below:

2.1 Subgrantee Option to Use Credit Unions

That portion of the LOC Requirement that requires the use of a bank that meets the eligibility requirements of 47 C.F.R. § 54.804(c)(2) is waived where the subgrantee otherwise meets the LOC Requirement using any U.S. credit union that:
(a.) is insured by the National Credit Union Administration; and
(b) has a credit union safety rating issued by Weiss of B- or better.

2.2 Subgrantee Option to Use Performance Bonds

That the LOC Requirement is waived where:
(a.) During the application process, prospective subgrantees are required to submit a letter from a company holding a certificate of authority as an acceptable surety on federal bonds as identified in the Department of Treasury Circular 570 committing to issue a performance bond to the prospective subgrantee. The letter shall, at a minimum, provide the dollar amount of the performance bond.
(b) Prior to entering into any subgrantee agreement, each prospective subgrantee obtains a performance bond, acceptable in all respects to the Eligible Entity and in a value of no less than 100% of the subaward amount.

Where a subgrantee chooses to exercise the option to obtain a performance bond under this waiver, the requirement that the subgrantee "provide with its letter of credit an opinion letter from legal counsel clearly stating, subject only to customary assumptions, limitations, and qualifications, that in a proceeding under Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), the bankruptcy court would not treat the letter of credit or proceeds of the letter of credit as property of the winning subgrantee's bankruptcy estate under Section 541 of the Bankruptcy Code" is waived.

2.3 Reduction of LOC/Performance Bonds Upon Completion of Milestones

The requirement that, "In no event, however, shall the letter of credit have a value of less than 25% of the subaward amount" is waived, conditioned on the requirement that the subgrantee obtain a new a letter of credit in a reduced amount upon achievement of specific deployment milestones that are publicly specified by the Eligible Entity — that is, for purposes of the present document, the state of Oklahoma — and applicable to all subgrantees subject to the LOC Requirement. Where a subgrantee chooses to utilize a performance bond in lieu of a letter of credit under Section 2.2 above, subgrantees may reduce the amount of the performance bond by a commensurate amount as subgrantees meet the same service milestones.

The service milestones are as follows:
- Upon demonstrating to the satisfaction of the Eligible Entity that it has completed the buildout of 40% of locations to be served by the project, a subgrantee may obtain a new letter of credit or renew its existing letter of credit so that it is valued at no less than 20% of the award amount, or a new performance bond valued at no less than 80% of the award amount.
- Upon demonstrating to the satisfaction of the Eligible Entity that it has completed the buildout of 60% of locations to be served by the project, a subgrantee may obtain a new letter of credit or renew its existing letter of credit so that it is valued at no less than 15% of the award amount, or a new performance bond valued at no less than 60% of the award amount.

- Upon demonstrating to the satisfaction of the Eligible Entity that it has completed the buildout of 80% of locations to be served by the project, a subgrantee may obtain a new letter of credit or renew its existing letter of credit so that it is valued at no less than 10% of the award amount, or a new performance bond valued at no less than 40% of the award amount.
- Upon demonstrating to the satisfaction of the Eligible Entity that it has completed the buildout of 100% of locations to be served by the project, a subgrantee may terminate its letter of credit or performance bond under the terms set forth therein.

2.4 Subgrantee Option for Alternative Initial LOC or Performance Bond Percentage

The requirement that the initial letter of credit be for 25% of the subaward amount, or in the case where a subgrantee chooses to utilize a performance bond consistent with Section 2.2 above, allow the initial amount of the performance bond to be lower than 100% of the subaward amount, where:
(a.) The Eligible Entity — in this case, the state of Oklahoma — issues funding on a reimbursable basis consistent with Section IV.C.1.b of the NOFO (not yet decided);
(b.) Reimbursement is for periods of no more than six months; and
(c.) The subgrantee commits to maintain a letter of credit or performance bond in the amount of 10% of the subaward until it has demonstrated to satisfaction of the Eligible Entity that it has completed the buildout of 100% of locations to be served by the project or until the period of performance of the subaward has ended, whichever occurs first.

The above-described conditional waiver will be adopted by the OBO and may be utilized by BEAD subgrantees in lieu of the original letter of credit requirement. The language is included here to help potential BEAD applicants with their project planning. Further details (incluprding whether the OBO will issue funding on a reimbursable basis in periods of no more than six months, thereby unlocking the option of reducing the LOC amount to 10% of the subaward for applicants and subgrantees) will be provided no later than the launch of the subgrantee selection process, considering the OBO's ongoing monitoring of national best practices related to the BEAD Letter of Credit.

c. Detail how the Eligible Entity will require prospective subgrantees to submit audited financial statements.

The OBO will require each eligible applicant to submit their prior fiscal year financial statements audited by an independent certified public accountant. There is an expectation that some applicants may not have audited financial records that meet the grant criteria. In such cases, the applicant must submit unaudited financial statements from the prior fiscal year and certify that it will provide financial statements from the prior fiscal year that are audited by an independent certified public accountant by a deadline to be specified in the coming months.

d. Detail how the Eligible Entity will require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project.

The financial viability of many proposed projects will depend on a potential subgrantee's ability to contain engineering, equipment, construction, and ongoing operational costs, plus successfully market broadband services to all BSLs passed. The OBO will require prospective subgrantees to submit business plans and analyses that demonstrate sustainability of the proposed project. As part of the sustainability assessment in the grant application review process, the OBO will require quarterly cash-flow and balance sheet projections, subscriber adoption rates, supported by narrative and analysis that extend at least 7-10 years beyond network deployment. Applicants will not be checked for the accuracy

of these projections ex post, but the assumptions will be checked for plausibility, and strong or unusual assumptions will trigger heightened scrutiny and potential rejection of the projects. However, the principal means of pursuing a more sustainable statewide broadband access solution will be the use of the "sustainability" rubric factor, a scoring rather than a gating criterion. The OBO may resort to funding projects of less certain sustainability when there are no other options but will study and maximize sustainability through its choice of subgrantees where possible.

02.04.11.01 Deployment Subgrantee Qualifications: Financial Capability

Submit application materials related to the BEAD subgrantee selection process, such as drafts of the Requests for Proposals for deployment projects, and narrative to crosswalk against requirements in the Deployment Subgrantee Qualifications section.

02.04.12 Deployment Subgrantee Qualifications: Managerial Capability

Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for managerial capability as outlined on pages 73 – 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to submit resumes for key management personnel.

b. Detail how it will require prospective subgrantees to provide a narrative describing their readiness to manage their proposed project and ongoing services provided.

The OBO has designed the application process and scoring rubric requiring key personnel résumés, professional certifications, and company organizational charts. Each eligible applicant must also provide narrative on their experience in similar projects, project readiness, and any upcoming organizational changes, including mergers and acquisitions. Further, the OBO requires applicants to disclose the number of network infrastructure projects they have completed both within and outside of Oklahoma, total number of addresses served, and number of years in business.

b. Detail how it will require prospective subgrantees to provide a narrative describing their readiness to manage their proposed project and ongoing services provided.

Ideally, each eligible applicant will provide a complete engineering and design plan signed by a licensed engineer, have financing and all permitting secured, and present a solid quarterly project schedule illustrating all project activities through BSL adoption and installation. However, given the immense expense of in-field engineering and permitting, the OBO believes most eligible applicants will submit desktop engineering and analysis providing an "approximation" of costs to be incurred. Such a scenario could unfold because the subgrantee selection process can take up to a year before an eligible applicant may become a subgrantee, and many unknowns can occur in that span of time. Availability and cost of equipment and labor may look significantly different a year out, and subgrantees will need to adjust accordingly.

The OBO addresses this challenge in two ways. First, a narrative describing an applicant's readiness to

manage its proposed project and the ongoing services that the networks will provide will be required as part of the application. This narrative must suffice to induce a reasonable judgment that the subgrantee can perform to the BEAD program's specifications. Second, strong narratives about project readiness will enable the OBO to award more points under the sustainability factor in the rubric. This should incentivize applicants to go the extra mile with respect to demonstrating their readiness to deploy and operate the networks they propose.

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02.04.13 Deployment Subgrantee Qualifications: Technical Capability

Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for technical capability as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to certify that they are technically qualified to complete and operate the Project and that it is capable of carrying out the funded activities in a competent manner, including that it will use an appropriately skilled and credentialed workforce.

b. Detail how the Eligible Entity will require prospective subgrantees 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.

As discussed in Section 2.4.12.b, the OBO will require all eligible applicants to submit résumés of key personnel to include professional certifications. The OBO will also require submission of current and past broadband deployment activities within the state of Oklahoma, as well as all activities outside of Oklahoma. In general, application forms and guidance will be developed to ensure that sufficient information flows from applicants to the OBO to establish the technical qualifications and competence of the prospective subgrantee to complete and operate the project and carry out all the funded activities, at the level of both the organization's history and mission, and the skilled and credentialed workforce who will carry out the work.

The OBO will require prospective subgrantees to certify they are technically qualified to complete and operate the Project and that they are capable of carrying out the funded activities in a competent manner, including using an appropriately skilled and credentialed workforce.

The application process will require each eligible applicant to demonstrate a record of or plans to be in compliance with federal labor and employment laws. Eligible applicants without a record of labor and employment law compliance can mitigate this fact by making specific, forward-looking commitments to strong labor and employment standards with respect to BEAD-funded projects. Further, all eligible applicants shall define safety and training standards, and enforceable commitments to fair workforce

development and/or job quality objectives. Additionally, each eligible applicant will disclose and certify any violations of labor or employment laws for the previous 10 years, as well as any litigation and penalties history.

The OBO will communicate requirements as described above to all prospective subgrantees prior to the selection process by conducting outreach efforts to all participating stakeholders via webinars, in-person meetings and postings to the OBO's website.

Detail how the Eligible Entity will require prospective subgrantees 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 OBO will require prospective subgrantees 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 OBO will require applicant certification stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project, they are technically qualified to deploy and operate the project, and they can complete the funded activities in a competent manner.

As previously discussed in Section 2.4.12b, the OBO's subgrantee application process requires all eligible applicants to submit professional engineer-certified network designs, a quarterly project schedule that extends at least three years beyond construction completion, and financial proformas that demonstrate financial viability and project sustainability. Each of these sub-categories are reviewed and graded within the scoring rubric, with the highest awards going to those applicants that present the most compelling business models for project deployment.

02.04.14 Deployment Subgrantee Qualifications: Compliance with Laws

Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for compliance with applicable laws as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to demonstrate that they are capable of carrying out funded activities in a competent manner in compliance with all applicable Federal, State, Territorial, and local laws.

b. Detail how the Eligible Entity will require prospective subgrantees to permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.

The OBO will require each eligible applicant to disclose and certify compliance with all applicable federal, state, territorial, and local laws within the subgrantee application. A narrative may be required to help assure the OBO that the potential subgrantee is aware of the relevant laws and capable of performing the tasks of legal compliance in a competent manner.

b. Detail how the Eligible Entity will require prospective subgrantees to permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.

Improving workplace safety and health leads to fewer accidents, lower injury and illness rates, and lower workers' compensation costs.

Within the grant application, applicants must submit their plan for permitting workers to create and implement worker-led health and safety committees with whom management will meet upon reasonable request.

The Oklahoma Department of Labor offers a program that provides free and confidential consultative workplace safety and health services. Prospective subgrantees can seek expert consultation services to help them establish a worker-led health and safety committee that meets the BEAD requirements.

Any application not meeting the minimum requirements of compliance as described on Page 74 of the BEAD NOFO will not be considered as a prospective subgrantee.

02.04.15 Deployment Subgrantee Qualifications: Operational Capability

Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for operational capability as outlined on pages 74 – 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to certify that they possess the operational capability to qualify to complete and operate the Project.

b. Detail how the Eligible Entity will require prospective subgrantees to submit a certification that they have provided a voice, broadband, and/or electric transmission or distribution service for at least the two (2) consecutive years prior to the date of their application submission or that they are a wholly owned subsidiary of such an entity and attest to and specify the number of years the prospective subgrantee or its parent company has been operating.

c. Detail how the Eligible Entity will require prospective subgrantees that have provided a voice and/or broadband service, to 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.

d. Detail how the Eligible Entity will require prospective subgrantees that have operated only an electric transmission or distribution service, to 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.

e. In reference to new entrants to the broadband market, detail how the Eligible Entity will require prospective subgrantees to provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities.

