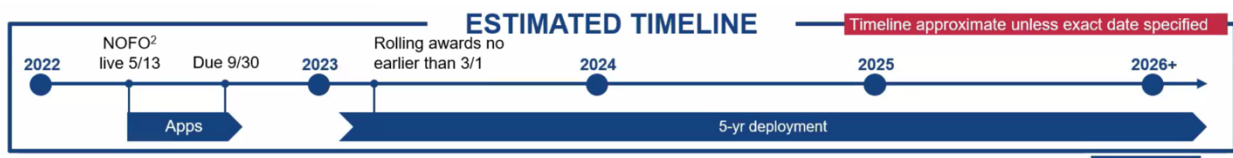


5/26/22: NTIA, Internet for All Webinar Series - NOFO Technical Assistance Webinar: Enabling Middle Mile Broadband Infrastructure Program Application Process

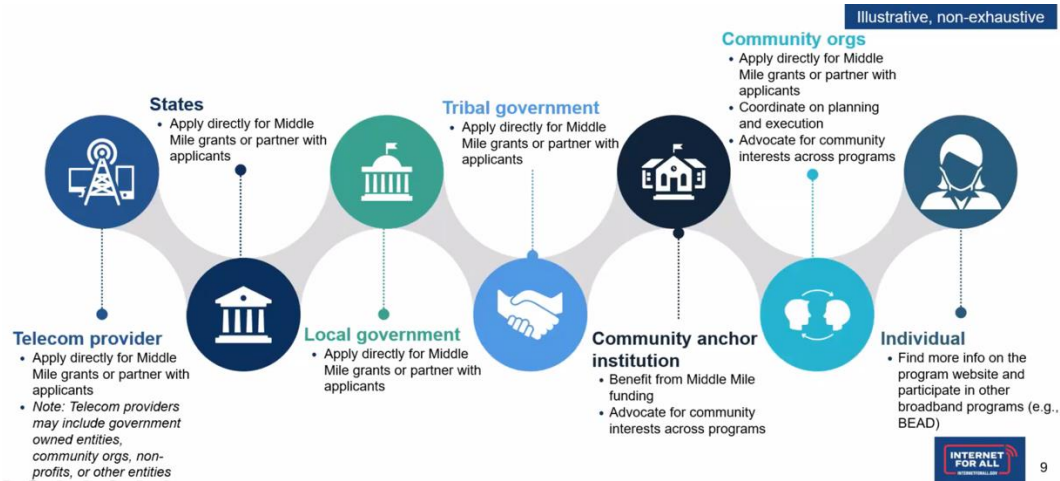
Enabling Middle Mile Broadband Infrastructure: \$1B

- This program aims to expand middle mile infrastructure to reduce the cost of connecting unserved and underserved Americans
- This mid-section of Internet infrastructure carries large amounts of data at high speeds over long distances and connects the 'backbone' of Internet infrastructure to the 'last mile', which connects to end users
- Entities eligible to apply include a wide variety, including but not limited to: government entities, utilities, companies, and non-profits that provide Internet services
- Example of uses of funds: (1) construction, improvement, or acquisition of facilities and equipment, (2) engineering design, permitting and work related to projects, (3) personnel costs, including salaries and benefits, (4) other costs necessary to a program's activities



- **Middle mile infrastructure includes:**
 - o Leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data center, special access transport
 - o Wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless network (towers, fiber, microwave links)
- **Middle Mile funding is available to a variety of entities and partners:**
 - o Eligibility means:
 - Government: state, political subdivision of a State, Tribal/Native government
 - Industry: tech company, electric utility, utility coop, public utility district, telecom company/coop
 - Non-profits and other associations: nonprofit foundation/corporation/institution/association, regional planning council, Native entity, or economic development authority
- **Middle Mile Program will support broadband access, affordability, and adoption**
 - o Access:
 - Aggregates large quantities of traffic between points to improve access, enabling future investment in infrastructure to reach the end user's location
 - Carriers traffic to remote, unserved, or underserved locations such as Hawaii or American territories, unserved Tribal/Native lands, or simply a neighboring town
 - o Affordability:
 - Reduces the cost of connecting unserved and underserved areas expanding and extending infrastructure to carry large amounts of data to the backbone of the Internet

