



2019-2020 GREAT Program

Growing Rural Economies with Access to Technology Program

Guidance Document

(Updated January 28, 2020)

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SUMMARY

The North Carolina Department of Information Technology's Broadband Infrastructure Office (BIO), as authorized under S.L. 2018-5, and amended by S.L. 2019-230, is providing grants to private providers of broadband services to facilitate the deployment of broadband service to unserved areas of the state. The Growing Rural Economies with Access to Technology (GREAT) Program for FY 19-20 funds eligible projects in economically distressed Tier One counties. The enclosed application materials and program guidelines are for use when applying for the GREAT Program and have been developed based on the enabling legislation for the GREAT Program within S.L. 2018-5 and the amending legislation. Applicants will apply for funding through the Department of Information Technology's online grants management system.

The GREAT program is designed to expedite the terrestrial deployment of broadband within unserved areas of Tier One counties, with transmission speeds of at least 10 Mbps download, and at least one Mbps upload (10:1). Deployment of speeds of 25:3 Mbps or greater is encouraged.

KEY DEFINITIONS

Eligible Recipient – Eligible grant recipients are private providers of broadband services, including cooperatively organized entities, or any partnerships formed between cooperatively organized entities, private providers, or any combination thereof.

Partnerships – A project for which an Internet service provider affirms that a formalized agreement exists between the provider and one or more unaffiliated partners where the partner is one of the following:

- a. A separate Internet service provider.
- b. A nonprofit or not-for-profit, or a for-profit subsidiary of either, and the Internet service provider is:
 - i. being allowed access and use of the partner's infrastructure, on special terms and conditions designed to facilitate the provision of broadband services in unserved areas, or,
 - ii. utilizing a financial contribution provided by one or more partners where the total contribution is not less than ten percent (10%), but not more than forty-nine percent (49%), of the match required by this section.
- c. A county that is not engaged in providing consumer broadband service may qualify as a nonprofit for the purpose of this section.

Eligible Economically Distressed County – A county designated as a development Tier One area as defined in N.C.G.S. 143B-473.08. Department of Commerce's 2019 Tier Designations can be found here:

https://files.nc.gov/nccommerce/documents/files/2019-Tiers-memo_asPublished.pdf

(Note: Per the legislation, Tier Two counties will be eligible effective July 1, 2020.)

GREAT Program

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Eligible Project - An eligible project is a discrete and specific project located in an unserved area of an economically distressed county seeking to provide broadband service to homes, businesses, and community anchor points not currently served. Eligible projects do not include middle mile, backhaul, and other similar projects not directed at broadband service to end users. If a contiguous project area crosses from one eligible county into one or more eligible adjacent counties, for the purposes of this section, the project shall be deemed to be located in the county where the greatest number of unserved households are proposed to be served.

Broadband Service - For the purposes of the GREAT Program, terrestrially deployed Internet access service with transmission speeds of at least 10 Mbps download and at least One Mbps upload (10:1). Terrestrially deployed technologies are generally understood to include: wired infrastructure (such as fiber, coax, copper) and fixed wireless.

Infrastructure – Existing facilities, equipment, materials, and structures that an entity has installed either for its core business or public enterprise purposes. Examples include, but are not limited to, copper wire, coaxial cable, optical cable, loose tube cable, communication huts, conduits, vaults, patch panels, mounting hardware, poles, generators, battery and cabinet, network nodes, network routers, network switches, microwave relay, microwave receivers, site routers, outdoor cabinets, towers, easements, rights-of-way, and buildings or structures owned by the entity that are made available for location or collocation purposes.

Infrastructure costs – Costs directly related to the construction of broadband infrastructure for the extension of broadband service for an eligible project, including installation, acquiring or updating easements, backhaul infrastructure, and testing costs. The term does not include overhead or administrative costs.

Unserved Area - A designated geographic area that is presently without access to broadband service, meaning terrestrially deployed Internet access service with transmission speeds of at least 10 Mbps download and at least 1 Mbps upload, offered by a wireline or fixed wireless provider. *See definition for ineligible areas.

Prospective broadband recipient – A household, home, business, community anchor point, agricultural operation, or agricultural processing facility that is currently unserved and is identified in an application submitted in accordance with this section.

Ineligible Areas

Some areas where a private provider has been designated to receive funds for broadband deployment may be ineligible for GREAT funding and deployments. (See further information in the section *Eligible & Ineligible Project Areas*).