The subgrantee selection process must ensure only capable entities are awarded funding for the deployment and long-term operation of proposed projects. The OBO has designed a rigorous application, scoring, deduplication, negotiation, and review process that will vet and reinforce the best awardee for each project area. The OBO has designed the application process and scoring rubric that requires key personnel resumes, professional certifications, and company organization charts. Each eligible applicant must also provide narrative on their experience in similar projects, project readiness, and any upcoming organizational changes, including mergers and acquisitions. Further, the OBO will require eligible applicants to disclose the number of network infrastructure projects the applicant has completed both within and outside of Oklahoma, total number of addresses served, and number of years in business.

The OBO will require prospective subgrantees to certify that they possess the operational capability to complete and operate the Project. The OBO will communicate requirements as described above to all prospective subgrantees prior to the selection process by conducting outreach efforts to all participating stakeholders via webinars, in-person meetings and postings to the OBO's website.

(2.4.15b) Detail how the Eligible Entity will require prospective subgrantees to submit a certification that they have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of their application submission or that they are a wholly owned subsidiary of such an entity and attest to and specify the number of years the prospective subgrantee or its parent company has been operating.

The OBO will require submission of current and past broadband deployment activities within the state of Oklahoma, as well as all activities outside of Oklahoma. Further, each eligible applicant is required to certify timely submission of Form 477 data and the Broadband DATA Act and further certify that the applicant has complied with FCC rules and regulations (BEAD NOFO page 74). With respect to ownership, the OBO will follow the Code of Federal Regulations to obtain prospective subgrantee

ownership information as set forth in 47 C.F.R. § 1.2112(a)(1)-(7). Each eligible applicant will be required to certify that all information submitted to be true, complete, and accurate.

The OBO will require prospective subgrantees to submit a self-certification that they have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of their application submission or that they are a wholly owned subsidiary of such an entity and attest to or specify the number of years the prospective subgrantee or its parent company has been operating. Organizations can meet this criterion by being wholly owned subsidiaries of entities that have such experience. In support of this factor, applications should attest to the number of years of broadband operational experience that the prospective subgrantee or its parent company has.

Note that, in addition to this self-certification, as explained in 2.4.15.d, prospective subgrantees that have operated only as an electric transmission or distribution service will be required to certify that the qualified operating and financial reports they submit are a true and accurate copy of the reports that were provided to the relevant financial institution. The OBO will communicate requirements as described above to all prospective subgrantees prior to the selection process by conducting outreach efforts to all participating stakeholders via webinars, in-person meetings and postings to the OBO's website.

Detail how the Eligible Entity will require prospective subgrantees that have provided a voice and/or broadband service, to 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.

The OBO will require prospective subgrantees that have provided a voice and/or broadband service, to 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 (BEAD NOFO page 74).

Detail how the Eligible Entity will require prospective subgrantees that have operated only an electric transmission or distribution service, to 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.

The OBO will require prospective subgrantees that have operated only an electric transmission or distribution service, to 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. That is, eligible applicants that have operated only an electric transmission or distribution service and may have no broadband experience will be allowed to submit qualified operating or financial reports, which are typically filed with a relevant financial institutions, in support of their capacity to operate a broadband network, as long as such statements adhere to general accounting principles. Further, the OBO will require all eligible applicants to provide material assurances of sufficient financial, operational, and technical capabilities. Each eligible applicant must submit all required documentation, certifications, and relevant narrative to be considered in the subgrantee selection process. Any missing documentation will negate eligibility to be a subgrantee.

In reference to new entrants to the broadband market, detail how the Eligible Entity will require prospective subgrantees to provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities.

In the case where a BEAD applicant is a new entrant to the broadband market, the OBO will require prospective subgrantees to provide evidence sufficient to demonstrate that the newly formed entity has obtained sufficient operational capabilities. New entrants must submit all required documentation and relevant narrative to be considered in the subgrantee selection process. All in all, the documentation should demonstrate that the new entrant has procured or developed capabilities broadly comparable to seasoned broadband industry participants. However, in some cases, weakness in one area can be offset by unusual strength in other areas, e.g., the operational benefits of strong preexisting customer relationships might make up for somewhat less technical experience in telecoms, or extreme financial strength might somewhat offset weaker staff qualifications, on the grounds that qualified staff can be hired. Nonetheless, a strong core of relevant capacity and organizational commitment must be persuasively demonstrated. Missing documentation that casts doubt on the organization's capability or commitment will negate eligibility to be a subgrantee.

02.04.16 Deployment Subgrantee Qualifications: Ownership

Describe how the Eligible Entity will ensure that any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on ownership as outlined on page 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how the Eligible Entity will require prospective subgrantees to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7).

The OBO will follow the Code of Federal Regulations to obtain prospective subgrantee ownership information as set forth in 47 C.F.R. § 1.2112(a)(1)-(7). Each eligible applicant will be required to certify that all information submitted is true, complete, and accurate.

02.04.17 Deployment Subgrantee Qualifications: Public Funding

Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on other public funding as outlined on pages 75 – 76 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:

a. Detail how it will require prospective subgrantees to disclose for itself and for its affiliates, 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.

b. At a minimum, the Eligible Entity shall require the disclosure, for each broadband deployment project, of:

(a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules),

(b) the geographic area to be covered,

(c) 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),

(d) the amount of public funding to be used,

(e) the cost of service to the consumer, and

(f) the matching commitment, if any, provided by the subgrantee or its affiliates.

The OBO application process will require each eligible applicant, and each entity that affiliates with the applicant in connection with the project, to disclose and certify each broadband deployment project that it has undertaken or submitted to undertake using public funds, which affect the area to be served by the application. This information should, among other purposes, enable the state to determine whether the commitments and uses of funds are appropriately complementary and do not violate any rules against "double funding."

b. At a minimum, the Eligible Entity shall require the disclosure, for each broadband deployment project, of: (a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules), (b) the geographic area to be covered, (c) 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), (d) the amount of public funding to be used, (e) the cost of service to the consumer, and
(f) the matching commitment, if any, provided by the subgrantee or its affiliates.

In addition to the broadband deployment projects undertaken via public funds, the OBO application process will require eligible applicants to disclose and certify each broadband deployment project undertaken in Oklahoma over the past five years. For each broadband project, both publicly and privately funded, eligible applicants must provide the following information where applicable: (a.)

geographic area to be covered, (b.) funding source, award amount if applicable, and matching commitment, (c.) narrative on nature and impact of the project to include number of unserved and underserved locations, and CAIs, (d.) technology deployed, (e.) maximum upload/download speed and latency of deployed network, (f.) cost of service to residents, (g.) description of low-cost options for residents, (h.) project start and end dates, and subscriber adoption rate.

Applicants should also report and/or enable the OBO to determine the number of unserved and underserved locations, or the percentage of locations in given areas, that projects established in connection with other public funding sources obligate the applicant to deploy service to. Since the unserved, underserved, and served status of BSLs may have changed since publicly funded projects first launched, the OBO may not require this information if a complete list of addresses impacted is supplied, enabling the office to calculate these numbers for itself.

02.05.01 Non-Deployment Subgrantee Selection Process Integrity

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. If the Eligible Entity does not intend to subgrant for non-deployment activities, indicate such.

The OBO has no plans to make subgrants for non-deployment activities, because cost analyses strongly suggest that OBO faces a funding shortfall and will not be able to reach all the unserved and underserved locations in order to achieve universal 100/20 Mbps broadband access. Initial analytics done using CostQuest data show that universal broadband access solutions by either end-to-end fiber or fixed wireless will cost over $1.2 billion, much more than Oklahoma's BEAD allocation. It helps that the OBO has other, albeit smaller, funding sources for broadband deployment, especially CPF and SLFRF, and there are ongoing deployments funded by RDOF, private capital, and other sources. But experience also suggests that the real subsidy costs of deployment in hard-to-serve areas are likely to prove much costlier than CostQuest data suggests. If Oklahoma does manage to achieve universal 100/20 broadband access for residential and commercial locations, its next priority must be broadband deployment to community anchor institutions (CAIs) at gigabit speeds, an undertaking that is likely to prove expensive, since almost half of Oklahoma locations currently lack access to gigabit service.

The OBO nonetheless recognizes the possibility that statewide broadband deployment will prove to be much cheaper than anticipated, and all BSLs and CAIs will be on track to get the requisite broadband access before the state's BEAD allocation has been fully spent. In that case, the OBO will revisit non-deployment activities and consider its options. In that case, the State Digital Equity Plan would be a natural starting place to look for non-deployment activities suitable to be funded. Detailed planning for this unlikely contingency, however, was not deemed to be a good investment of effort at this time, on the part of the OBO or its stakeholders and partners, considering that the challenge of achieving universal 100/20 broadband access is itself full of highly impactful complexities that need focused attention and skillful decisioning.

02.05.02 Non-Deployment Initiative Preferences

Describe the Eligible Entity's plan for the following:

a. How the Eligible Entity will employ preferences in selecting the type of non-deployment initiatives it intends to support using BEAD Program fund;

b. How the non-deployment initiatives will address the needs of residents within the jurisdiction;

c. The ways in which engagement with localities and stakeholders will inform the selection of eligible non-deployment activities;

d. How the Eligible Entity will determine whether other uses of the funds might be more effective in achieving the BEAD Program's equity, access, and deployment goals.

Not applicable.

02.05.03 Ensure Coverage Prior to Non-Deployment Projects

Describe the Eligible Entity's plan to ensure coverage to all unserved and underserved locations prior to allocating funding to non-deployment activities.

Not applicable.

02.05.04 Non-Deployment Subgrantee Qualifications

Describe how the Eligible Entity will ensure prospective subgrantees meet the general qualifications outlined on pages 71 – 72 of the BEAD NOFO.

Not applicable.

02.06.01 Eligible Entity Implementation Activities

Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.

Starting from NTIA approval of the Initial Proposal and release of BEAD funds, the OBO will start to use funds for activities related to the administration of the grant. BEAD funds will support essential activities such as the administration of the challenge process, the selection of subgrantees with full application review, outreach and local coordination, and the preparation of the Final Proposal. In conducting these administrative activities and incurring related expenses, the OBO will bear in mind that most administrative expenses for the BEAD Program are subject to the 2% cap on administrative spending, and ensure that its spending is on track to comply with this cap over the lifecycle of the BEAD Program while fulfilling the program administration needs on an ongoing basis. The OBO expects to use a mix of own-staff activities and contractor support to accomplish its tasks.

The OBO will not implement any deployment initiatives as the recipient without making a subgrant. All the broadband facilities built using the BEAD funds entrusted to the OBO will be constructed, owned, and operated by subgrantees and not the OBO itself. Nor will the OBO use BEAD funds for any non-deployment activities other than those directly related to the administration of the grant itself and necessitated by compliance with the requirements of the BEAD NOFO.

02.07.01 Labor Standards and Protection: Subgrantees Compliance with Federal Labor and Employment Laws

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. Information from prospective subgrantees must demonstrate the following and must include information about contractors and subcontractors:

a. Prospective subgrantees' record of past compliance with federal labor and employment laws, which:

i. Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;

ii. Should include a certification from an Officer/Director- level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors; and

iii. Should include written confirmation that the prospective subgrantee discloses and 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.

b. Prospective subgrantees' plans for ensuring compliance with federal labor and employment laws, which must address the following:

i. How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:

1. 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

2. How the subgrantee 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.

The OBO is committed to ensuring appropriate labor and protection standards for all subgrantees where required by the BEAD NOFO and consistent with Oklahoma state law. During the grant submission process, eligible subgrantees will be required to provide information in their applications to demonstrate their compliance with federal labor and employment laws.

Eligible subgrantees will be required to submit their record of past compliance with federal and employment laws, including:

- Subgrantee's organizational compliance with federal labor and employment laws on broadband deployment projects in the last three years
- Certification from an officer/director-level employee (or equivalent) of the eligible subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors
- Written confirmation that the eligible subgrantee 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

Eligible subgrantees will also be required to submit plans for ensuring compliance with federal labor and employment laws, which must address the following:

- How the prospective subgrantee 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 subgrantee 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.

Furthermore, as noted in Section 2.4, through the subgrantee award process, eligible subgrantees will be asked to confirm that the subgrantee will permit workers to create worker-led health and safety committees without interference and have no intent to interfere with such a committee. In the event such committees are formed and raise valid concerns, the subgrantee leadership would agree to meet with the committee to discuss concerns.

The OBO will ensure that eligible subgrantees are aware of these requirements prior to and throughout the grant selection process by posting information on its website and through informational sessions with eligible subgrantees.

