# Subgrantee Evaluation, Negotiations, and Selection

August 2024

HIGH SPEED NV

Nevada Governor's Office of Science, Innovation and

# Upcoming Technical Assistance

- **BEAD Program Design**
  - **Date: 08/26/2024**
  - **Time: 12:00 pm PT**

- **BEAD Scoring Rubric Overview**
  - Date: 08/28/2024
  - Time: 11:00 am PT

# Agenda

1. Project area design (IPvII pages 50-52)
2. Benchmark pricing (IPvII page 17)
3. Application prioritization (NTIA guidance)
4. Project selection (IPvII)

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# Overall Timeline

| Initial proposal | Challenge Process | Regional Project Areas | Prequalification (in process) | Subgrantee Selection | Final Proposal & Implementation | NTIA-Approved Awards |
|---|---|---|---|---|---|---|
| • Submitted October 2023<br>• Approved April 2024 | • Feb – Jun 2024<br>• Finalized the map to be used for subgrantee selection | • July 2024 Finalized Regional Project Areas (RPAs) to be used for subgrantee selection | • Aug - Oct2024<br>• Required for Application<br>• Serves to register applicants and ensure proper documents are in place | • Began August 26, 2024 | • Due 1 year after Initial Proposal is Approved | • TBD by NTIA<br>• Expected Q1 2025 |

# Project area design

# Project proposals

1. Eligible BEAD-eligible locations, including eligible CAIs, are grouped into non-overlapping Regional Project Areas (RPAs) (IPv2,pp 17,19,50)

2. Applicants may bid on multiple Regional Project Areas, but each will be treated and scored as a separate project (IPv2,pp 17,51)

3. OSIT will issue a single Application with common application requirements, including narrative questions, across all RPAs (IPv2,pp 19,51)

4. Applicants will bid on RPAs individually and applications for the RPAs will be scored separately from other RPAs, with one awardee selected for each RPA (IPVII pp 17, 51)

5. Applications that do not propose to serve every location within the RPA will not be considered (IPVII p 51)

# Project area design considerations

**OSIT used the following criteria as factors in the creation of RPAs (see IPv2, p 51):**

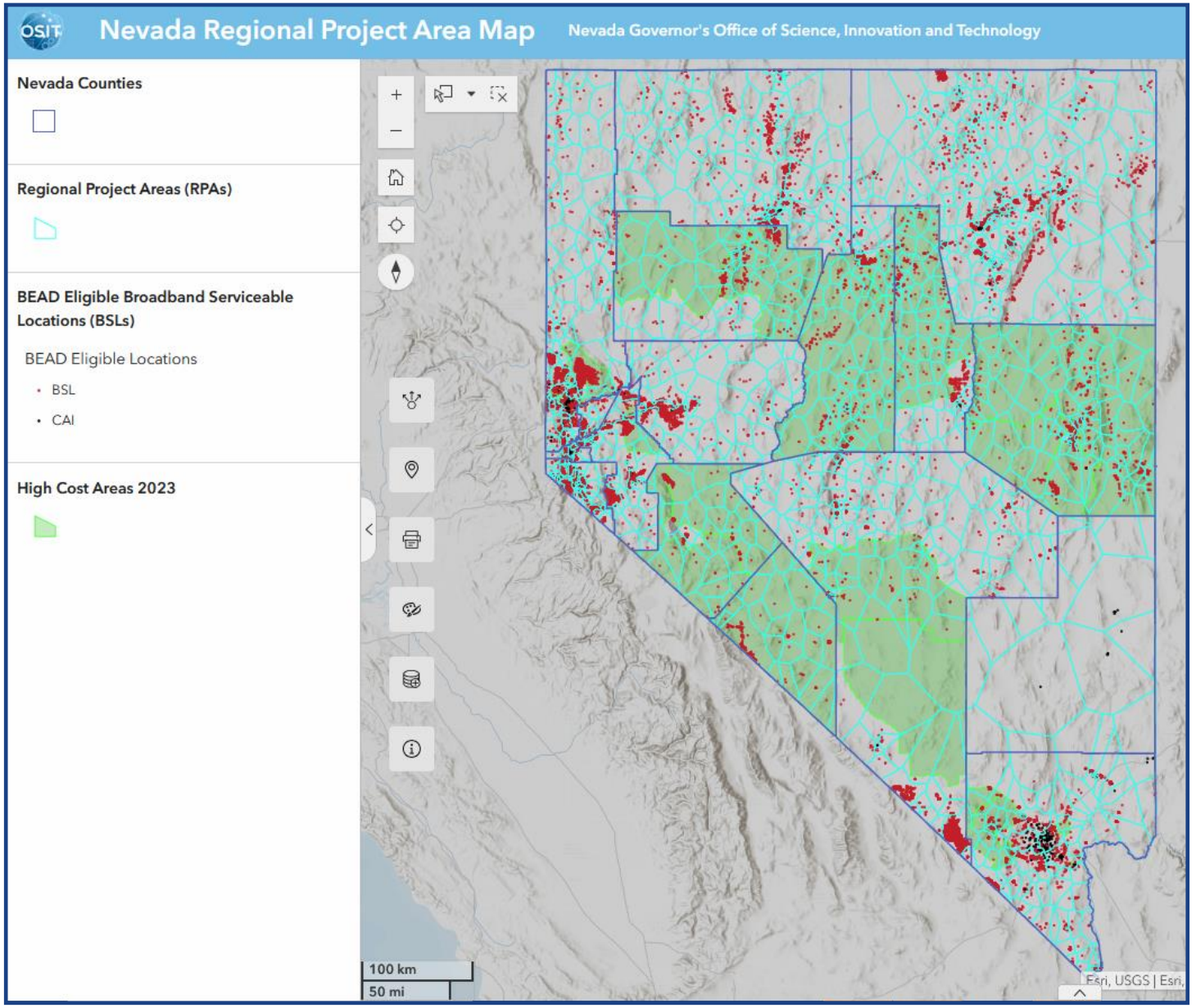
- Allow different sizes geographically or have a different number of locations within them
- Designed to maximize the attractiveness of the bidding opportunity, ensure competitive neutrality, and maximize the number of applicants
- Designed to be cost-effective geographies that minimize distances between all locations in identified clusters
- Take into consideration topography, geography, terrain, proximity to existing or planned infrastructure, proximity to other unserved and underserved locations, community contiguity, and other factors to modify RPA boundaries where appropriate