Awards

- One application should be submitted for each primary county in which deployment is being proposed. An application should encompass any/all proposed services within that county (and within any eligible adjacent counties as a contiguous project). A broadband provider should submit multiple applications if applying to deploy in multiple counties (without contiguous projects). See *Eligible Project* definition for explanation of contiguous areas. The primary county here means the county, within the project area, where the greatest number of unserved households are proposed to be served.
- A single grant award shall not exceed \$2,000,000.
- No more than one grant may be awarded per fiscal year for a project in any one economically distressed county; except that if funds remain available after all top scoring projects have been awarded a grant, then the next highest scoring projects may be awarded a grant even if the project is located in a county where a grant has been awarded in that fiscal year provided the total award associated with that county does not exceed two million dollars (\$2,000,000) in that fiscal year.
- Matching funds are required. (*See detail in the section Application Materials and Summary*).
- Awarded projects require a five-year service agreement.

Deployment Project Period – For awarded projects, the Deployment Project Period is the time from execution of the Grant Agreement to the time that service is available to the prospective broadband recipient under the grant. The timeline for this construction period is two years from the effective date of the grant agreement.

5-Year Service Agreement –For awarded projects, all executed agreements are required to have a 5-Year Service Agreement. This term is understood to mean a five-year grant agreement. Following the deployment phase, service must continue to be made available to those households and businesses for the remainder of the five-year agreement period.

Note: This guidance document is provided for general reference. Potential applicants should also consult the full legislation for additional details: S.L. 2018-5 and S.L. 2019-230.

ELIGIBLE & INELIGIBLE PROJECT AREAS

Eligible Areas:

Eligible Areas for the GREAT program are areas without Internet service providing transmission speeds of 10 Mbps download, 1 Mbps upload (with wireline or fixed wireless). As defined in conjunction with the Eligible Project and Broadband Service definitions of the legislation, these are the areas that are considered “unserved” and are targeted for deployment under this grant program.

Ineligible Areas:

Locations that already have Internet service *available* to them at transmission speeds of 10 Mbps download and 1 Mbps upload (with wireline or fixed wireless) are ineligible. Areas included under 2019 GREAT Grant Projects are ineligible. In addition, areas where a private provider has been designated to receive matching funds are ineligible as follows: these areas (census blocks) targeted by other programs shall be considered “served” if such funding is intended to result in construction of broadband in the area in the upcoming 18 months. Failure on the part of a provider to submit the relevant project area results in those areas being eligible for funding for the current program year.

Providers receiving Universal Service or Connect America Phase II, or nonfederal funds to deploy service may designate such areas as ineligible by submitting within 60 days of the application period, a listing of the census blocks or portions of census blocks comprising the project areas.

Identifying Your Project Areas:

The GREAT program is designed somewhat like the USDA’s Community Connect Program in that applicants identify the areas they wish to apply to serve. Applicants can apply for funding to serve census blocks, or *portions* of census blocks. The application offers two ways to provide location data for projects (address-level or polygons). (*See section Application Materials Summary for more detailed information on submission of locations where service is proposed to be made available.*)

While the Broadband Infrastructure Office (BIO) cannot provide a listing of all households or businesses within the state that have broadband service of less than 10:1 Mbps available, the Office encourages applicants to consider the following sources of information as a starting point for identifying project areas.

- **Tier One Counties**

All locations must be located within Tier One counties as designated by the NC Department of Commerce for 2019:

https://files.nc.gov/nccommerce/documents/files/2019-Tiers-memo_asPublished.pdf

- ***Federal Communications Commission (FCC) Form 477 Data
Census blocks with less than 10:1 Mbps (entire blocks)***

Broadband availability data is collected twice per year by the Federal Communications Commission, from providers of facilities-based broadband services through their Form 477 data submissions. This data is granular to the census block level. If one household within a census block is shown as being served, the full census block is reflected as being a served block. Census blocks that are entirely unserved with advertised speeds of 10:1 Mbps can be identified through the FCC Form 477 data. These census blocks have been mapped by BIO using the latest FCC data (June 2018) and are available for download for grant planning purposes.

- ***Ineligible Areas***

Areas ineligible as part of the 2019 GREAT Grant Projects are mapped based on current contracts with BIO. The areas ineligible for GREAT due to other current/upcoming broadband deployments utilizing State or federal funds have been mapped by BIO based on information provided by the grantor and are made available for download to denote ineligible areas. BIO accepts the information available and may not verify the accuracy of information provided by other grant or funding programs or sources. This information is compiled based on provider submissions to BIO.