- Unlocks future opportunities for providers to offer cost-effective last-mile services
- Adoption and Equity
 - Funds projects in diverse geographies and priority communities, such as unserved, underserved, and remote/high poverty areas
 - Builds middle mile infrastructure to connect to last mile services, including where there are community or anchor tenant commitment to adopt services



Grants can be used for the construction, improvement, or acquisition of middle mile infrastructure:

- **Non-exhaustive example of eligible uses of funds:**
 - Construction, improvement, and/or acquisition of facilities and telecommunications equipment
 - Engineering design, permitting and work related to environmental, historical, and cultural reviews
 - Personnel costs, including salaries and fringe benefits for staff and consultants
 - Select pre-application expenses <\$50,000 incurred after NOFO publication and before grant award
 - Other costs necessary to programmatic activities
- Middle Mile projects must be completed and operating no later than five years form when the award is made



- The 5-year project deadline may be extended by no more than 1 year under qualifying circumstances

- Qualifying circumstances for project extension:
 - o The eligible entity has a plan for use of the grant funds
 - o The project to build out middle mile infrastructure is underway; or
 - o Extenuating circumstances require an extension of time to allow completion of the project to build out middle mile infrastructure
 - o * Requests for extensions will be granted at the sole discretion of the Assistant Secretary. If an extension is granted, the Assistant Secretary shall modify any milestones as necessary under the extension*

Middle Mile program review process includes three steps:

1. Eligibility review

- a. NTIA ensures applicants are eligible verifying that the application is complete, and entity meets eligibility criteria

2. Merit review and prioritization

- a. Reviewers evaluate and score applications on a scale of 0-100 across two categories:
 - i. Project purpose and benefits (60 points)
 - ii. Project sustainability (40 points)

Transition from step 2 to step 3: NTIA prioritizes projects for programmatic review based on merit review score and whether applications meet 2 of 5 criteria from the statute

3. Programmatic review and selection

- a. NTIA program staff review and assess applications in two steps:
 - i. Ask applicant to submit additional info, as appropriate
 - ii. Assess proposed project and calculate weighted scores
- b. DOC selects projects for funding based on ranked list with potential adjustments for geographic diversity and diversity in award sizes

Step 1: Eligibility review: (eligible entities must meet five eligibility criteria)

- 1: Provide evidence sufficient to demonstrate that it is capable of carrying out a proposed project in a competent manner, including by demonstrating financial, technical and operation capability, per the program applicant qualifications
- 2: Certify that the project will be capable of supporting retail broadband service
- 3: Commit to non-Federal cost share of no less than 30% of the total project cost; only Tribal/Native entities may request a partial or complete waiver
- 4: Make a binding commitment to prioritize one of the following:
 - o 1: Connect middle mile infrastructure to last mile networks in unserved areas
 - o 2: Connect non-contiguous trust lands; or
 - o 3: Offer wholesale broadband service at reasonable rates on a carrier-neutral basis
- 5: Offer interconnection in perpetuity, where technically feasible without exceeding current or reasonably anticipated capacity limitations, on reasonable rates and terms

Eligible entities must meet program applications qualifications

Prospective grant recipients must meet two program applicant qualifications:

- A: capable of carrying out the project in a competent manner
- B: has the financial, managerial, technical and operational capability to carry out the project and operate the resulting MMG broadband network

Six Steps for applicants to demonstrate EE meet qualifications:

- 1) Financial capability: supply certification attesting to financial qualification, a letter of credit, and financial statements for the past 3 years
- 2) Managerial capability: supply resumes for key personnel, org chart(s), and a narrative describing managerial readiness
- 3) Technical capability: supply certification attesting to technical qualification, a network design diagram, project costs, build-out timeline, and milestones for implementation and a capital investment schedule
- 4) Compliance with laws: demonstrate capability of carrying out activities in a competent manner in compliance with all applicable federal, state, and local laws and permit workers to create worker-led health and safety committees with which management will meet upon reasonable request
- 5) Operational capability: supply certification attesting to operational qualification and additional certifications if applicant has operated select types of services in the past
- 6) Ownership: Provide ownership information, including name, address, and citizenship of any party with >10% stock in applicant