**OSIT has published the Nevada Regional Project Area Map with the official list of RPAs:**

- The RPAs were released for and finalized after RFI that solicited feedback on boundaries
- The list of BEAD-eligible locations in the RPA was finalized through the now completed Challenge Process and has been approved by NTIA

# Map of RPAs

- Current map is ready for use and analysis
- RPAs and eligible locations are not expected to change prior to subgrantee selection
- Additional layers and attributes will be added prior to subgrantee selection



# RPA Attributes

Each RPA has information important for competing a successful project application:

- RPA ID number
- Whether it is a Tribal area
- Whether it qualifies as a High-Cost area
- Numbers of eligible BSLs and CAIs

# Benchmark pricing

# Benchmark pricing

- OSIT will employ GIS and cost modeling tools from CostQuest Associates that provide the following for each RPA:
  - Estimated total cost
  - Target BEAD Subsidy amount
  - Target BEAD Subsidy percentage
- In addition, the following information will be added:
  - Location of existing open access fiber routes in the region
  - Estimated longitudinal construction cost data that has been adjusted for inflation
  - Estimated permit costs
  - Climate, plant, species, and waterway data that could impact environmental assessment costs and topography and soil analysis data

Note: Applicants who propose a lower BEAD subsidy level will receive greater points in scoring, but applicants may propose higher subsidy levels than the OSIT proposed subsidy levels