- ***Connect America Fund (CAF) Deployments***

In October 2018 the Universal Service Administrative Company released a new online map - the Connect America Fund Broadband Map. The federal Connect America Fund (CAF) is the largest source of federal funding in North Carolina for broadband deployment. Four providers in North Carolina have received Connect America Funds for Phase II (AT&T, CenturyLink, Frontier Communications and Windstream), with Wilkes Telephone Membership Corporation also receiving an award for the CAF Phase II Auction 903. In addition, some rate-of-return carriers in the state have participated in the CAF Broadband Loop Support program.

The online CAF Broadband Map may be useful in understanding where CAF cost model and BLS locations have been deployed. The map is current through 2018 in terms of deployments. CAF location data is downloadable from USAC's CAF map.

- **Connect America Fund Broadband Map:**
<https://data.usac.org/publicreports/caf-map/>

- **GREAT Grant Online Mapping Tool**

The Broadband Infrastructure Office, with its partner the Center for Geographic Information & Analysis, has created the GREAT Grant Online Mapping Tool to provide in one place, many of these various data sets discussed above. This online map does not contain all eligible locations for GREAT but can be used as a foundation to begin planning potential service areas, especially for potential applicants that may not have GIS capabilities to map these datasets themselves.

- The GREAT Grant Online Mapping Tool can be found here:
<https://www.nconemap.gov/pages/broadband>

- **Downloadable Shapefiles**

Many of the data sets described above that can be downloaded as shapefiles can be found here:

<https://www.nconemap.gov/pages/broadband>

- Census blocks with less than 10/1 Mbps, according to the FCC Form 477 Data (entire blocks)
- Ineligible areas for the current application period
 - GREAT_Projects_2019
 - Other Ineligible Areas GREAT

From USAC CAF Broadband Map:

- Location data for CAF builds to-date
<https://data.usac.org/publicreports/caf-map/>

- **Other Data**

This program allows applicants to apply for funding to serve project areas where current speeds are less than 10:1. Applicants may choose to utilize other sources of data, including field data, as part of their planning and application development, to identify unserved portions of census blocks.

To demonstrate that the proposed funding area is unserved and eligible for funding an applicant may submit the following information, including but not limited to:

1. Scrubbed data (no raw data) from citizen survey results or demand aggregation results with speed tests, if applicable. This data must identify the areas that have less than 10:1 service.
2. Affidavits from citizens or other individuals certifying one or more of the following:
 - they are not able to receive broadband service
 - the only available service is cellular or satellite
 - the only broadband service available by the existing providers is less than 10:1 service.

Data included should be relevant to the proposed service area. Data points should be tied to specific locations and be geo-coded for consideration as part of the Application. Please refer to pages 11-12 for details on formatting of data for the Application.

Applicants may also submit applications for areas where transmission speeds are less than 10:1 Mbps, if data is available to support differences between advertised and transmission speeds.

Application Review & Protest Process

Once all applications are received they will be publicly posted. The Protest Process will provide an additional check to verify eligible areas. In addition, the BIO will conduct its own review on eligible areas for relevant proposals, based on data available, and may perform field tests when necessary.

APPLICATION MATERIALS SUMMARY

The online application process will require the following materials to be submitted for consideration of each proposal. Additional explanation or details can be provided in the online form itself. The following items are a summary of what is required as part of the GREAT Grant Application process. The detailed instructions are included in this guidance document.

- A. Applicant Information, Statement of Qualification & Partnerships**
- B. Project Area & Locations to be Served**
- C. Technical Report**
- D. Project Costs, Budget and Match**
- E. Proposed Services, Marketing, Adoption & Community Support**

APPLICATION MATERIALS – DETAILED INSTRUCTIONS

A. Applicant Information, Statement of Qualification & Partnerships must include the following:

- The identity of the applicant and its qualifications and experience with the deployment of broadband.
- The identity of any Partners or Affiliates, as defined at the beginning of these guidelines under Partnerships.

B. Project Area & Locations to be Served must include the following:

- A map and description of the area to be served, identifying the number of homes, businesses, community anchor points, agricultural operations, or agricultural processing facilities that will have access to broadband as a result of the project, including any available addresses, geospatial location or other identifying information. In the event that the Broadband Infrastructure Office is unable to identify the proposed project area with specificity, the Office may require the applicant to submit additional information. If construction of the proposed project would result in the provision of broadband service to areas that are not eligible for funding, those ineligible areas should be identified in the application along with the eligible areas.
- The corresponding Census Block numbers (for tracking purposes only)
- The description should note any businesses with 31 or more full-time employees

Map and Description of the Area to be Served

One of the scoring components for the grant program is the number of households to be served, unserved businesses to be served, or agricultural operations or processing facilities that will have access to broadband as a result of the project. In addition, for the proposed area to be served, the infrastructure cost *per household* must be provided.