Step 2: Merit Review and Prioritization:

- Reviewers evaluate applications across two categories of criteria

Criteria	Description	Points
Underserved areas or affordability	Deploy to un- or underserved areas or improve affordability in existing markets	20
Interconnection	Offer non-discriminatory interconnection in perpetuity, where feasible	10
Open access wholesale	Offer open access to the funded infrastructure in perpetuity	10
Other benefits	Provide other benefits (e.g., redundancy, direct interconnect facilities)	10
Tech solution and shovel ready	Meet community's needs and complete project in two-year period	10
Total: Project purpose & benefits		60
Org capability	Organizational capability to complete the specific project proposed	5
Budget	Reasonableness of applicant's proposed budget	10
Fiscal sustainability	Project's fiscal sustainability beyond the award period	10
Non-federal cost share	Contribute a non-federal cost share >30% ¹	15
Total: Project sustainability		40

Merit review and prioritization: NTIA prioritizes applications based on merit review score and statutory criteria:

1. Applications with a score ≥ 80 during Merit Review and that meet at least two of the five statutory criteria
2. Other applications with score ≥ 80 during Merit Review
3. Applications with a score < 80 during Merit Review but meet at least two of the 5 statutory criteria

Merit review statutory criteria:

1. Adopt fiscally sustainable middle mile strategies
2. Commit to offering non-discriminatory interconnect to last mile broadband providers and any other party making a bona fide request

3. Identify last mile broadband providers with (i) interest in interconnect; and (ii) sustainable business plans or adequate funding for interconnection
4. Identify supplemental investments or in-kind support (such as waived franchise or permitting fees) that will accelerate project completion
5. Benefit national security interests of the US and the Department of Defense

Step 3: Programmatic review and selection: NTIA may ask for additional info and calculate weighted scores

1. NTIA may ask applicants to submit additional information to confirm eligibility or Merit Review score
2. NTIA calculates weighted scores (ie multiply Merit Review by 1.0x to 1.8x) based on 8 criteria
 - a. Eight criteria assessed in programmatic review to calculate weighted score:
 - i. Reduce end-user prices
 - ii. Reduce latency in remote or insular areas
 - iii. Benefit priority areas and groups
 - iv. Benefit unserved areas or tribal lands
 - v. Connect unserved anchor institutions
 - vi. Comply with select requirements
 1. Requirements related to fair labor practices, advancing workforce development objectives, and civil rights and non-discrimination law compliance
 - vii. Demonstrate climate resiliency
 - viii. Proposed use of community benefit agreements

Application Components and Process

1. Executive summary: not to exceed two pages or ~1,000 words; NTIA may use all or a portion of the executive summary as part of a press release or other public info
2. Project purpose, need, and beneficiaries: including how the proposal will advance program objectives, proposed routes or service areas, info on existing middle mile offerings, list of anchor institutions and types within 1,000 feet of proposed route (for fiber projects only), etc.
3. Proposed project- technical approach, service area, and build out plan: including network route map(s), network diagram and system design, technical details, timeline for buildout, etc.
4. Project financials and organization financial capacity: including project budget and funding, non-federal cost share sources, financial for last 3 years, audit for last year, pro forma, etc.
5. Project implementation team and organizational capacity, including org charts, management team and key resumes, plans for labor standards and workforce development, etc.
6. Government and community involvement, including info on coordination with State, Territory, Tribal/Native entities, and local government and community organizations
7. Budget narrative and detailed budget justification spreadsheet, including an explanation of the necessity and basis for all costs and reflecting the cost categories on the SF-424C
8. Required forms, including Standard Form 424: Application for Federal Assistance, Standard Form 424C: Budget Info for Construction Programs, CD-511 Certification Regarding Lobbying etc.