In general, the subgrantee application and scoring rubric reflect the worker requirements. Inadequate documentation of workforce practices and plans could lead to requirements for curing, or to disqualification, as will be further detailed at the time of the subgrantee selection launch and in the application form. Some key commitments, such as an openness to workplace safety committees, will be requested through the application and in subgrantee contracts. The scoring rubric will focus on safety and training standards and includes a small incentive for committing to using a directly employed workforce.

02.07.02 Labor Standards and Protection: Additional Measures

Describe in detail whether the Eligible Entity will make mandatory for all subgrantees (including contractors and subcontractors) any of the following and, if required, how it will incorporate them into binding legal commitments in the subgrants it makes:

a. Using a directly employed workforce, as opposed to a subcontracted workforce;

b. 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;

c. 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);

d. Use of local hire provisions;

e. Commitments to union neutrality;

f. Use of labor peace agreements;

g. 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);

h. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and

i. Taking steps to prevent the misclassification of workers.

As a right-to-work state, the OBO will not require the eligible subgrantees to follow federal labor practices except where consistent with Oklahoma state law or required by the BEAD NOFO. These practices include the following:

a. Using a directly employed workforce, as opposed to a subcontracted workforce
b. 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
c. 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);
d. Use of local hire provisions
e. Commitments to union neutrality
f. Use of labor peace agreements
g. 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)
h. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure)
i. Taking steps to prevent the misclassification of workers

The OBO will require eligible subgrantees to address these items in their applications as directed by the BEAD NOFO and the Oklahoma Initial Proposal. These items will not be included in legally binding commitments but instead utilized as criteria in the selection process. This approach will ensure the subgrantee selection process is consistent with the BEAD NOFO and Oklahoma state law.

02.08.01 Prospective Subgrantees' Workforce Plan

Describe how the Eligible Entity and their subgrantees will advance equitable workforce development and job quality objectives to develop a skilled, diverse workforce. At a minimum, this response should clearly provide each of the following, as outlined on page 59 of the BEAD NOFO:

a. A description of how the Eligible Entity will ensure that subgrantees support the development and use of a highly skilled workforce capable of carrying out work in a manner that is safe and effective;

b. A description of how the Eligible Entity will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations that provide relevant training and wrap-around services to support workers to access and complete training (such as child care, transportation, mentorship, etc.), to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities;

c. A description of how the Eligible Entity will plan to create equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector; and continually engage with labor organizations and community-based organizations to maintain worker voice throughout the planning and implementation process; and

d. A description of how the Eligible Entity will ensure that the job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers.

The OBO will ensure that the state of Oklahoma and subgrantees will advance equitable workforce and job quality objectives to create a skilled, diverse workforce. The focus of workforce-related efforts by the OBO is to identify and work with relevant partners to ensure four primary components are implemented across the state.

1. Support subgrantees in creating and using a highly skilled workforce capable of carrying out required work in a safe and effective manner.

Oklahoma faces a workforce shortage across the state, including within the broadband sector. While not unique in its staggering workforce challenges, Oklahoma created a statewide task force to address the problem. The Oklahoma Workforce Transformation Task Force was charged with identifying ways to align funding to goals, economic needs, and the workforce gap*. Of course, workforce shortages related to broadband deployment in particular will tend to be exacerbated in the coming years by the escalation of demand that will result from the surge in network investments funded by the BEAD program, and to a lesser extent the CPF and SLFRF programs, if nothing is done to prevent this. Efforts by the OBO and the broadband industry to meet upcoming workforce challenges should take place in the context of this larger statewide push to deal with workforce shortages.
*https://oklahoma.gov/content/dam/ok/en/governor/documents/WorkforceTransformationReport-Final.pdf

In April 2023, the Task Force* shared its results with the state of Oklahoma and Gov. Kevin Stitt. The Task Force's results noted that:

… without significant realignment of coordination and collaboration of stakeholders involved, we will fall further behind. The Task Force hopes that this report will serve as a clarion call to state leaders. Oklahoma can close its current labor shortages and develop its talent pipeline for the jobs of the future. Oklahoma can become the first state in the country to properly coordinate and execute a cohesive workforce development strategy that simultaneously serves the individual needs of its citizens and the needs of the broader economy.
* https://oklahoma.gov/content/dam/ok/en/governor/documents/WorkforceTransformationReport-Final.pdf

Based on the recommendations of the Task Force and passage of the Workforce Transformation Act (SB 621), Gov. Stitt signed into law the Workforce Transformation Act*, on June 14, 2023, creating the Oklahoma Workforce Commission. Led by private-sector business leaders, the commission will help direct the state's workforce development strategy and initiatives. The OBO has contacted the Oklahoma Workforce Commission to advocate for workforce needs related to the BEAD program and will continue to coordinate with statewide efforts. While additional programs and partnerships may be created as the BEAD program progresses in Oklahoma, existing training programs across the state will support the growth in the workforce necessary to accomplish the broadband expansion goals laid out in the BEAD program. The OBO will serve as a communication channel and proactive advocate, effectively building the bridge between those broadband providers in need of workers and worker training, existing school and training providers, and those potential workers.
*https://oklahoma.gov/governor/newsroom/newsroom/2023/june2023/governor-stitt-celebrates-oklahoma-s-workforce-transformation-wi.html

Other statewide workforce initiatives are advancing upskilling and credentialing programs in in-demand job areas to address workforce needs. The Launch Oklahoma initiative has set ambitious goals for 70% of the state's workforce (25-64 years old) to have education or training beyond high school by the year 2025. Two of the main objectives of the initiative are: (1.) integrating and using workforce and economic development data to inform policy, track progress, and measure success; and (2.) building partnerships between local industry and education at the regional level. These objectives are aligned with building sector-based partnerships and a highly skilled workforce. Ongoing collaboration and partnership between industry, education, and state systems will support workforce needs.

2. Develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, worker organizations, and community-based organizations that provide relevant training and wrap-around services to support workers to access and complete training, to attract, train, retrain, or transition to meet local workforce needs and increase high-quality job opportunities.

The OBO has identified sector-based partnerships in the state and will continue to support and partner with these initiatives aligned with broadband deployment workforce needs. The Oklahoma State University Institute of Technology (OSU-IT) in Okmulgee received $365,068 in State and Local Fiscal Recovery Funding to conduct a workforce training program specifically on fiber technology, including splicing and pole work. Additionally, OSU-IT received over $750,000 from the NTIA to conduct a separate broadband workforce training program. The OBO is working closely with OUS-IT to ensure that tech program trainees have access to state resources after graduation.

Of note, fiber optic training programs are offered through OSUIT. The courses are designed to provide high-quality training for high-demand, high-wage job placement. The OUS-IT fiber training program is vital to contributing to the broadband workforce and initially planned to directly impact 120 individuals (10 cohorts, 12 students per cohort) who are seeking opportunities for increased economic advancement, but this could grow based on interest. The OSU-IT fiber program includes seven stackable credentials:
1. Fiber Optic Fundamentals: This course addresses fiber optic fundamentals and combines classroom theory with hands-on skills training to provide a basic understanding of fiber optics technology and light theory. Students will be introduced to residential and commercial fiber splicing and learn to splice fiber using mechanical and fusion splicing techniques.
2. Fiber Optic Outside Plant: This class features classroom theory that delivers a quick refresher of fiber terminology and technology before diving into FTTX, OSP, fiber characterization, network troubleshooting, emergency restoration, and how the latest industry trends may impact field practices.

This is followed by hands-on skills training, where students build and troubleshoot a passive optical network from patch panel to patch panel through various splice closures with multiple drops.

3. Fiber Optic FTTX Installer & Technician: This course begins with a review of fundamental fiber component information related to fiber-to-the-home consideration. The course covers best practices for product selection and ideal placement of point-to-point, decentralized, and centralized split return options. This course will provide technical knowledge and skills to install and test the physical layer for active ethernet and passive optical networks (PON). Students will gain practical knowledge and hands-on skills in all aspects of FTTX deployments, including specific issues such as testing, splitters, wave division multiplex devices (WDM), measuring reflectance, and bi-directional testing unique to FTTX networks.
4. Fiber Optic OTDR & Emergency Restoration: Week 1 focuses on field testing and troubleshooting fiber optic spans/links and explains the various types of equipment and tools needed for acceptance testing, documenting performance, and finding problems in a physical fiber plant. The emphasis is on understanding proper OTDR settings, testing, and evaluation of results. Week 2 focuses on fault location, troubleshooting, and test equipment with a heavy emphasis on hands-on skills training that simulates actual field restorations for retrievable and non-retrievable slack scenarios utilizing real-world scenarios and programmed scenarios with a network simulator.
5. ETA Fiber Optic Installer Certification: This standalone certification is for individuals trained in the practice of installing fiber optic cabling at premises facilities.
6. Employability Skills Training & Resume Prep: A comprehensive program designed to equip participants with the essential skills and knowledge to enhance their employability to succeed in today's competitive job market and learn strategies for crafting compelling resumes that highlight their qualifications and experiences. Through a combination of interactive sessions, practical exercises, and real-world applications, participants will develop a strong foundation of transferable skills and strategies that will enable them to excel in their careers and secure meaningful employment opportunities.
7. Advanced Fiber Optic Technician: Completion of elements 1-4 for OSU-IT's Advanced Fiber Optic Technician Micro-Credentials Program.

More details on the above courses and the overall program are available at https://osuit.edu/workforce/ntia_fiber_technician.php

In 2022, the Oklahoma Legislature appropriated $11.2 million in American Rescue Plan Act funding to establish and expand the CareerTech workforce development programs. Of that, $5 million was designated for CareerTech to create a program to train broadband infrastructure installation workers. Funding will be used to train students on how to lay fiber underground, hang it on poles, and to build towers for last-mile connectivity*. Students will be trained in installation, maintenance, and customer service**. The program provides an opportunity for students to learn valuable new skills, while contributing to economic development and state workforce needs. Supporting the workforce development effort include the following technology centers:

- Wes Watkins Technology Center, www.wwtech.org
- Northwest Technology Center, nwtech.edu
- Pontotoc Technology Center, www.pontotoctech.edu
- Gordon Cooper Technology Center, www.gctech.edu

*https://oklahoma.gov/careertech/media-center/press-releases/2022/legislature-approves--11-2-million-to-expand-careertech-programs.html
**https://osuit.edu/workforce/ntia_fiber_technician.php

Multiple CareerTech centers have chosen the OSU-IT program and are working closely with the

university on a memorandum of understanding contract. The OBO will continue to monitor and promote the expansion of these programs and encourage these centers to implement curriculum and training programs to meet the workforce needs of broadband deployment.

In addition, several tribal nations in Oklahoma are providing workforce development opportunities. The Cheyenne and Arapaho Tribes are working with OSU-IT to train broadband workers. The Osage Nation is working with Tri-County Technical College*on a two-week training program that enables participants to become apprentices at an ISP or engineering company. These types of unique partnerships allow the tribal nations to easily facilitate and encourage their members to pursue careers in the broadband field. The OBO plans to continue sharing and encouraging other tribal nations to join similar partnerships.
* https://tricountytech.edu/

Like OSU-IT, other programs in Oklahoma already foster and advocate for sector-based partnerships among employers, educational and training institutions, the public workforce system, labor organizations, and community-based organizations that provide pertinent training and comprehensive support services. Partnerships with these programs will enable workers to access and successfully complete training programs, facilitating recruitment, retraining, or transitioning to address local workforce demands and expand the availability of high-quality job opportunities.

The OBO is planning to coordinate with the Oklahoma Workforce Commission and the Oklahoma Office of Workforce of Development to facilitate quality employment services, skilled talent for businesses and increased opportunities. Serving as a crucial communication channel among BEAD program stakeholders and partners, effectively bridging the workforce and industry partners in the realm of broadband-related jobs, the OBO will function as a liaison and workforce advocate. The office is dedicated to ensuring the creation of equitable on-ramps into the BEAD program by supporting the needs of both new entrants and incumbent workers and ensuring that wrap-around services are provided to those individuals exploring broadband and technology-related careers.

3. Provide equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector, and continually engage with labor organizations and community-based organizations to maintain a voice throughout the planning and implementation process.