BIO is requesting granular data on areas to be served in order to: confirm that the project is serving eligible locations, accurately score the application, and track progress and completion of the project if awarded. **See data submission requirements below.** The Application requires *both a map*, and description, of the area(s) to be served. Applicants can submit data in the following ways, or in combination.

Address-Level Data

Data may be submitted as address points of locations where service will be made available through the grant build. All addresses must be geocoded to include latitude/longitude coordinates.

Polygons

Data may be submitted as a polygon with locations to be served mapped within the polygon, or with the expectation that the polygon submitted corresponds to service being available to *all* locations within the polygon. The applicant must use the most recent data available from the state, county or local government to identify all locations within the project area.

Digital Format of Data

Locations of households projected to be served must be digitally submitted in a GIS shapefile, kml, CAD (.dwg), or MicroStation (.dgn) file format georeferenced to the North Carolina State Plane NAD83 (US Feet) coordinate system. If another coordinate system is used, this must be explicitly stated. The files can contain points representing households or polygons outlining the specific households to be served. CAD drawings must not contain external references. Any service to businesses, community anchor institutions or agricultural facilities should also be referenced.

Project scoring will consider the number of households served by a project, and the cost-per-household. As part of the grant agreement, applicants awarded grants will be required to pass the number of prospective broadband recipients stated in their Application.

Protesting the application based on the proposed service area

The GREAT legislation allows an internet service provider to protest an application proposing to serve an area where broadband service is available. Applications must be made publicly-available for a 30-day period. Protests must be submitted, pursuant to the means established by the office, during that 30-day period. The protesting party bears the burden of proof that the disputed area is served. The Broadband Infrastructure Office requires data submitted to be as granular as possible for ensuring accuracy of eligible areas and monitoring of deployments. The Office also recognizes the need for information to be publicly-accessible as part of the legislated protest process. Applicants are encouraged to evaluate these considerations in determining how they submit their data.

- **An assessment of the current level of broadband access in the proposed deployment area.**

The Application requires an assessment of the current level of broadband access in the proposed deployment area. Within this section of the Application, the applicant should describe what they believe to be the current level of service within the area and provide the data source or methodology used to capture this information. Raw data can be submitted as part of the assessment as well.

- **An attestation to the Broadband Infrastructure Office that the proposed project area is eligible.**

The Attestation statement and required signature is included as part of the Application Form. Applicants are required to sign this statement to signify that the area(s) identified within the Application are eligible, to the best of their knowledge.

C. Technical Report

Applicants must provide a narrative report detailing the technology/technologies to be used to serve the prospective broadband recipient at the premises. Applicants must indicate the technology that will serve the prospective broadband recipient as terrestrial or fixed wireless.

- **For Wired Infrastructure Deployment the technical report must include the following:**
 - Description of the general design of this project and deployment plan,
 - Explanation of the existing networks and equipment to be used for this project,
 - If the applicant requires assets owned by another entity, the applicant should explain how the assets will be used for this project and, if applicable, provide a copy of the agreement between the applicant and the owner,
 - Detailed explanation of how the new or upgraded infrastructure will serve the prospective broadband recipients. In the case of the installation or upgrade of a specific site infrastructure, such as a point of presence or fiber hut (fiber), pedestal (cable) or a remote exchange/DSLAM (DSL), the applicant must include:
 - Number of prospective broadband recipients that will be served by that site infrastructure,
 - The distance from the specific site infrastructure such as a POP, pedestal, or DSLAM to the end user(s) and the expected broadband speed that will be effectively delivered, and,
 - Detailed description of the design work needed for deployment such as but not limited to pole work, acquiring or updating easements, or property acquisition.

- **For Fixed Wireless Deployment, the technical report must include the following:**
 - Description of the general design of this project and deployment plan,
 - Explanation of the existing networks and equipment to be used for this project,
 - If the applicant requires assets owned by another entity, the applicant should explain how the assets will be used for this project and, if applicable, provide a copy of the agreement between the applicant and the owner,
 - Detailed explanation of how the new or upgraded infrastructure will serve the prospective broadband recipients. In the case of the installation or upgrade of a specific site infrastructure, such as a vertical asset, the applicant must include:
 - Description and specific location of the vertical asset,
 - Owner of the vertical asset,
 - Number of prospective broadband recipients that will be served by that site infrastructure, and,
 - The distance from the vertical asset to the end user(s) and the expected broadband speed that will be effectively delivered,
 - Detailed description of the design work needed for deployment, such as, but not limited to acquiring access to existing vertical assets, acquiring or updating easements, or property acquisition,

- Description and specific type of the equipment used for deployment and the capable speed of the equipment, and,
- Explanation of the frequency/frequencies to be utilized for the deployment, whether the deployment will use licensed or unlicensed technologies, as well as mitigation of line-of-sight challenges (which should tie to the number of households to be served).