# Application prioritization

# NTIA GUIDANCE

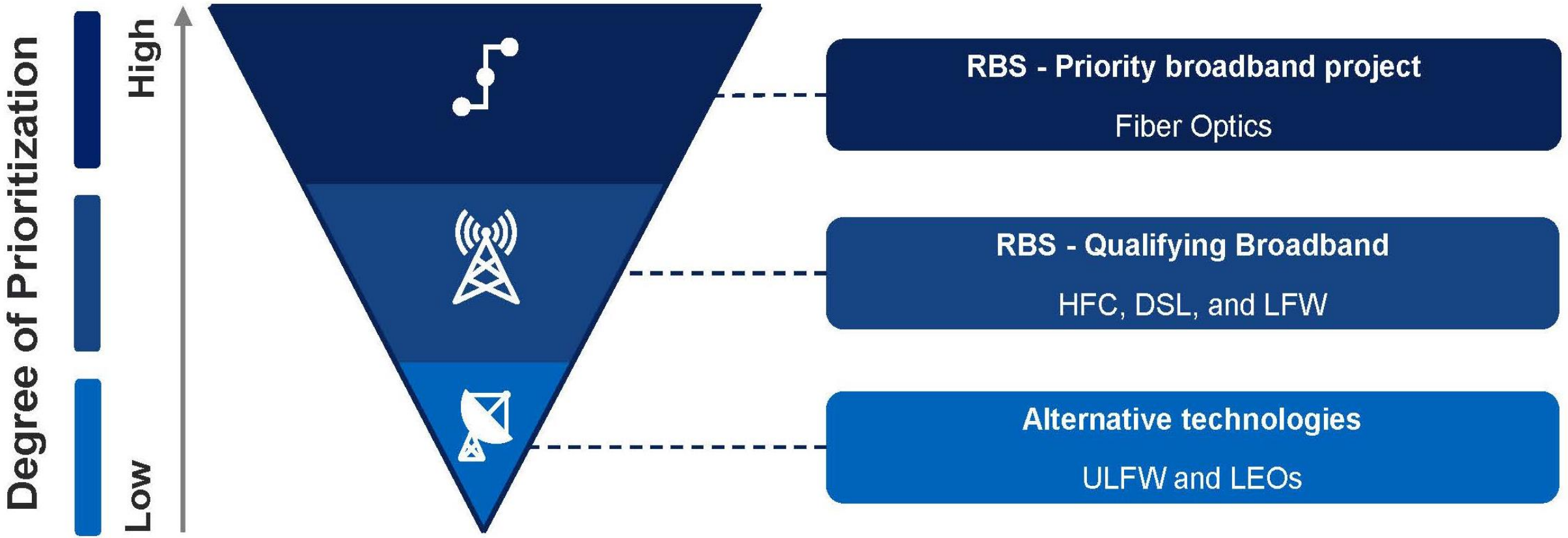
1. Key definitions
2. Broadband technology prioritization
3. When can alternative technologies be used?
4. Selection criteria

# Key definitions

1. **Reliable broadband service (RBS):** The term "Reliable Broadband Service" means broadband service that is accessible to a location via:
   - fiber-optic technology (*BDC technology code 50*)
   - cable modem/hybrid fiber-coaxial (HFC) technology (*technology code 40*)
   - digital subscriber line (DSL) technology (*technology code 10*)
   - terrestrial fixed wireless technology utilizing entirely licensed spectrum (*includes spectrum licensed by rule*) or using a hybrid of licensed and unlicensed spectrum (*technology codes 71 and 72*).
2. **Priority broadband project:** The term "Priority Broadband Project" means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises.
3. **Qualifying broadband:** To a location that is not a CAI, qualifying broadband is Reliable Broadband Service with (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds; "qualifying broadband" to a CAI is Reliable Broadband Service with a speed of not less than 1 Gbps for downloads and uploads alike and latency less than or equal to 100 milliseconds.
4. **Alternative technology:** Alternative technology is any technology that does not qualify as reliable broadband service; includes unlicensed fixed wireless (ULFW) and low-earth orbit satellites (LEOs). Alternative technologies must still meet the BEAD technical requirements.
5. **BEAD technical requirements:** For the purposes of BEAD, speed must be not less than 100 Mbps for downloads and 20 Mbps for uploads. 95% of latency measurements during testing windows must fall at or below 100 milliseconds round-trip time.

Source: NTIA, January 2024

# Broadband technology prioritization




Source: NTIA, January 2024

# When can alternative technologies be used?

**Default Selection Process:**

***Single Proposal***: If there is only one proposed Priority Broadband Project in a given location that is below the Extremely High Cost Per Location Threshold (EHCPLT), it automatically becomes the default winner.

***Exception***: A different project may be chosen if the Eligible Entity requests, and the Assistant Secretary approves, a waiver for an alternative project.[1]

**Competitive Selection Process:**

***Multiple Proposals:*** In cases where multiple proposals exist and are deemed Priority Broadband Projects, and meet all other subgrantee qualifications (gating criteria), the Eligible Entity must use its approved competitive process to select the best project based on established selection criteria.

**High-Cost Fiber Proposals:**

***Exceeding EHCPLT***: If all fiber project proposals in a project area exceed the cost threshold, the Eligible Entity has the discretion to consider other reliable broadband services or alternative technologies[2].