The Oklahoma Department of Career and Technology Education (CTE) is focused on developing a "world-class workforce" by providing skills and training services to education institutions across the state, including technology centers.* Oklahoma has 29 technology centers on 60 campuses that "serve high school and adult learners with specialized career training in more than 90 instructional areas." Pathways exist in network systems, digital communications, information support and services, and telecommunications, allowing prospective workers to focus on broadband and technology careers The CTE strategic plan outlines key education attainment goals, including expanding enrollment across the system by 25% to increase learning opportunities for career and technology training. The plan also sets goals around partnership, looking to enhance education/industry partnerships and find new student/work -based learning opportunities. This institutional reach and mission will make CTE an important partner for the OBO as it oversees a major broadband infrastructure investment push that will require substantial new hiring by ISPs using BEAD grant funds.
*https://oklahoma.gov/content/dam/ok/en/careertech/about/reports/strategic-plan/strategic-plan.pdf

Currently, CTE's work at the state and local level also aligns with many of the strategies and objectives

of the Oklahoma Digital Equity Plan, the implementation of which will ensure ongoing strong communications between the OBO and CTE, and with the narrower and more focused endeavors of the BEAD program, the workforce challenges of which the OBO will leverage the relationship with CTE to help to meet. In general, increased technology access and usage will allow more students and job seekers to participate in education and upskilling programs to earn post-secondary credentials, supporting efforts to reach these learning and workforce goals and create a more skilled Oklahoma workforce. With respect to the broadband deployment workforce in particular, the OBO will strive to communicate the broadband industry's urgent workforce needs to CTE and the institutions connected with it and under its purview, while at the same time allowing the OBO's regular communications with the broadband industry necessitated by the administration of the BEAD program to serve as platforms for the small subset of CTE's programs that specifically train for the skill sets needed to build and operate broadband networks.

In many markets, a trusted intermediary can facilitate exchanges that would fail to occur otherwise because the trading parties struggle to filter biased information. The OBO will seek to play that trusted intermediary role for the broadband deployment workforce in Oklahoma, thereby mitigating the hiring challenges of ISPs and providing market insight for higher education.

4. Ensure that the job opportunities created by the BEAD program and other broadband programs are available to a diverse worker pool.

The OBO will work with partners to ensure job opportunities are available to a diverse job pool. A sampling of partners supporting the workforce efforts is included below. A more comprehensive listing is available in the Oklahoma Five-Year Action Plan*.
*https://oklahoma.gov/content/dam/ok/en/broadband/documents/grant-programs/bead/BEAD_Five-Year_Action_Plan.pdf

- Oklahoma Digital Inclusion Alliance is composed of various nonprofit entities and state agencies dedicated to bringing broadband access, affordable personal devices, and local technology training to the public. The alliance also provides financial and operational resources for digital inclusion programs while serving as a bridge for policymakers and the public.
- Oklahoma Digital Equity Coalition, formed by the OBO, provides insight and recommendations around barriers to accessing and using affordable, reliable high-speed internet. Representatives from research institutions, nonprofit organizations representing covered populations, state agencies, and tribal governments serve on the coalition.
- Oklahoma CareerTech Technology Centers includes 29 technology centers across 60 campuses, serving high school and adult learners with more than 90 instructional courses, including the likes of cybersecurity forensics and network/computer systems admin.
- Oklahoma Native Assets Coalition (ONAC) works with tribes and community partners who are dedicated to increasing opportunities for economic self-sufficiency for native communities through financial education, banking assistance, and asset-building strategies.

As shown through its many collaborative efforts, the OBO will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, worker organizations, and community-based organizations that provide relevant training and wrap-around services to support workers to access and complete training, to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities.

In particular, the OBO will leverage its regular communications with ISPs in connection with the

administration of the BEAD program to advocate for the hiring of qualified graduates and certificate earners connected with the above programs, especially those who are from historically disadvantaged populations, to help BEAD subgrantees with the work of building the broadband networks the grants will fund. The OBO will keep in touch both with these and other higher education and training programs across the state, and serve as a liaison to help alert broadband industry stakeholders to sources of qualified job candidates, and to alert higher education and training institutions to broadband industry workforce needs that they can help to fill in ways that contribute to the diversity of the broadband deployment workforce, and increase opportunities for historically disadvantaged populations.

Furthermore, the OBO will ensure equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector, and continually engage with worker organizations and community-based organizations to maintain worker voice throughout the planning and implementation process.

02.08.02 Prospective Subgrantees' Highly Skilled Workforce

Describe the specific information that will be required of prospective subgrantees to demonstrate a plan for ensuring that the project workforce (including contractors and subcontractors) will be an appropriately skilled and credentialed workforce. These plans should include the following:

a. The ways in which the prospective subgrantee will ensure the use of an appropriately skilled workforce, e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers;

b. The steps that will be taken to ensure that all members of the project workforce will have appropriate credentials, e.g., appropriate and pre-existing occupational training, certification, and licensure;

c. Whether the workforce is unionized;

d. Whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce; and

e. The entities that the proposed subcontractor plans to contract and subcontract with in carrying out the proposed work.

If the project workforce or any subgrantee's, contractor's, or subcontractor's workforce is not unionized, the subgrantee must also provide with respect to the non-union workforce:

a. The job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project and the entity that will employ each portion of the workforce;

b. For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:

i. Safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and

ii. Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

The OBO will require ISPs to provide sufficient information to ensure that the project workforce is appropriately skilled and credentialed and evaluate this information as part of the application review process. Applicants with inadequate workforce plans may be disqualified on the grounds that they have not adequately demonstrated their ability to build the proposed networks. While Oklahoma is a right-to-work state, state law prevents the OBO from requiring subgrantees to use exclusively unionized labor. Regardless, all subgrantees will be required to maintain the highest workforce standards. The Oklahoma BEAD application process will require subgrantees to: (a.) report whether their workforce is unionized, (b.) report whether they plan to use directly employed labor, contract labor, or some of each with rough percentages, and (c) describe workforce standards, which will be a scored metric in the selection process. In particular, the OBO will award additional points in the rubric to ISPs who can commit to exclusively utilizing directly employed workers, as opposed to contractors, to carry out network construction activities.

Through the educational and selection process, the OBO will ensure that subgrantees understand their obligations to ensure the following items:

Subgrantees' plans will include an appropriate workforce training program to ensure that workers are appropriately skilled and credentialed (through registered apprenticeships or training programs that serve all workers), comprising workers of the subgrantee and all its contractors and subcontractors. This may be accomplished internally or through partnerships with other training and education organizations.

Subgrantees have plans to contract and/or subcontract a sufficient workforce to carry out the proposed work.

All project workforce members will have the appropriate credentials (e.g., appropriate and relevant pre-existing occupational training, certification, and licensure).

All workforce members have appropriate safety training to ensure a safe workplace.

Subgrantees are encouraging minority businesses, women-owned business enterprises, and labor surplus area firms are being recruited, used, and retained throughout the project.

Irrespective of the union status of the subgrantee, its contractors, and subcontractors, the subgrantee will be required to submit workforce details in their application. Applicants who fail to provide the appropriate information or meet the minimum requirements for ensuring an equitable, skilled, credentialed, and qualified workforce will not be considered for BEAD funding.

Details required from subgrantees are below:

Whether the subgrantee intends to use a workforce directly employed by the subgrantee or a workforce employed by a subcontractor, including subgrantee's workforce, or subcontractor's workforce that is not unionized, the OBO will require additional information needed from the subgrantee, as directed in Section IV.C.1.e of the BEAD NOFO;

The job titles and size of the workforce (FTE positions, including contractors and subcontractors) required to carry out the proposed work throughout the project and the entity that will employ each portion of the workforce;

For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:

Safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and

Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

02.09.01 Minority Business Enterprises (MBEs), Women's Business Enterprises (WBEs), and Labor Surplus Firms Inclusion Strategy

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

Oklahoma is home to bustling business and industry, ranging from agriculture to health care to manufacturing. The business landscape is heavily influenced by minority- and women-owned business enterprises that significantly contribute to the state's workforce expansion, revenue growth, and overall economic development. In Oklahoma, the tribal community plays an integral role in driving business growth and retention. As such, the OBO is committed to ensuring minority businesses, women's business enterprises, and labor surplus area firms are recruited, used, and retained, when possible, through state and local efforts.

Pursuant to 2 C.F.R. § 200.321, the OBO will utilize the following measures to ensure that minority businesses, women business enterprises, and labor surplus area firms are engaged, when possible, in the contracting process:

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
f. Requiring subgrantees to abide by the same affirmative steps listed above.

The Oklahoma Department of Commerce serves as the point of contact for aspiring and established

business owners. The Department provides resources, programs, and information for new business owners who are just getting started and current business owners who are seeking development opportunities. State procurement, solicitation, and purchasing programs are processed through the Office of Management and Enterprise Services (OMES). Both departments have free, public websites for business owners to learn more about certification programs and to connect with a state employee to learn more. The OBO will partner with OMES to ensure a successful and rigorous procurement process and make eligible entities aware of all available opportunities.

In an effort to reach MBEs, WBEs, and labor surplus firms across the state, the OBO will partner with state agencies and business organizations that already serve minority and historically underutilized businesses to disseminate information, using existing GovDelivery listservs, solicitation lists, newsletters, and established outreach measures. The following programs are currently offered to MBEs, WBEs, and labor surplus firms in Oklahoma and provide the basis of state outreach the OBO will utilize to promote procurement opportunities and program details: *
* https://www.okcommerce.gov/doing-business/business-services/minority-owned-business-information/

- Minority Business Certification Programs
  - Oklahoma Department of Transportation provides a "Disadvantaged Business Enterprise" (DBE) certification for minority- and women-owned businesses in Oklahoma.
  - Oklahoma Department of Commerce provides a Women-Owned Business Certification. To qualify, the female owner(s) must hold 51% or more of the ownership of the business and have full operational control.
  - The city of Tulsa has a Small Business Enterprise Program that enables small businesses to be on a preferred list of vendors that provide services and products to the city. The program includes educational, partnership, and networking opportunities to develop managerial and communication skills to assist business growth. Participating businesses must be located in the Tulsa Metropolitan Statistical Area (Tulsa, Osage, Rogers, Pawnee, Wagoner, Cree, and Okmulgee counties).
  - The Tribal Employment Right Ordinance certification program supports the use of Indian-owned businesses in providing products and services purchased by the tribal nations. Preference is given to businesses owned by members of specific tribal nations within the program; then to businesses owned by those who are members of other tribal nations.
- Chambers of Commerce
  - American Indian Chamber of Commerce of Oklahoma
  - Metro Oklahoma City Black Chamber of Commerce
  - Greenwood Chamber of Commerce (Tulsa)
  - Greater Tulsa Hispanic Chamber of Commerce
  - Greater Oklahoma City Hispanic Chamber of Commerce
- Oklahoma Small Business Development Centers
- Small Business Administration (SBA) Oklahoma District Offices
- REI Women's Business Center
- SCORE Oklahoma City
- SCORE Tulsa

To ensure equal opportunity for all businesses across the state, the OBO will utilize the existing resources and vast networks of Chambers of Commerce, state agencies, and partner organizations listed above to provide details about the procurement process and encourage participation. Further, all contract/subcontract information will be publicly available online via the OBO official website.

In compliance with program regulations and to promote maximum participation of qualified MBEs,

WBEs, and labor surplus firms, the OBO will divide total requirements, when economically feasible, into smaller tasks/quantities. Additionally, the office assures it will establish program delivery schedules that encourage participation by minority and small business in Oklahoma.

In pursuit of an equitable and inclusive procurement process, the OBO will include a certification requirement for BEAD applicants at the time of application. Certification will also be required in the grant agreement. The OBO will routinely track engagement metrics — including recruitment, utilization, and retainment — of key enterprises through post-grant monitoring efforts to measure inclusion of historically underutilized businesses. Specifically, the OBO will track the total number of subgrantee awards given to MBEs. WBEs, and labor surplus firms, project milestones and progress, and total funding amounts. This data will be shared with key stakeholders.

The OBO maintains an active email address specifically for public inquiries. Should any MBE, WBE, or labor surplus firm have any questions or require further assistance, they can reach out to broadband@broadband.ok.gov. The OBO is committed to creating an open dialogue with businesses and facilitating a robust procurement process.

02.09.02 MBEs, WBEs, and Labor Suplus Firms Inclusion Affirmative Steps

Certify that the Eligible Entity 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:

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.