For all applicants, the technical report must include the following:

- An explanation of the scalability of the broadband infrastructure to be deployed to meet future bandwidth needs.
- If the applicant is claiming points for Partnerships, the applicant must provide a brief narrative explaining how the partnership or affiliation will facilitate deployment and reduce cost per prospective broadband recipient. For applications where the nonprofit or not-for-profit partner provides only financial support that information can be documented in the Budget section of the application. The applicant must also meet the definition of a partnership and provide evidence of a formalized agreement.
- A general explanation of whether work will be performed in-house or through contractors.
- A proposed construction timeline and duration of the Deployment Project Period. The Deployment Project Period is the time from execution of the Grant Agreement to the time that service is available to the targeted prospective broadband recipients under the grant. If the project is to be completed in phases, please describe deployment roll out and include the number of end users to be served in each phase as well as an estimated timeframe for each phase.

D. Project Costs, Budget & Match

- Project Budget (see summary template below) and Budget Narrative
- The total cost of the project.
- For the proposed area to be served, the infrastructure cost per household for the project, and how this was calculated.
- The amount to be funded by the applicant or another source funds (including sample scoring sheet with calculation of match required, plus applicant source of funds).

Eligible Project Costs

Costs directly related to the construction of broadband infrastructure, including installation, acquiring or updating easements, backhaul infrastructure, and testing costs. The term does not include overhead or administrative costs.

Project Funds (GREAT funds and match) should be utilized for the deployment phase of the project, not the subsequent years of service. Eligible costs do not include recurring operating costs or maintenance, or sales and marketing of services.

| <u>Project Budget Summary</u> | <u>Requested GREAT Funds</u> | <u>Matching Funds</u> | <u>Total Project Funds</u> |
|------------------------------------|------------------------------|-----------------------|----------------------------|
| Easements (one-time fees) | | | |
| Materials (fiber, equipment, etc.) | | | |
| Construction/Installation | | | |
| Testing | | | |
| Other (please specify) _____ | | | |
| Other (please specify) _____ | | | |
| Other (please specify) _____ | | | |

The Project Budget should reflect all Eligible Project Costs to be funded through the GREAT Program within each Application – including State GREAT Funds and Match. The total Project Budget should then be split between GREAT grant funds and applicant match, per the relevant match requirement percentage.

Example:

Broadband Project for Tier One County
 Total Project Budget: \$1,000,000
 Required Match: 45%
 GREAT Funds Requested: \$550,000
 Match Provided by Applicant: \$450,000

Note regarding middle mile and backhaul:

Per the GREAT legislation, “eligible projects do not include middle mile, backhaul, and other similar projects not directed at broadband service to end users.” However, the eligible costs do allow for construction/equipment of “backhaul infrastructure.” While costs for building backhaul infrastructure can be included in the project budget, the build must facilitate last-mile service towards specific end-users and cannot include recurring operating costs.

Note regarding towers:

While costs for building towers are not expressly ineligible, applicants are encouraged to utilize vertical assets already in place or easily installed (poles, small monopoles, repeaters, etc.), as much as possible. Including new macro towers in a project may create lengthy construction timelines, especially around land purchase and environmental regulations.

Matching Funds

Grant recipients are required to provide matching funds as part of the GREAT program. Eligible Project Costs for matching funds are the same as Eligible Projects Costs for the GREAT State grant funds. **The match amount is determined by the application scoring.** A sample scoring sheet is provided as part of the application. Applicants may use the scoring sheet to calculate their estimate of the required match. Upon scoring and awarding of grant funds, the Broadband Infrastructure Office will confirm match requirements with applicants as part of the award process.

Matching Requirements are as follows:

| <u>Application Score</u> | <u>Matching Requirement</u> |
|--|-----------------------------|
| 12.0 points or less | 55% |
| Greater than 12.0, but less than 17.5 points | 50% |
| 17.5, up to 22.0 points | 45% |
| Greater than 22.0 | 35% |

Up to fifty percent (50%) of matching funds paid by the grant recipient may be comprised of third-party funding and other grant programs. Universal Service Fund or Connect America Phase II Fund shall not be used for the required matching funds, S.L. 2018-5. Any other current or future federal funds may be used, including any future phase of the Connect America Fund, for the required matching funds, within the parameters of the program. **A county may provide a portion of the match required by this section pursuant to G.S. 153A-349.60.** The source of the matching funds should be included in the applicant’s budget narrative.