NTIA will only accept applications submitted electronically via the online application portal by September 30, 2022 no later than 11:59pm EDT

- Contact middlemile@ntia.gov with any questions and nghelpdesk@ntia.gov for technical support with the portal

Application format requirements:

- Figures, graphs, images, and pictures should be readable and presented in landscape
- Font should be easy to read and 11-point minimum; figures and tables may use smaller type
- One-inch margins on top, bottom, left, and right
- Portrait orientation except for figures, graphs, images, and pictures
- Page size 8 ½ by 11 inches
- All applications must be in English

Programmatic inquiries

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Questions:

- **Regarding grant matching and cost sharing: can state funding be allowed to be used for grant matching for the federal grant?**
 - o As long as it does not have a federal nexus, yes it can be.
- **Regarding the use of grant funding within the actual program scope: regarding workforce development, can grant funds be used to fund the creation and operation of workforce development if the entity does not currently have a program like that in place?**
 - o Probably not the right use of funds for the middle mile project but take a look at what the eligibility criteria are
- **Regarding emergency management services, are there broadband infrastructure funds that can be used as part of this program for emergency management services for things such as cell towers to provide emergency services or radio systems that are not covered. If not, where might an applicant find more information on grant programs that are better suited for this use?**
 - o In the eligibility criteria, one of the items is benefitting national security interest, so yes.
- **We know that supply chain issues are common, so timing of the purchase of equipment and supplies- if an applicant is applying for this program and wants to be proactive, does ordering the material in advance preclude from being funded through this program, and would they be reimbursed?**

- You would be buying them at your own risk if you are in hopes of being funded, the pre-project costs are subject to review by an NTIA grants officer.
- Under this program, pre-award costs are only eligible for costs incurred from the work done to submit an application, so no.
- However, it is a possible in kind match.
- **If an applicant is unable to access the FCC broadband maps in time, are there other sources or definitions that they can use to explain or illustrate their unserved or underserved populations?**
 - There are a lot of states who have developed their own tools and done speed tests. Check broadband data USA website as well.
- **Regarding administrative aspects and templates, if an applicant needs to submit a plan, can NTIA provide a template? Are there any required templates or is up to the applicant?**
 - NTIA is in the process of getting the application ready and is developing an application guidance document that will clearly explain the required forms, where to download, etc.
- **Regarding letters of credit and financial statements, if applicants have questions as to whether or not those documents are the right ones, is there a way for those applicants to reach out?**
 - Yes, would have them go to the mail email address NTIA is using. A lot of those financial statements are not necessarily a grant regulation requirement. (middlemile@ntia.gov)
- **Regarding priority or special consideration, is there any special consideration or set aside for socio-economic entities, minority owned type businesses?**
 - Make sure you understand the NOFO.
- Encouraged all applicants to work with their state broadband offices. Middle Mile can be built out with BEAD funds.
- **In terms of multiple applications, is it better to apply for one large project that might be multi-geographical or should individual projects be applied for separately?**
 - Can't say which is preferred, or if there is any preference at all, but you will have the ability to log into the portal and apply for the middle mile program and build as many project applications as you'd like.
- **If a project includes both middle mile and last mile builds, is the applicant still eligible to apply to the middle mile portion, and do they need to break out any portion that may be out of scope?**
 - Unable to fund any last mile connections with this program, the statute is very clear that middle mile is defined as anything that does not touch the end user, including anchor institutions. The statute and NOFO go on to say if this is fiber optic regarding anchor institutions, you will agree to placing/enabling a direct interconnect to facilitate 1gb up and down within 1000 feet of that anchor institution.
- **Can grant preparation costs internal and contracted services be included in the request as reimbursable and if so, are those costs limited to a certain percentage of the total grant amount requested?**
 - Your proposal costs can be recovered. In this NOFO, it is limited to \$50k
- As you are drafting your budget, it is your best guess at this point and we understand that, don't think everything has to be exact. If you are selected for award, there may be some more communication and negotiation down the road.
- Future webinars will dive into each section of the NOFO