Yes

02.10.01 Cost and Barrier Reduction Steps

Identify steps that the Eligible Entity has taken or will take to reduce costs and barriers to deployment. Responses may include but not be limited to the following:

a. Promoting the use of existing infrastructure;

b. Promoting and adopting dig-once policies;

c. Streamlining permitting processes;

d. Streamlining cost-effective access to poles, conduits, easements; and

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

On May 28, 2019, Gov. Kevin Stitt released the Oklahoma Broadband Plan* Even when recognizing Oklahoma as having one of the lowest regulatory and legal barriers to installing broadband at the time, the state ranked 45th in connectivity. The plan focused on state grants in rural communities, encouraged public-private partnerships in the 117 Opportunity Zones, and streamlined permitting in the state's rights -of-way. The ambitious plan laid out several tasks to understand and address the challenges, barriers, and costs impeding broadband deployment in rural areas of the state.
*https://onenet.net/wp-content/uploads/2020/03/Oklahoma-State-Broadband-Plan-October-2019-Accessible.pdf

Gov. Stitt followed up on this commitment to rural Oklahoma by signing HB 3363 (the Oklahoma Broadband Expansion Act) in May 2022*. HB 3363 created the Broadband Governing Board along with the OBO, which was funded and tasked with leveraging the successful progress of the Broadband Plan to implement the NTIA BEAD program. The OBO looks forward to leveraging the Board and other stakeholders to mobilize support for statutory and administrative changes that may be needed as it moves forward with the implementation of the SLFRF, CPF, BEAD, and DE programs to close the digital divide in the coming years. An acceleration of communications with the broadband industry in connection with the administration of the BEAD program represents a great opportunity for the OBO to glean insight about barriers to deployment that can be addressed by state government. For example, the recently concluded public comment period for this Initial Proposal attracted many valuable comments from industry participants. *https://www.okcommerce.gov/wp-content/uploads/HB-3363-OK-State-Broadband-Expansion-Act.pdf

Starting from the Oklahoma Broadband Plan, the OBO has continued to conduct policy research with a view to identifying and exploring a variety of means by which the state could reduce the cost and barriers to broadband deployment. Some of the areas identified in the original plan are listed below. The OBO continues to study ways to impact each area.

- Broadband Mapping
  - Improve understanding of unserved/served areas, resulting in better cost estimates, deployment time and progress.
  - Enable more effective targeting of funds in current and future government programs.
  - Speed up rural Oklahoma’s access to broadband benefits including e-commerce, e-learning, and telehealth.
- Dig Once Policy
  - This policy would require public and private excavators to coordinate with local and state governments on the installation of extra fiber or conduit whenever ground will be broken in the public right-of-way (PROW).
- Broadband Ready Designations
  - The appointment of a single point of contact for all matters related to broadband development

projects.
o A requirement that all permit applications are approved or denied within 10 business days after they are filed.
o Assurance that all inspections related to a broadband project will be completed in a timely and expeditious manner.
• Analysis of State Assets for Broadband
o Leveraging the state's resources and relationships to identify potential target areas for broadband expansion.
• Broadband on State Rights-of-Way
o Develop a strategy to streamline the permitting process to access rights-of-way by addressing the length of time it takes to secure required approvals, as well as the compensation that is requested for accessing rights-of-way.
• State Grant Funding
o Appropriate $5 million in state grant funding for the expansion of broadband infrastructure in rural Oklahoma.

Since establishing the OBO in 2022, achievements to date include the launch of an interactive online map detailing availability of high-speed internet service throughout the state and the kick-off of a $374 million broadband grant program using ARPA State and Local Fiscal Recovery Funds to expand access to reliable and affordable high-speed internet service in Oklahoma.

State policymakers, private-sector and community leaders will continue to work together address the broadband gaps that remain. Ongoing collaboration among policymakers, state agencies, the private sector, educational institutions, and community leaders is essential if Oklahoma is to see continued progress in the initiatives listed above. The Oklahoma State Broadband Plan, effectuated by the OBO, will continue to be a conduit for pursuing effective policies to achieve universal service.

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02.11.01 Climate Risks Assessment

Describe the Eligible Entity's assessment of climate threats and proposed mitigation methods. If an Eligible Entity chooses to reference reports conducted within the past five years to meet this requirement, it may attach this report and must provide a crosswalk narrative, with reference to page numbers, to demonstrate that the report meets the five requirements below. If the report does not specifically address broadband infrastructure, provide additional narrative to address how the report relates to broadband infrastructure.

At a minimum, this response should clearly do each of the following, as outlined on pages 62 – 63 of the BEAD NOFO:

a. Identify the geographic areas that should be subject to an initial hazard screening for current and projected future weather and climate-related risks and the time scales for performing such screenings;

b. Characterize which projected weather and climate hazards may be most important to account for and respond to in these areas and over the relevant time horizons;

c. Characterize any weather and climate risks to new infrastructure deployed using BEAD Program funds for the 20 years following deployment;

d. Identify how the proposed plan will avoid and/or mitigate weather and climate risks identified; and

e. Describe plans for periodically repeating this process over the life of the Program to ensure that evolving risks are understood, characterized, and addressed, and that the most up-to-date tools and information resources are utilized.

This proposal identifies a plan for addressing threats of severe weather events within Oklahoma, and by implementing mitigation measures, the OBO can minimize the impacts of future climate risks on broadband infrastructure.

Tornados, flooding, winds, severe cold snaps, and occasional earthquakes all contribute to the need for resilient network topologies and regional/statewide mitigation approaches that work to safeguard broadband networks and the life-saving communications services they provide.

Future deployments of fiber broadband infrastructure will need to consider the impact of current and future climate change. Adaptable decision support capabilities that include risk awareness along with prospective subgrantee objectives (e.g., revenue growth, operational cost control, etc.) will be important in the overall planning process and execution. Primary aspects of risk-aware deployment include developing cost-effective methodologies for hardening fiber cables, conduits, and other infrastructure to be more resistant to severe weather consequential to climate change. This will be a difficult and costly task in rural, low-density areas where current ISPs already face numerous challenges deploying financially viable networks. These decisions will require ongoing discussions with prospective subgrantees throughout the application, selection, and award processes.

a. Identify the geographic areas that should be subject to an initial hazard screening for current and projected future weather and climate-related risks and the time scales for performing such screenings;

Though any extreme weather event can affect broadband networks, those that are most concerning in Oklahoma include tornadoes, severe thunderstorms (lightning and strong winds), flooding, and heavy snow/freezing ice. Each of these events can cause widespread, material damage to networks regardless of aerial or underground construction.

According to the Koppen climate classification*, Oklahoma's climate ranges from humid subtropical in the east to semi-arid in the west. Warm, moist air moving northward from the Gulf of Mexico often exerts much influence, particularly over the southern and eastern portions of the state, where humidity, cloudiness, and precipitation are subsequently greater than in western and northern sections. Summers are long and usually quite hot. Winters are shorter and less severe than those of the more northern Plains states. Periods of extreme cold are infrequent, and those lasting more than a few days are rare.

*https://www.britannica.com/science/Koppen-climate-classification

It is difficult to regionalize these primary events. Tornadoes, snow and ice storms, and flash flooding of creeks and streams are all statewide threats to telecommunications infrastructure. That said, the OBO also recognizes that certain events are magnified somewhat regionally. As an example, winter storms generally have greater impact on the panhandle and northwest portion of the state.

Thunderstorms and associated flash flooding of creeks and minor streams remain a serious threat statewide, especially in urban and suburban areas, where development and removal of vegetation have increased runoff.

Characterize which projected weather and climate hazards may be most important to account for and respond to in these areas and over the relevant time horizons;

The following weather and climate hazards pose the most relevant and critical threat to broadband networks deployed with BEAD funding.

Tornadoes – Tornadoes are a major concern across Oklahoma. Since 1950, an average of 53 tornadoes have been observed annually within the state's borders. Tornadoes can occur at any time of year but are most frequent during springtime. Three-fourths of Oklahoma's tornadoes have occurred during April, May, and June. The most active month is May, with an average of 20 events.

Thunderstorms – On average, thunderstorms, along with associated wind, rain, and lightning, occur about 55 days per year in eastern Oklahoma, 45 days per year in the southwest, and nearly 60 days annually in the extreme western panhandle. Late spring and early summer are the peak seasons for thunderstorms.

Flooding – Flooding of major rivers and tributaries may happen during any season, but they occur with the greatest frequency during spring, and autumn months which are associated with the greatest rainfall. Flood prevention programs over the past several decades have reduced the frequency and severity of such events. However, two-thirds of the watershed dams managed by the Conservation Commission have met or exceeded their 50-year design life.

Snow/ice – Both snow and ice buildup can cause extensive network destruction, as overburdened trees

fall on aerial networks causing damage to aerial utility infrastructure. Also, icy roads create traffic hazards that result in vehicle crashes into utility poles and roadside network cabinets.

Earthquakes - Oklahoma has seen a rise in earthquakes, with speculation that such activity is directly tied to fracking. Though a majority are barely negligible in intensity, should the state see a rise in magnitude, these events could create a hazard for both aerial and underground network infrastructure.

Characterize any weather and climate risks to new infrastructure deployed using BEAD Program funds for the 20 years following deployment;

The OBO has identified the weather and climate risks to new infrastructure deployments using BEAD program funds for the 20 years following deployment.

As described above, statewide physical climate risks that threaten broadband infrastructure include:

Flooding from severe thunderstorms can result in flooding of underground infrastructure cabinets and vaults from overwhelmed stormwater drainage systems.

Wind-driven events like tornadoes and heavy thunderstorms can easily bring down aerial utility lines, or summarily fell trees onto utility lines with catastrophic results.

Severe freeze or ice storms, though infrequent in most of Oklahoma, tend to cause devastation with aerial networks. More often, snow and ice buildup cause trees to fall under the immense weight, which can bring down aerial infrastructure.

In each of the instances above, the effect is not only on the broadband network but also the electrical grid’s capacity to remain in service.

Of significant concern is the ability to replace and restore network functionality after a climate-related event. Material and labor resources are typically in acute shortage and high demand, plus access to affected network infrastructure can be challenging.

Identify how the proposed plan will avoid and/or mitigate weather and climate risks identified;

When reviewing application network designs, the OBO will look for network design and best practices, for example waterproof, fire-rated, NEBS-compliant components, along with deployment techniques and backhaul redundancy routes to ensure a higher probability that network traffic will survive any one

of the events as described herein.

To further help prepare for severe weather events, the OBO will prioritize hazard mitigation plans that are designed to address the physical threats of climate change and make climate resilience a constant process throughout the life of the network assets. Climate-resilient infrastructure will need to be designed, built, and managed in a way that prepares for severe climate events, their resulting disruptions, and rapid recovery methodologies. Examples of climate-resilient infrastructure include:

Consideration of aerial and buried infrastructure.

Mitigating single points of failure throughout the network.

Designing self-healing network topologies through redundant backhaul provisioning.

Development of emergency response plans and communications strategies to ensure timely and effective response to extreme weather events.

Incorporation of climate resilience into infrastructure design, such as underground construction vs. aerial and using waterproof connectors throughout.

Develop a minimum emergency inventory of critical components to guarantee timely restoration.

Describe plans for periodically repeating this process over the life of the Program to ensure that evolving risks are understood, characterized, and addressed, and that the most up-to-date tools and information resources are utilized.

The Oklahoma Department of Emergency Management and Homeland Security (ODEMHS) * prepares for, responds to, recovers from, and mitigates against disasters and emergencies. The Department maintains the State Emergency Operations Center, which serves as a command center for reporting emergencies and coordinating state response activities. *https://oklahoma.gov/oem.html

The Oklahoma Mesonet* is a world-class network of environmental monitoring stations composed of 120 automated stations covering Oklahoma, with at least one Mesonet station in each of the state’s 77 counties. Hazardous weather events happen (or don't happen) usually because of subtle features that can be found in the data-rich Oklahoma Mesonet. *https://www.mesonet.org/

Mesonet stations are critical infrastructure required to establish a long-term climate record for the state. Station observations have been especially critical for predicting and preparing for extreme weather events like droughts, floods, ice storms, and severe convective storms, which can produce extensive

rain, lightning, tornadoes, hail, and destructive winds.

The Oklahoma Climatological Survey* was established by the University of Oklahoma in 1980 to provide climate services to the people of Oklahoma. In 1982, OCS was established under Oklahoma Sunset Law as a state entity. The Survey maintains an extensive array of climatological information, operates the Oklahoma Mesonet, and hosts a wide variety of educational outreach and scientific research projects.

* https://climate.ok.gov/index.php

As climate patterns change, so do the threats and risks. To remain diligent of these evolving risks, the OBO will regularly evaluate its screening process over the lifetime of the program. To ensure that the plan will remain effective in tackling climate challenges, it will use the most recent available tools and information sources.