Proof of Funding Availability

Grant recipients must submit a signed letter of funding availability from each source of funds committed for the project. The total of all funding commitment letters must meet or exceed the total project cost. If loan or other grant funds are pledged, a loan/grant commitment letter from each source of funds must be included. During the review process, the NC BIO may also request financial statements, audits, or pro formas to ensure financial and organizational strength regarding the ability to successfully meet the terms of the grant requirements and the ability to meet the potential for repayment of grant funds.

E. Proposed Services, Marketing, Adoption & Community Support

- A description of services to be provided, including the proposed upstream and downstream broadband speeds to be delivered and any applicable data caps. Any applicant proposing a data cap below 150 Gigabytes of usage per month shall provide justification to the satisfaction of the BIO that the proposed cap is in the public interest and consistent with industry standards.
- The proposed advertised speed to be marketed to end users (broken out by households, businesses, and community anchor institutions).
- A plan to encourage users to connect that incorporates, at a minimum, community education forums, multimedia advertising, and marketing programs.
- Evidence of support for the project from citizens, local government, businesses, and institutions in the community. The applicant may provide letters or other correspondence from citizens, units of local government, businesses, and institutions in the community that supports this project.
- Any low-income household service offerings or digital equity or literacy support or programs or partnerships to provide these services. Whether the applicant plans to accept the federal Lifeline subsidy.

PROTESTS

The enacting legislation requires the Department of Information Technology (DIT) to make all applications publicly available by posting on the department's website for a period of at least 30 days prior to award. During the 30-day period, any interested party may submit comments to the Secretary of DIT concerning any pending application. A provider of broadband services may submit a protest of any application on the grounds the proposed project covers an area where broadband service exists, as defined within the GREAT Program. ***This is the only criteria by which an application may be challenged.***

Protests shall be submitted in writing, accompanied by all relevant supporting documentation, and shall be considered by the BIO in connection with the review of the application. ***The protesting party bears the burden of proof.*** An applicant will be notified of a protest. BIO may request additional information from the applicant.

A protest may be denied, granted or granted in part. If a protest is granted in part the applicant will be notified and allowed 7 days to amend their application for the purposes of revising the proposed project area and budget (which may affect their score). For applications with filed protests, the Secretary of DIT shall issue a written decision to the protesting party at least 15 days prior to the approval of that application.

Details on timeline of the Protest window, where to view applications, how to submit comments, or for broadband providers to submit protests, will be available on the DIT/BIO's GREAT Grant Program Webpage <https://www.ncbroadband.gov/GreatGrant/>.

Applications will be posted as .pdfs with corresponding digital files posted as well.

SCORING

The GREAT Program is a competitive grant program. Applications shall be scored based upon a system that awards a single point for criteria considered to be the minimum level for the provision of broadband service with additional points awarded to criteria that exceed minimum levels. **Applications receiving the highest score shall receive priority status for the awarding of grants. As a means of breaking a tie for applications receiving the same score, BIO shall give priority to the application proposing to serve the highest number of new households at the lowest cost per household.**

Project Applications will be scored as follows:

- **Partnership** – All applicants must meet the definition of a partnership as defined in Session Law 2019-230 and provide the formalized agreement. For the purposes of scoring, a county that provides a portion of the match required by this section or that has entered into an agreement with the applicant to make available its infrastructure that has been installed for the county's enterprise, non-consumer broadband purposes, or any other property, buildings, or structures owned by the county, for a proposed project under this section shall be considered a partnership. A county may provide a portion of the match required by this section pursuant to G.S. 153A-349.60

| Partnership | Points |
|---------------------------------------|--------|
| Documented Partnership per definition | 6 |

- **Unserved Households (HH)** – The BIO shall give additional points to projects based upon the estimated number of unserved households within the eligible economically distressed county, as determined by the most recent data published by the Federal Communications Commission (FCC) or any other information available to the BIO. Points shall be given to projects that will be located in counties with estimated unserved households as follows:

| Unserved HH | Points |
|-------------|--------|
| 500 or less | 1 |
| 501-1400 | 2 |
| Over 1400 | 3 |

The BIO has utilized FCC data to estimate the number of unserved households per county. This data is available for use and can be found in Appendix A.