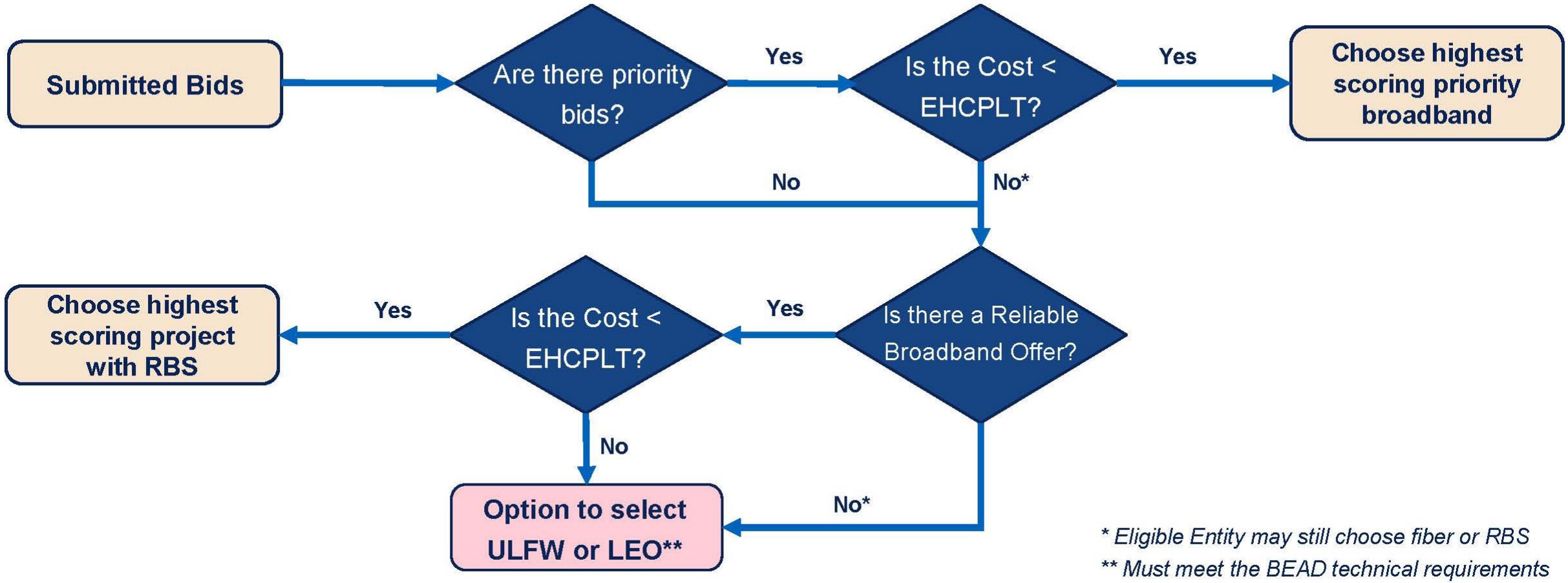
**Offer Solicitation and Scoring:**

***Solicitation:*** The Eligible Entity is permitted to request proposals for all technology types at once, including alternative technologies.

***Scoring Criteria:*** *N*on-fiber (other last-mile broadband deployment projects) must have their own criteria, which can differ from the criteria for fiber projects (priority broadband projects). Examples: evaluation of long-term technical sustainability and the speed tiers for assessing affordability.