The OBO will continue to communicate with the various state and federal agencies, such as those listed in the chart below, as well as monitor state and federal informational resources to provide assurance that the ongoing plan remains useful in addressing potential climate threats. In particular, the OBO will post a link on the website for the Oklahoma Climatological Survey, which produces monthly, seasonal and annual climate summaries for the state of Oklahoma and provide notice to the provider community on a continual basis. The OBO cannot commit to identifying a specific timeframe to update the Climate Assessments because the OBO existence sunsets in 2028 and therefore will not be able to initiate updates or communicate updates to the provider industry.

02.11.01.01 Climate Reports

As an optional attachment, submit any relevant reports conducted within the past five years that may be relevant for this requirement and will be referenced in the text narrative above.

02.12.01 Low-Cost Broadband Service Option

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. At a minimum, this response must include a definition of low-cost broadband service option that clearly addresses the following, as outlined on page 67 of the BEAD NOFO:

a. All recurring charges to the subscriber, as well as any non-recurring costs or fees to the subscriber (e.g., service initiation costs);

b. The plan's basic service characteristics (download and upload speeds, latency, any limits on usage or availability, and any material network management practices;

c. Whether a subscriber may use any Affordable Connectivity Benefit subsidy toward the plan's rate; and

d. Any provisions regarding the subscriber's ability to upgrade to any new low-cost service plans offering more advantageous technical specifications.

Section IV.C.2.ii.c.i of the BEAD NOFO requires the OBO to include a middle-class affordability plan to ensure all consumers have access to affordable high-speed internet. Subgrantees receiving BEAD funds from the OBO are required to offer at least one "low-cost broadband service option" that must remain available to eligible subscribers for the useful life of the network assets. The OBO awaits further guidance from the NTIA on the definition of the "useful life of the network assets." When such guidance is available, it will communicate this to the broadband industry, and incorporate the definition into application forms and subgrant contractors. Eligible subscribers are defined, in conformity with the NOFO, as including any household that meets one or more of the following criteria:

- Household income for the most recently completed calendar year was at or below 200% of the Federal Poverty Guidelines;
- Any member of the household receives benefits under the Supplemental Nutrition Assistance Program, Medicaid, Federal Public Housing Assistance, Supplemental Security Income, Veterans and Survivors Pension benefit, or Special Supplemental Nutrition Program for Women, Infants, and Children;
- Any member of the household participates in tribal-specific assistance programs, such as Bureau of Indian Affairs General Assistance, Tribal TANF, Tribal Head Start, or Food Distribution Program on Indian Reservations;
- Any member of the household has applied for and been approved to receive benefits under the National School Lunch Program or the School Breakfast Program, or at least one member of the household is enrolled in a school or school district that participates in the USDA Community Eligibility Provision;
- Any member of the household received a Federal Pell Grant during the current award year;
- The household meets the eligibility criteria for a participating provider's existing low-income internet program; or
- The household satisfies any other additional criteria proposed by the Eligible Entity in its Initial Proposal and Final Proposal and approved by the Assistant Secretary.

Since ACP eligibility is a key factor in determining eligibility for the BEAD low-cost service option, the OBO may introduce a new eligibility definition if the ACP ceases to operate, to ensure consistency of eligibility standards.

Subgrantees are required to participate in the ACP and any successor broadband subsidy programs should funding for the ACP be depleted and the program not renewed.

The OBO defines the low-cost broadband service option for the BEAD program in Oklahoma as the following:

- Costs $60 per month or less, in 2023 dollars, inclusive of all taxes, fees, and charges, unless the subscriber resides on tribal lands and the ACP is funded, in which case the plan may cost $75 per month or less, inclusive of all taxes, fees, and charges if the subscriber resides on tribal lands, with no additional non-recurring costs or fees to the customer. The $75 per month price for tribal lands is designed to give ACP subscribers on tribal lands free internet while maximizing ISP revenue consistent with that, but if the ACP sunsets, the price will be $60 on tribal as on non-tribal lands. The $60 price will be updated annually in line with the Bureau of Labor Statistics' Consumer Price Index, in a manner

that allows BEAD subgrantees to raise the price of the low-cost service option to keep pace with general inflation.

- Allows the end user to apply the ACP benefit subsidy to the service price and makes a demonstrable effort to inform prospective customers of these programs and the steps necessary to enroll and apply the benefit to their service plan. No additional eligibility restrictions beyond those applicable to the ACP should be imposed.
- Provides consistent and reliable download speeds of at least 100 Mbps and consistent and reliable upload speeds of at least 20 Mbps.
- Provides typical latency measurements of no more than 100 milliseconds.
- Is not subject to data caps, surcharges, or usage-based throttling, and is subject only to the same acceptable use policies to which subscribers to all other broadband internet access service plans offered to home subscribers by the participating subgrantee must adhere.
- In the event the applicant later offers a low-cost plan with higher speeds downstream and/or upstream, permits eligible subscribers that are subscribed to a low-cost broadband service option to upgrade to the new low-cost offering at little to no cost.

The OBO chose to adopt the suggested definition of the low-cost service option from the NOFO, except for adjusting the price point upwards. While BEAD subgrantees' need for revenue in order to make projects sustainable was a factor in this decision, the OBO also took into consideration that since (a.) the federal poverty line for a household of four in 2023 is $30,000 per year, and (b.) 2% of (disposable) income is a standard threshold for considering a household "cost burdened" for internet service, $60/month is only slightly above a level that represents affordability even for poor households, and this price point will fall well below the level that would render such households cost burdened after subsidies from ACP and Lifeline are deducted. OBO therefore deems that $60/month strikes a good balance between providers' need for revenue and subscribers' need for affordability.

Unfortunately, at the time of submission of this Initial Proposal, it appears that the ACP will sunset and have no successor, at least in the short run. It follows that non-Lifeline subscribers who sign up for the BEAD low cost option will have to pay $60/month out of pocket. But households at or below the poverty line should qualify for the Lifeline subsidy of $9.25/month, implying out-of-pocket costs of $50.75/month. For a household of four with an income of exactly the poverty line level of $30,000, $50.75/month represents 2.03% of income, so the household only barely qualifies as being cost burdened. The fact that the FCC standard references "disposable" income, that is, income after taxes, alters the calculus in ways that will be slightly different for every household. Generally, however, low-income households have higher post-tax than pre-tax incomes, since tax credits such as the Earning Income Tax Credit and the Child Tax Credit are fully or partially refundable. (See https://crsreports.congress.gov/product/pdf/r/r45971) This limits the frequency with which households will find themselves cost burdened by the OBO's definition of the BEAD low-cost service option.

The practice of regarding 2% of (disposable) income as the threshold where broadband goes from being affordable to representing a cost burden was initiated, as far as we know, by the FCC in 2016 (https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf). It is, of course, somewhat arbitrary, but it reflects plausible attitudes towards fairness and household budgeting. Internet service costs below 2% of household income would be desirable, and some households do choose not to subscribe to internet service because they have other priorities for scarce household resources which they regard as more urgent. Moreover, since there is no lower bound on household incomes, any positive price for internet service will be more than 2% of income for someone. The disadvantage of requiring pricing below $60 per month is not only that it might jeopardize the commercial viability of the networks, but also that it is likely to incentivize providers to maximize the difficulty of signing up for the BEAD low-cost service option.

Administrative burden is a major barrier to participation in all manner of means-tested benefits, and it is consistently found that many, often the majority, of the populations targeted never sign up, either from

ignorance or because the paperwork burden of demonstrating eligibility and getting signed up is too difficult. (See Herd, Pamela, and Donald P. Moynihan. Administrative burden: Policymaking by other means. Russell Sage Foundation, 2019.) In the case of affordable broadband programs, both the customer and the broadband provider need to play their part in establishing people's eligibility. In the case of ACP, the ISP has a clear incentive to help eligible people sign up, since the $30 per month discount does not reduce the ISP's revenue, but on the contrary, is paid to the ISP, and may enable a poor household to subscribe which otherwise would not be the ISP's customer at all. Nonetheless, the approximately 350,000 Oklahomans who were participating in the ACP as of the most recent USAC data (https://www.usac.org/about/affordable-connectivity-program/acp-enrollment-and-claims-tracker/#enrollment-by-state) fall far short of the eligible population, and efforts to estimate the share of the eligible population that participates in the program have suggested that the ACP participation rate is well below half (https://arnicusc.org/dashboards/acp-by-state/).

In the case of the BEAD low cost service option, unlike ACP, BEAD subgrantees that sign people up for the low service option who would otherwise subscribe at full price will directly reduce their own revenue. If low-cost service option subscribers would not otherwise have subscribed at all, it may be in ISPs' interest to sign them up to get a customer, if the lower price at least suffices to cover any marginal operating expenses incurred by serving that customer. Since ISPs typically won't know whether a given customer would have subscribed at full price if the low cost service option were unavailable, their return on signing up a low cost service option subscriber will be some probability-weighted average of the revenue gain, minus the marginal cost, from an additional customer, if they wouldn't have subscribed, and the revenue loss from the discount, if they would have. The lower the price point, the less likely it is that this return will be positive.

If the return to a BEAD subgrantee ISP from onboarding a low-cost service option customer is negative, the subgrantee would still, of course, be obligated to do so under its BEAD subgrant agreement. And the OBO hopes to create and maintain a monitoring and enforcement capability such that an explicit and flagrant refusal to implement the low-cost service option will not be a safe course of action for a BEAD subgrantee. But in view of the general experience of means-tested benefits, it is not realistic that administrative burden as a barrier to participation in the BEAD low-cost service option can be rendered unimportant, and BEAD subgrantees' business processes will doubtless play a large role in determining how large a barrier it will prove to be. If a very low price point makes it clearly in the economic interest of all BEAD subgrantees to minimize participation in the low-cost service option, OBO does not see how they can be expected to exert effort to raise awareness of the option, or to invest in sales and onboarding procedures that render it convenient to sign up. The OBO does not think it's feasible to police BEAD subgrantees to ensure they will exert best efforts in getting people signed up. By contrast, if a somewhat higher price point makes the economic return to BEAD subgrantees of onboarding a low-cost option subscriber less negative or perhaps even positive, then it may be hoped that some at least of the BEAD subgrantees will be proactive and effectual in raising awareness and standing up efficient and user-friendly processes for establishing eligibility and claiming the benefit. These BEAD subgrantees can then be used as examples of good conduct against which less proactive and inclusive BEAD subgrantees can be contrasted and held accountable.

Ultimately, then, OBO believes it to be in the interest of the eligible subscribers of the low-cost option that the price point be kept high enough to give providers some incentive to voluntarily engage, as against a scenario in which a theoretically cheaper low-cost service option will be kept as secret as possible, and/or rendered administratively out of reach by user-unfriendly and paperwork-intensive enrollment processes, by BEAD subgrantees desperate to protect the commercial viability of their networks. As discussed below, the incentivization in the OBO's scoring rubric of the removal of the means test for the low-cost service option will also help to mitigate administrative burden and make BEAD low-cost internet service real rather than merely notional.

If ACP sunsets with no successor program, the low-cost service option will unfortunately become less

affordable for many income-constrained households. Whereas with ACP, they would pay $30/month or less out of pocket, with ACP covering the remainder, the sunsetting of ACP will tend to leave formerly ACP-eligible households responsible for the full $60/month price of the low-cost service option. In the absence of the ACP, the low-cost service option on tribal lands will revert to the same $60/month price that applies elsewhere. Even without the ACP, households at the poverty line will still qualify for the Lifeline subsidy of $9.25 per month, however, and if they take advantage of this, their out-of-pocket costs for the BEAD low-cost service option would be less than 2% of household income.
Additionally, the OBO hopes that the $60/month price point will be high enough to enable some BEAD subgrantees to remove the means test on the low-cost service option, as incentivized by the rubric. ACP is a means-tested program The experience of ACP and Lifeline, the main broadband subsidy programs, as well as many other means-tested government assistance programs, indicates that the administrative burden of documenting eligibility in order to sign up is a major impediment to participation and causes a large share — often a majority — of eligible households to fail to benefit. By removing the means test where a subgrantee is willing, the OBO anticipates achieving greater reach for the BEAD low-cost service option.

02.12.02 Affordable Connectivity Program Participation

Certify that all subgrantees will be required to participate in the Affordable Connectivity Program or any successor program.

Yes

02.13.01 Middle-Class Affordability Plan Description

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.

The BEAD NOFO urges states to look beyond infrastructure investment and the required low-cost service option and target broadband affordability throughout the state:

Accordingly, each Eligible Entity must include in its Initial and Final Proposals, a middle-class affordability plan to ensure that all consumers have access to affordable high-speed internet. We expect that Eligible Entities will adopt diverse strategies to achieve this objective.