If applicable, the applicant must identify the county on record using the following standard: if a contiguous project area crosses from one eligible county into one or more eligible adjacent counties, for the purposes of this section, the project shall be deemed to be located in the county where the greatest number of unserved households are proposed to be served.

- Unserved Households (HH) To Be Served** – The BIO shall give additional points to projects that will provide broadband service based upon the percentage of the total unserved households within the eligible economically distressed county that the project will serve. The number of unserved households shall be determined using the most recent data of the Federal Communications Commission (FCC) or any other information available to the BIO. Points shall be given to projects that will serve a percentage of unserved households within the project area as follows:

| Unserved HH to be Served | Points |
|--------------------------|--------|
| Less than 15% | 1 |
| 15% to 25% | 2 |
| Over 25% | 3 |

The BIO has used FCC data to estimate the number of unserved households per county. This data is available for use and can be found in Appendix A.

The definition for households is as follows:

Household – A house, apartment, single room, or other group of rooms, if occupied or intended for occupancy as separate living quarters, and where the occupants do not live with any other persons in the structure and there is direct access from the outside or through a common hall.

Applicants should ensure that their applications clearly outline the number of unserved households where service will be made available through an eligible project.

If applicable, the applicant must identify the county on record using the following standard: if a contiguous project area crosses from one eligible county into one or more eligible adjacent counties, for the purposes of this section, the project shall be deemed to be located in the county where the greatest number of unserved households are proposed to be served.

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- Unservd businesses** – The BIO shall give additional points to projects that will provide broadband service to unserved businesses located within the eligible economically distressed county, as determined by the most recent data published by the Federal Communications Commission or any other information available to the BIO. Points shall be given to projects that serve unserved businesses within the project area as follows:

| Unservd Business | Points |
|---|--------|
| Between 1 and 4 | 1 |
| 5 and 10 | 2 |
| a) more than 10 b) Agricultural operation, Agricultural Processing Facility or c) Business w/31 or more f/t employees | 3 |

Applicants should ensure that their applications clearly outline the number of unserved businesses, agricultural operations and agricultural processing facilities, where service will be made available through an eligible project. Businesses with 31 or more full-time employees should be noted.

- Cost Per Household** – The BIO shall give additional points to projects that minimize the infrastructure cost of the proposed project per household, based upon information available to the BIO. Points shall be given to projects based upon the estimated cost per household as follows:

For projects proposed in the *Piedmont or *Coastal Plain Regions:

| Estimated Cost per Household | Partnership | Private Provider Only |
|------------------------------|-------------|-----------------------|
| Up to \$1700 | 4 | 9 |
| \$1701-2200 | 3 | 8 |

**Piedmont Region* – The portion of the State lying west of and including Franklin, Lee, Moore, Richmond, Wake and Warren Counties, to the eastern boundaries of Alleghany, Burke, Caldwell, Rutherford and Wilkes Counties.

**Coastal Plain Region* – The portion of the State lying east of the eastern boundaries of Franklin, Lee, Moore, Wake and Warren Counties.

For projects located in the *Mountain Region:

| Estimated Cost per Household | Partnership | Private Provider Only |
|------------------------------|-------------|-----------------------|
| Up to \$2500 | 4 | 9 |
| \$2501-3300 | 3 | 8 |

**Mountain Region* – The portion of the State lying west of and including Alleghany, Burke, Caldwell, Rutherford, and Wilkes Counties.

Cost per household should be calculated using the total households in a project area even in the case where a contiguous project area crosses from one eligible county into one or more eligible adjacent counties.

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- **Base Speed Multiplier** - Projects that will provide* minimum download and minimum upload speeds shall have the aggregate points given under items 1-5, multiplied by a factor at the level indicated below:

| Minimum Speeds | Score Multiplier |
|-------------------------------|------------------|
| At least 10:1 Mbps up to 25.3 | 0.95 |
| 25:3 Mbps up to 100:10 Mbps | 1.35 |
| 100:10 Mbps or greater | 1.75 |

*Note: "Provide" a particular speed is understood to mean that this calculation should be based on the planned "typical speeds" to be provided, not the advertised speeds.