Source: NTIA, January 2024

# Selection criteria



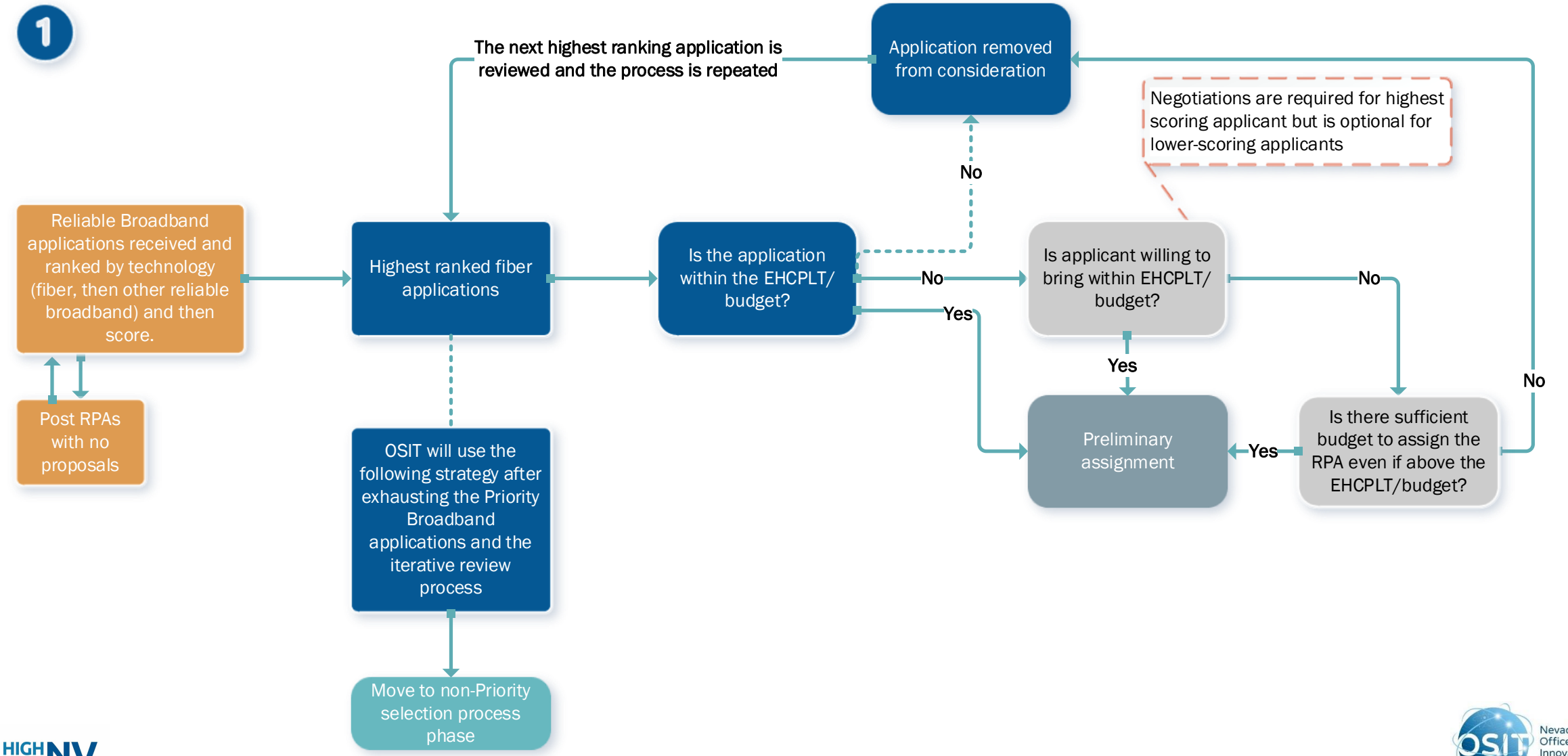

** Eligible Entity may still choose fiber or RBS*

*** Must meet the BEAD technical requirements*

Source: NTIA, January 2024

# Project selection

# Selection – Priority Broadband

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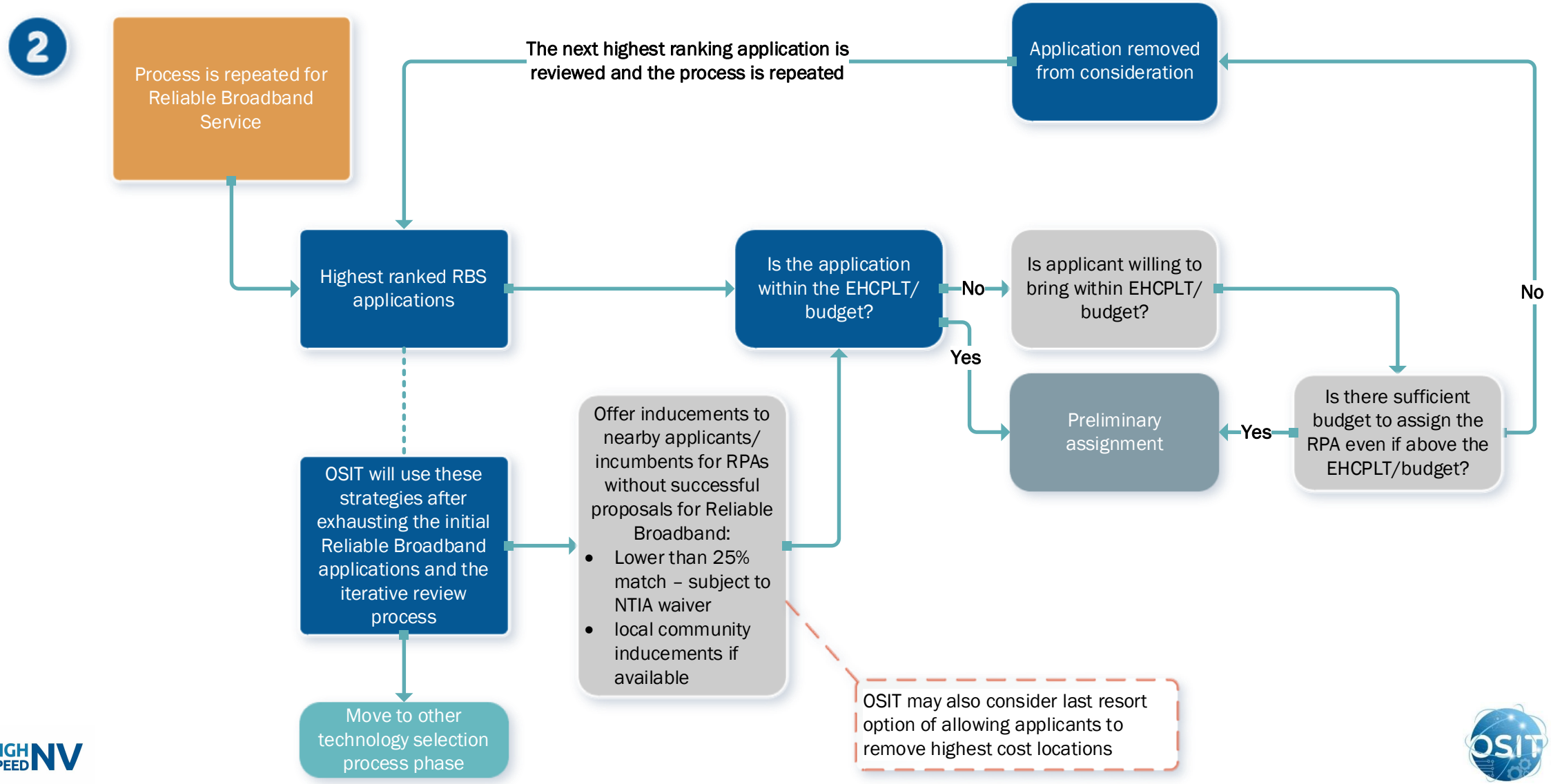
# Selection – Non-Priority Broadband



# Selection process

1. **Initial review:** Determines eligibility and applicant eligibility
   - Note: OSIT may choose to allow applicants to cure any defects in their submissions
2. **Technical review:** Evaluates whether the technical aspects of the proposed project are feasible and meet the minimum standards
   - These reviews will be conducted by a Technical Review Committee made up of subject matter experts (SMEs), including licensed professional engineers
3. **Final review:** Evaluation of all remaining applications, according to the scoring criteria as described in Section 2.4.2 of Nevada's Initial Proposal Volume II, and subgrant award recommendations to OSIT which will make the final decision
   - These reviews will be conducted by an evaluation committee made up of subject matter experts (SMEs)
4. **Selection and notice:** Publication of awarded subgrantees to OSIT's website
5. **Appeals process:** Process allowing applicants to appeal or protest an award decision on the basis of procedural errors in the solicitation process or errors in the evaluation process