The OBO shares the NTIA's concern that many Oklahoma residents may find broadband service unaffordable. The OBO will seek to create affordability programs through its statutory powers, partnerships with other state agencies, and relationships among ISPs. Due to the unserved and underserved areas across Oklahoma, it is unlikely that funding would be available for a large impact on middle-class broadband pricing. However, the OBO will seek to influence the price of broadband service for all residents where possible through the BEAD program implementation and the awarding of funds to eligible subgrantees.

The OBO expects that a side effect of the program implementation will be improving the affordability of broadband service for all residents. The main strategies from which the OBO hopes for this result are:

Competition
The BEAD program will increase broadband availability in Oklahoma. As past efforts have shown, an

increase of broadband availability can improve affordability, though the effects will vary locally and have a limited effect on locations not in the BEAD program's footprint.

Special pricing for low-income households

As noted in the prior section, BEAD subgrantees will be required to offer special pricing arrangements for low-income households. The hope is that this will make commercial sense because it will increase the overall number of subscribers and the ability to spread out fixed network costs, and a subgrantee's ability to spread fixed costs over additional customers will reduce the broadband price necessary to break even. At the same time, the low-cost service option will make broadband service more affordable for many low-income households, and, because of the way the eligibility criteria are defined, for some households that would ordinarily be considered middle-class. However, other middle-class households will be excluded from eligibility by the means test.

Incentivizing removal of means testing for the low-cost service option

The OBO seeks to incentivize broadband providers to offer the low-cost service option to all, not only eligible, subscribers. To the extent that BEAD subgrantees embrace this option, broadband will become more affordable to middle-class households living in BEAD project footprints. Moreover, the OBO hopes that the availability of a non-means-tested low-cost service option in some areas will raise awareness of the $60 per month price point targeted by the BEAD program in Oklahoma and induce customers of other BEAD-funded networks to ask for it. BEAD subgrantees who did not commit to a non-means-tested version of the low-cost service option as part of their applications will be perfectly within their rights to deny $60 per month broadband service to aspiring customers who have not established their status as "eligible subscribers" for the low-cost service option as defined in the BEAD NOFO and this Initial Proposal. If they qualify as eligible subscribers, they will be entitled to it, and by knowing about the program, they may be empowered to assert their rights against BEAD subgrantees who make the onboarding process for the low-cost service option unduly difficult, and complain to the OBO, thereby triggering and assisting in low-cost service option enforcement. In this way, the non-means-tested low-cost service option which the OBO hopes to induce some BEAD subgrantees to offer is part of the OBO's larger broadband affordability strategy for all BEAD areas.

Affordability scoring in the BEAD subgrantee selection rubric

The BEAD program subgrantee selection process will also incentivize applicants to commit to affordable pricing in the short run, not only for low-income households but for all households, in order to earn points for affordability in the rubric, and thereby improve their competitiveness to win the grants. Any affordability commitments made in connection with the rubric will result in affordable broadband service for many middle-class households in Oklahoma.

Before grant awards are finalized and funds released, BEAD subgrantees will have to sign contracts with the OBO to define deployment commitments in return for their grant awards. These subgrantee contracts will obligate applicants to live up to promises made during the subgrantee selection process that helped them to win, including commitments related to affordability. All BEAD subgrantees, therefore, will enter the BEAD program as awarded subgrantees with obligations to offer the low-cost service option to eligible subscribers, and some will have additional obligations to offer the low-cost service option to all subscribers and/or to offer specific lower prices until June 30, 2028. These obligations may contribute substantially to middle-class broadband affordability in BEAD project areas, depending on providers' willingness to embrace the pricing commitments involved.

Additionally, the OBO completed an additional listening tour in late 2023. The tour focused on digital equity and broadband affordability. Input on middle-class broadband affordability was solicited across

Oklahoma in hopes of identifying new strategies to positively impact the challenge.

Detailed information on broadband pricing across the state would be helpful to fully understand the extent of the middle-class affordability problem. The OBO would welcome the NTIA's assistance in securing broadband pricing data that could help the state assess affordability and develop strategies to address any problems identified. Furthermore, if data were available, the OBO could promote pricing benchmarks that provide consumers with an objective criterion to use in determining whether the rate offerings of broadband service providers are reasonable. The data would also allow the OBO to encourage affordable pricing.

———

02.14.01 20 Percent of Funds Usage

Describe the Eligible Entity's planned use of any funds being requested, which must address the following:

a. If the Eligible Entity does not wish to request for Initial Proposal funds, it must indicate no funding requested and provide the rationale for not requesting funds.

b. If the Eligible Entity is requesting less than or equal to 20 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, and how the proposed use of funds achieves the statutory objective of serving all unserved / underserved locations.

c. 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.

The OBO does not intend to make any early BEAD grants to subgrantees under the Initial Proposal prior to the approval of the Final Proposal, because the OBO is already administering SLFRF and CPF broadband grant programs, and it faces complex coordination requirements that would only be escalated if early BEAD grantmaking took place at the same time.

However, the OBO does wish to access BEAD funding early for administrative and programmatic purposes. Per the IPFR guidance and NTIA encouragement the OBO is requesting our full allocation at this time. Major efforts will need to be undertaken in 2024 to carry out the BEAD challenge process, BEAD subgrantee selection, and other planned activities under this Initial Proposal. The OBO values the NTIA partnership and the opportunity to work in cooperation with the NTIA in advance of the Final Proposal approval. The OBO plans to use BEAD funds for program administration purposes during the period between the approval of the Initial Proposal and the approval of the Final Proposal.

Current NTIA guidance indicates that the Initial Proposal Funding Package can be used to fund the administration and programmatic costs of the challenge process and the subgrantee selection. The OBO will submit an Initial Proposal Funding Request detailing its planned uses of these funds insofar as that can be planned at this time. Most of the funds disbursed to the OBO in connection with the Initial Proposal will be reserved for broadband grants, and the OBO foresees that most of the Initial Proposal funding will remain in reserve at the time the Final Proposal is approved.

Accordingly, the OBO will be submitting a separate Initial Proposal Funding Package, as directed by NTIA guidance, detailing these expenses, in hopes of unlocking funds needed to cover its costs between the approval of the Initial Proposal and the approval of the Final Proposal. The Initial Proposal funding request will include requests for administrative personnel and operations at the OBO with enough programmatic funding to work with NTIA to execute the Oklahoma BEAD challenge process and subgrantee selection process.

More information on the OBO's implementation of the NTIA BEAD challenge process can be found in Section 1.4 (Requirement 7). Additional details on the subgrantee selection process can be found in Section 2.4 (Requirement 8).

02.14.02 Initial Proposal Funding Request Amount

Enter the amount of the Initial Proposal Funding Request. If not requesting Initial Proposal funds, enter '$0.00.'

$792,435,691,.25

02.14.03 20 Percent of Funds Requirements

Certify that the Eligible Entity will adhere to BEAD Program requirements regarding Initial Proposal funds usage. If the Eligible Entity is not requesting funds in the Initial Proposal round and will not submit the Initial Proposal Funding Request, note "Not applicable."

Yes

02.15.01 Laws Related to Subgrant Competition

a. 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.

b. If the Eligible Entity will not waive all such laws for BEAD Program project selection purposes, identify those that it will not waive (using the Excel attachment) and their date of enactment and describe how they will be applied in connection with the competition for subgrants. If there are no applicable laws, note such.

Not applicable.

02.15.01.01 Laws Related to Subgrant Competition List

As a required attachment only if the Eligible Entity will not waive laws for BEAD Program project selection purposes, provide a list of the laws that the Eligible Entity will not waive for BEAD Program project selection purposes, using the Eligible Entity Regulatory Approach template provided.

02.16.01 Requirements Compliance Certification

Certify the Eligible Entity's intent to comply with all applicable requirements of the BEAD Program, including the reporting requirements.

Yes

02.16.02 Subgrantee Accountability

Describe subgrantee accountability procedures, including how the Eligible Entity will, at a minimum, employ the following practices outlined on page 51 of the BEAD NOFO:

a. Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize);

b. The inclusion of clawback provisions (i.e., provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee;

c. Timely subgrantee reporting mandates; and

d. Robust subgrantee monitoring practices.

The OBO has not finalized its subgrantee accountability procedures. To do so will involve extensive organizational planning and procurement. Optimal subgrantee accountability procedures will, moreover, depend somewhat on the mix of organizations and technologies that are identified and awarded through the grantmaking process. Agencies other than the OBO itself, including civil society, local government, and other state agencies, will play a variety of roles that the OBO will need to orchestrate into an overall system of BEAD subgrantee accountability. However, the willingness of a variety of partners to assist, though the OBO has conducted a variety of discussions and has certain hopes and expectations, can in no case be definitively promised at this time. Detailed subgrantee accountability procedures will be determined in the course of 2024 and will be fully articulated in the Final Proposal.

Nonetheless, provisional answers to questions about subgrantee accountability can be articulated and put forward at this time. They are subject to change, but sufficiently indicative of the OBO's thinking that it can inform the planning of stakeholders and counterparties, from aspiring BEAD applicants to communities to the NTIA.

a. Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize);

The OBO plans to distribute funds to subgrantees on a reimbursable basis. Appropriate and compliant supporting documentation of costs will be required to accompany all subgrantee requests for reimbursement. OBO may in its discretion also require evidence of activities performed before releasing grant funds. This reimbursement approach mitigates grant risks but also requires BEAD subgrantees to have and use working capital to cover expenses until reimbursement occurs.

In terms of the timing of reimbursements, the OBO has noted the signal in the Letter of Credit Waiver that a six-month period between reimbursements might be regarded as appropriate and advantageous, but it is not prepared to commit to it at this time. The administrative costs and operational benefits of

more frequent reimbursement will be considered by the OBO in the course of 2024.

b. The inclusion of clawback provisions (i.e., provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee;

The OBO understands the need for clawback provisions in the BEAD program and is confident that it can draft contracts that will provide it with a legal basis for enforcing clawback provisions against nonperforming subgrantees. It plans to hand off its duties as a contract counterparty to BEAD subgrants, including the right and duty to enforce clawback provisions, to its parent agency, the Office of Management and Enterprise Services (OMES). The OBO will execute the clawback provisions if the need to do so falls while it is operational, otherwise this responsibility will fall on OMES.

The OBO does not intend to wait until completion deadlines to enforce clawback provisions. It will explore ways to implement milestones and let clawback provisions be triggered by an ongoing failure of a BEAD subgrantee to carry out promised activities and meet milestones, even before it has conclusively failed to complete deployment on schedule. But the OBO continues to explore its options, and further details will be released to the extent possible in the grant guidelines and other materials published at the time of the subgrantee selection launch, and above all in the Final Proposal.

c. Timely subgrantee reporting mandates; and

The OBO plans to distinguish low-risk and high-risk subgrantees, and to require quarterly reporting from low-risk subgrantees and monthly reporting from high-risk subgrantees.

d. Robust subgrantee monitoring practices.

The OBO plans to examine receipts from subgrantees while construction is underway, as well as to conduct field validations, if possible, on a randomized basis during the construction. The meeting of milestones will trigger closer scrutiny of the progress of construction. The OBO is also working with other state agencies to determine what kinds of data sharing or other cooperation might help to inform the OBO about the progress of BEAD projects and strengthen BEAD subgrantee accountability.

While the above narrative describes the OBO's plans for subgrantee accountability, none of them represent definitive commitments at this time. The OBO will continue to build its own capacity and monitor national best practices to develop the best approach to subgrantee accountability.

02.16.03 Subgrantee Civil Rights and Nondiscrimination

Certify that the Eligible Entity will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.

Yes

02.16.04 Subgrantee Cybersecurity and Supply Chain Risk Management Compliance

Certify that the Eligible Entity will ensure subgrantee compliance with the cybersecurity and supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO to require prospective subgrantees to attest that:

Cybersecurity

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.

Supply Chain Risk Management

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 key 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.

Yes

Volume II Waivers

Upload an attachment(s) detailing the waiver request(s) for the requirements related to Volume II. Please draft the waiver request(s) using the Waiver Request Form template.

02.17.01 Volume II Public Comment

Describe the public comment period and provide a high-level summary of the comments received during the Volume II public comment period and how they were addressed by the Eligible Entity. The response must demonstrate:

a. The public comment period was no less than 30 days; and

b. Outreach and engagement activities were conducted to encourage feedback during the public comment period.