Community Broadband Planning – The BIO shall also award an additional point to projects where a county has a Community Broadband Planning Playbook that meets the guidelines established by the BIO. A county must meet (and be able to document) *at least one* of the following criteria to receive a point for the Community Broadband Planning Playbook scoring item:

- A county must have a current Broadband Planning Committee;
- A county must have undertaken some type of active broadband project or study within the past two years (since summer of 2017);
- A county official or county leader must have worked actively with the Broadband Infrastructure Office in the past year (since summer 2018) to begin developing a broadband planning committee or broadband goals;
- A county official must have reviewed the BIO's Community Broadband Planning Playbook, since its release in Spring 2018, with the goal of implementing a playbook process for the county, and having conveyed this goal to the Broadband Infrastructure Office seeking assistance from the Office's Technical Assistance Team.

| Community Broadband Planning Playbook | Points |
|---------------------------------------|--------|
| Planning | 1 |

**Appendix A – Estimate of Unserved Households (HH) per County
Compiled for Scoring for GREAT Program**

These numbers are estimates based on the latest FCC Data available; and are being provided for informational purposes, for use by applicants in estimating their scoring to determine match requirements.

Number of households in census blocks with less than 10 Mbps download and 1 Mbps upload according to the June 2018 FCC form 477 data release

| County | Estimated # of Unserved HH | % of Unserved HH | County | Estimated # of Unserved HH | % of Unserved HH |
|------------|----------------------------|------------------|-------------|----------------------------|------------------|
| ANSON | 221 | 1.91% | MARTIN | 707 | 6.04% |
| BEAUFORT | 1,406 | 5.70% | MITCHELL | 200 | 2.30% |
| BERTIE | 985 | 10.03% | NASH | 525 | 1.24% |
| BLADEN | 884 | 4.99% | NORTHAMPTON | 910 | 7.80% |
| CASWELL | 1,817 | 17.11% | PASQUOTANK | 1 | 0.01% |
| CHOWAN | 101 | 1.39% | PERQUIMANS | 248 | 3.55% |
| CLEVELAND | 1,522 | 3.51% | RICHMOND | 64 | 0.31% |
| COLUMBUS | 802 | 3.08% | ROBESON | 2,938 | 5.57% |
| CUMBERLAND | 173 | 0.13% | ROCKINGHAM | 423 | 0.97% |
| DUPLIN | 4,246 | 16.50% | RUTHERFORD | 4,930 | 14.55% |
| EDGECOMBE | 616 | 2.48% | SAMPSON | 1,166 | 4.28% |
| GATES | 451 | 8.66% | SCOTLAND | 3 | 0.02% |
| GRAHAM | 1,183 | 19.95% | SURRY | 30 | 0.09% |
| GREENE | 1,122 | 13.66% | SWAIN | 1,694 | 19.42% |
| HALIFAX | 1,175 | 4.56% | TYRRELL | 236 | 11.41% |
| HERTFORD | 1,089 | 10.24% | VANCE | 207 | 1.03% |
| HOKE | 247 | 1.36% | WARREN | 681 | 5.77% |
| HYDE | 911 | 27.22% | WASHINGTON | 220 | 3.39% |
| JONES | 550 | 11.37% | WAYNE | 784 | 1.48% |
| LENOIR | 638 | 2.33% | WILSON | 227 | 0.64% |

In addition, Total Households per County are listed below for reference.

| NAME | Total Households | NAME | Total Households |
|-----------------------|------------------|-------------|------------------|
| ANSON | 11,576 | MARTIN | 11,704 |
| BEAUFORT | 24,688 | MITCHELL | 8,713 |
| BERTIE | 9,822 | NASH | 42,286 |
| BLADEN | 17,718 | NORTHAMPTON | 11,674 |
| CASWELL | 10,619 | PASQUOTANK | 16,833 |
| CHOWAN | 7,289 | PERQUIMANS | 6,986 |
| CLEVELAND | 43,373 | RICHMOND | 20,738 |
| COLUMBUS | 26,042 | ROBESON | 52,751 |
| CUMBERLAND | 135,524 | ROCKINGHAM | 43,696 |
| DUPLIN | 25,728 | RUTHERFORD | 33,878 |
| EDGECOMBE | 24,838 | SAMPSON | 27,234 |
| GATES | 5,208 | SCOTLAND | 15,193 |
| GRAHAM | 5,930 | SURRY | 33,667 |
| GREENE | 8,213 | SWAIN | 8,723 |
| HALIFAX | 25,781 | TYRRELL | 2,068 |
| HERTFORD | 10,635 | VANCE | 20,082 |
| HOKE | 18,211 | WARREN | 11,806 |
| HYDE | 3,347 | WASHINGTON | 6,491 |
| JONES | 4,838 | WAYNE | 52,949 |
| LENOIR | 27,437 | WILSON | 35,511 |
| | | | |
| *Based on 2010 Census | | | |