# Subgrantee prioritization

OSIT will first assess which RPAs under consideration are subject to one or more proposals that:

1. Constitute Priority Broadband Projects; and
2. Satisfy all other requirements set out in the BEAD NOFO with respect to subgrantees

If there is just one proposed Priority Broadband Project for a location or set of locations, that application is the default winner, given the application meets the following criteria (unless OSIT requests, and the Assistant Secretary grants, a waiver allowing OSIT to select an alternative project):

1. Meets all the gating criteria
2. Proposes to serve every location in the RPA
3. Does not exceed OSIT's Extremely High Cost Per Location Threshold (EHCPLT)

# Subgrantee prioritization

If there are multiple proposed Priority Broadband Projects for a location or set of locations that satisfy all other requirements, OSIT must competitively select a project based on the criteria set by the:

1. BEAD NOFO; and
2. Scoring criteria outlined in Section 2.4.2 of Nevada's IPVII

If no applications meeting the criteria for a Priority Broadband Project are submitted or all applications that are Priority Broadband Projects exceed the EHCPLT, OSIT will consider:

1. Whether to waive the EHCPLT; and then
2. Applications that meet the minimum criteria that are not Priority Broadband Projects
   - Note: OSIT will follow the same scoring criteria as outlined in Nevada's IPVII in deciding between competing non-Priority Broadband Projects

**Questions and Feedback:**
**HighSpeedNV@gov.nv.gov**