The OBO appreciates an abundance of rich and insightful commentary from the public, and especially from the broadband industry, which was received in response to its public request, and which, combined with feedback from the NTIA as the federal administering entity, has resulted in substantial changes to the BEAD program design in Oklahoma, although there is continuity in the most critical program design decisions.

The OBO posted a draft of Initial Proposal, Volume II for public comment from October 26 to November 26, 2023. The document was publicly available on the OBO website, with instructions to provide comments via email to BEAD@broadband.ok.gov.

The OBO promoted the public comment period for the Initial Proposal, Volume II to ensure that residents, community anchor institutions, industry, local government, community-based organizations, and other entities were aware of the document and could provide feedback. Key outreach activities included:

- Press release promoting the publication on October 26
- Social media promotion, including on LinkedIn
- Promotion at "Oklahoma's Digital Promise" tour stops
  - Watonga (October 26, 2023)
  - Ponca City (November 9, 2023)
  - Miami (November 14, 2023)
- Distribution to all tribal nations
- Promotion at OBEC and OBGB meetings
- Promotion during stakeholder meetings

Seventeen comments were received, mostly from telecommunications companies or industry associations with a potential interest in participating in the BEAD program as applicants for grants and then deployers of broadband service.

Commenters offered rich and nuanced feedback and advice on a wide range of topics, which the OBO read with interest and appreciation. In some cases, the policy decisioning was affected. In other cases, comments were in opposition of each other, and the OBO judged that the best compromise was to stick with the original decision. In still other cases, comments did not affect the content of the Initial Proposal itself but do affect OBO's plans for implementing it by alerting the OBO to needs or desiderata for effective administration.

It was not feasible, in the limited time available, to respond to all the thoughtful feedback that was provided, although all comments were read and considered carefully. Many of the commenters' recommendations were accepted. In some cases, however, good advice was deemed by the OBO to be inconsistent with the understanding of the BEAD program rules as described in federal guidance. In other cases, commenters' recommendations would have required too drastic of a course correction at this stage, while in still other cases, the OBO was unsure that adoption of a recommendation would

result in an improved policy.

The narrative below covers a few of the most important topics that were addressed in the comments and explains how the OBO did or did not adjust its program design in response to them and provides some of the rationale. Any commenter who wishes to learn more about the rationale for these decisions is encouraged to reach out to the OBO to learn more.

Comments on Project Area Definition

Concerning project area definitions, many commenters recommended that OBO drop the predefinition of network expansion territories (NETs) in favor of allowing ISPs complete freedom to define their own project footprints, on the grounds that, as one commenter put it:

ISPs are best positioned to maximize the benefits from economies of scale and speed deployment in areas where the infrastructure and the rights of way they require are already in place ... disadvantaging applicants because proposed project areas do not conform with subjective project boundaries [will] result in a less efficient use of BEAD funding.

While the OBO fully appreciates the value of ISPs' local knowledge, and the risk that predefinition of service territories will result in inefficiencies, the OBO also faces the problem of determining a universal statewide solution through a competitive process. Some pre-definition of areas will help reduce the complexity of this challenge. In particular, the process of soliciting severability information from ISPs and then utilizing that information in the subgrantee selection process would become unmanageable without initially limiting the severability options through predefined project areas. The OBO will accept projects whose footprints do not conform to the prescribed NETs and may turn to them as a last resort if projects that do conform to the state's geospatial planning for universal coverage are not forthcoming in some areas. But the OBO hopes, and will seek to ensure, that most applicants can align their projects with its defined NETs, for the sake of competition and comprehensiveness.

Several features of the OBO's planned implementation of the BEAD program open the door for attentive and engaged ISPs to influence geospatial planning to reflect their local knowledge.

First, ISPs should plan and participate in the planned public comment period to ensure that the project footprints they want to bid on comprise a set of NETs. The OBO will welcome proposals from ISPs to split NETs, or potentially to group NETs together, in specific and limited ways that make it possible to design and submit projects.

Second, after NETs have been defined, ISPs should utilize the severability and deconfliction features of Oklahoma's BEAD program implementation to compete for areas they want and ensure that, if they win, they will be awarded areas that they are willing to deploy to and serve. This may not have been explained with sufficient clarity, to judge from comments such as this:

Bidding rules should also allow applicants to bundle areas and submit aggregated cost for the combined locations, and "severability" guidance should specifically allow applicants to designate some of the bundled areas as non-severable or "all-or-nothing."

This is already a feature of the OBO BEAD Program. The OBO intends for applicants to submit non-severable bundles of NETs, or more generally, that severability matrices can distinguish between sub-combinations of NETs in a larger project footprint that can be the basis for standalone projects, and sub-combinations that cannot. This should be borne in mind by commenters who expressed concern about the statement that some NETs would consist of a single BSL. While such one-BSL NETs will affect the competitive structure of the BEAD grantmaking process, the rules do not require, and are not designed with the anticipation that, anyone-BSL NETs will become a full project area. Rather, the expectation is that in many cases, one-BSL NETs will be non-severable bundled with other NETs to comprise project areas of adequate size; but flexibility in how they are bundled will help find solutions and facilitate competition.

Concerning the size of NETs, many commenters noticed the indication that NETs will generally consist of tens to hundreds of BSLs, but some also recommended specific geographies, such as Census blocks or Census block groups, that could be the basis for NET definitions. The OBO will not pre-commit to

specific geographies at this time, but the ratio of Oklahoma's remaining unserved and underserved locations (roughly 150,000 to 200,000) by a mean NET size in the upper tens or lower hundreds suggests that there will upwards of a thousand NETs. The OBO hopes that this will give applicants the flexibility to define project footprints that make technical and commercial sense. At the same time, this should allow manageable severability matrices to facilitate enough like-to-like competition to keep Oklahoma's BEAD program reasonably competitive.

Comments on Pricing and Affordability

Many commenters criticized the affordability and low-cost service option content in the OBO's Initial Proposal, Volume II, with some claiming, among other objections, that it is unlawful because the statutory language of the Infrastructure Investment and Jobs Act (IIJA) expressly prohibits rate regulation by the NTIA. But the statute also prescribes the low-cost broadband service option, and gives an oversight role to the NTIA, which has defined affordability as a required component of scoring rubrics.

Therefore, subject to correction by the NTIA, the OBO does not agree that the pricing-related content in its Initial Proposal, Volume II represents prohibited rate regulation. The OBO believes that it is mandated to define a low-cost service option and to score projects on affordability, and that by defining certain price points, it has adopted the most straightforward ways of fulfilling these mandates. In doing so, the OBO is not acting as a rate regulator, because it is not claiming authority over any broadband provider's pricing behavior except as part of a grant agreement for a specific project.

The OBO appreciates the concern of commenters that the pricing obligations that will be incurred in connection with receiving BEAD subgrants may (a.) discourage participation in the BEAD program and/or (b.) jeopardize the commercial sustainability of the networks that Oklahoma's BEAD program will build. The OBO has tried to address those concerns within the constraints imposed by the BEAD NOFO and federal guidance.

The OBO made the following policy changes in this version of the Initial Proposal, Volume II, relative to the version that was first released for public comment: It accepted the advice of a commenter to make the "[No Means Testing of] Low-Cost Service Option" factor in the rubric applicable to Priority as well as Non-Priority Broadband Projects. It also accepted the advice of a commenter to define the "Affordability" criterion in the rubric as governing 1 Gbps/1 Gbps service in the case of Priority Broadband Projects and 100/20 in the case of Non-Priority Broadband Projects.

To allay concerns that the $60/month price point in the NOFO would be inappropriate to future conditions, it was indexed to inflation.

To allay concerns of many commenters about the harms to network sustainability that will result from the low pricing commitments that the "Affordability" rubric factor encourages, the OBO made it explicit that these commitments will hold only until project closeout, and the planned sunset of the OBO itself, on June 30, 2028. In effect, applicants will be rewarded for making commitments that encourage early adoption by implementing low introductory pricing during the BEAD construction phase. The OBO hopes that state and/or national policy developments will provide better affordability solutions after that than the OBO itself could offer through project-specific negotiations.

Many commenters recommended that the OBO define its affordability rubric factor and/or its low-cost service option with a benchmark from the FCC Urban Rate Survey, none of the recommendations made clear how this option would work. While the survey provides valuable data about charges for coverage at various speed tiers throughout the United States, whether it is feasible to define a metric based on the survey that could be used in contracts with BEAD subgrantees is not clear. The OBO is concerned that any such metric it chose to utilize might cease to be produced by the FCC, and it lacks clear guidance that this kind of FCC benchmarking is allowable.

In setting a $60/month price point, in 2023 dollars and adjustable with general inflation, the OBO aligns its low-cost service option substantively with the NTIA's suggestions in the BEAD NOFO, albeit with a higher price point, which should help subgrantees meet their revenue needs. The rubric language has

been revised to clarify that while the OBO encourages applicants to remove the means test on the low-cost option and make it available to all residents of the project areas, and it will award extra rubric points for applicants that commit to doing so, this is not required. Applicants that feel the removal of the means test on the low-cost service option would reduce revenue too much and render them commercially unsustainable should they decline to offer such a commitment and will not suffer a competitive disadvantage if other applicants for the project areas in question are also unable to commit to removing means testing on the low-cost option.

Some commenters sought more clarity about how the "useful life" of the network, which outlines the duration of the obligations of BEAD subgrantees to offer the low-cost service option, will be defined. The OBO will provide clarity when it is available. The low-cost service option flows down from the NTIA guidance and ultimately from the statute, and the OBO anticipates that further NTIA guidance will be forthcoming about this definition. To the extent that NTIA guidance leaves room for the OBO to exercise discretion in defining "useful life," it will seek to define it to minimize the burden on BEAD subgrantees, while being fair and treating different technologies alike.

Comments on Workforce

With respect to workforce, several commenters objected to the OBO's incentivization of the use of a directly employed workforce through the scoring rubric. In response, we have reduced this factor to three points rather than eight. It has not been removed, however, because the OBO perceives value in encouraging more direct hiring. It can positively impact wages by removing a middleman and encourage investment in training.

Comments on Speed to Deployment

In some cases, the OBO received strong advocacy in opposite directions, and chose to keep the original policy in place as a compromise. For example, some commenters strongly advocated for giving more weight to speed to deployment, while others advocated giving less.

Comments on Minimal BEAD Program Outlay

Several comments remarked on the OBO's definition of Minimal BEAD Program Outlay in the rubric, raising concerns about the "draconian" character of a rubric factor that would assign negative points to projects with over $10,000/location in cost, and offering some creative suggestions on how to redesign the rubric factor. The OBO believes, however, that the concern that high-cost areas will be disadvantaged by this factor neglect the fact that projects in high-cost areas cannot be rejected in favor of projects in low-cost areas, because the program rules are designed to target universal coverage.

The OBO therefore urges potential BEAD applicants not to be discouraged if the cost structure of their projects results in very low or negative scores for Minimal BEAD Program Outlay, provided the costs reflect inescapable fundamentals of broadband deployment in the areas affected and cannot be significantly reduced. A low rubric score will not prevent a project being funded if other projects for the same area are not available or have even lower rubric scores.

The OBO opts to keep a sliding scale based on dollars of subsidy per location, as a simple, fair, and data -driven approach to evaluating BEAD program outlay and incentivizing cost-effectiveness. A scoring approach based on the match percentage would tend to favor expensive projects with more private matching capital over projects that are more cost-effective, which doesn't seem justified. Minimizing BEAD program outlay rather than maximizing match percentage seems like the appropriate objective for defining this rubric factor.

Climate Resiliency

In response to comments about the need for climate-resilient infrastructure, the OBO has updated language in Section 2.11 to reflect the importance of hazard mitigation planning and the need for resilient infrastructure in the face of extreme weather. Infrastructure must be sturdy and steadfast to withstand weather events across the state.

Historical Preservation

Commenters stressed the importance of maintaining the integrity and history of lands in Oklahoma. The

OBO fully supports this and urges all potential subgrantees to collaborate with local, state, and federal stakeholders to comply with necessary permitting, building codes, and special conditions that might pertain to infrastructure proposals on federal lands or federally managed resources like wetlands, endangered species, navigable waterways, and more.

02.17.02 Volume II Supplemental Materials

As an optional attachment, submit supplemental materials to the Volume II submission and provide references to the relevant requirements. Note that only content submitted via text boxes, certifications, and file uploads in sections aligned to Initial Proposal requirements in the NTIA Grants Portal will be reviewed, and supplemental materials submitted here are for reference only.

Section_2.17.2_Reference_Attachments-12-22-2023 10-48-Oklahoma Office Of Management And Enterp-GRN-000304.zip

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