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State of Maine BEAD Initial Proposal, Volume 2

Broadband Equity Access and Deployment Program



BEAD Initial Proposal Volume 2

// For Submission to NTIA //



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Introduction

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

Through BEAD funding, MCA will deploy broadband infrastructure to un-connected, unserved, underserved, and Community Anchor Institution locations throughout the state. To access these funds, MCA has produced a comprehensive Broadband Action Plan combined with a Digital Equity and Inclusion Strategy to help inform the production of an Initial Proposal to the National Telecommunications and Information Administration (NTIA), which is composed of two volumes that outline how the BEAD program will function.

BEAD Initial Proposal Volume 1 has identified available funding for broadband throughout Maine, the specification of unserved, underserved, and community anchor institution locations, and the process to submit challenges to the location lists. This document, Volume 2 of Maine's Initial Proposal, details how MCA will administer the BEAD program, including a Subgrantee Selection Process, overview of how competitive proposals will be scored, subgrantee qualifications and overview of how Project Service Areas will be developed. These work products (The Initial Proposals Volume 1 & 2, The Broadband Action Plan and The Digital Equity Plan) are all products that reflect your extensive engagement, input and feedback throughout the last year. The MCA team is honored to have had the opportunity to translate your ideas and priorities into the program design for what will be the most transformational investment in digital infrastructure of our time. Many thanks to Maine's Federal Delegation especially Senator Susan Collins and Senator Angus King for their leadership in addressing Maine's digital divide.

Once NTIA approves these proposals, MCA will begin to implement the strategies and activities we describe in our Five-Year Action Plan and, more specifically, in these two proposals. We look forward to an ongoing collaboration and to getting to work in implementing these activities in 2024.

We can get there from here!

A handwritten signature in blue ink, appearing to read 'Andrew Butcher'.

Andrew Butcher
President, Maine Connectivity Authority

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2.1 Objectives (Requirement 1)

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

2.1.1 Long-term Broadband Deployment Objectives

The State of Maine's long-term broadband deployment goals are established by statute.

1. High-speed connectivity be universally available in the State, including to all residents, businesses and community anchor institutions
2. There be secure, affordable, reliable, competitive and sustainable forward-looking advanced communications technology infrastructure that can meet current and future needs
3. All residents, businesses and institutions in the State be able to take full advantage of the economic, health, educational and other opportunities available through connectivity services
4. Existing public and private infrastructure be used effectively and efficiently in the public interest to provide advanced communications technology infrastructure in all areas of the State

The Maine Connectivity Authority (MCA) was created in 2021 to advance these goals, which it has distilled into three core strategic objectives:

1. Projects: Optimize broadband deployment for universal benefit.
2. Places: Urgently connect the last mile.
3. People: Advance digital equity for all.

This dynamic balance will serve as the "North Star" for Maine's Broadband Action Plan as MCA seeks to align recovery, relief, and infrastructure funds to optimize the impact of investments.

In addition to these long-term broadband deployment goals, Maine's ten year economic development strategy is in implementation mode with a key strategy of ubiquitous connectivity. The state's economic development strategy is a crucial part of this work, and has been incorporated by the Maine Connectivity Authority in the organization's economic development initiatives. In total, the state seeks to use these strategies over ten years (2020 - 2029) to achieve the following objectives: grow the average annual wage in Maine by 10%, increase the value of what we sell per worker by 10%, and attract 75,000 people to Maine's talent pool.

Over the past two years, MCA has designed programming to address Maine's distinct needs, including community-informed, regionally-scaled connectivity solutions, line extensions to leverage existing infrastructure, and proactive development of last mile solutions to leverage an expanding middle mile infrastructure. This "All-In" programming leveraged state connectivity funds, ARPA Capital Project Funds and Maine Jobs and Recovery Program funds towards the design, launch and execution of a suite of programs intended to achieve these objectives and the state's statutory goals:

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- **Jumpstart Connectivity:** Competitive grants to pilot and evaluate a range of alternative technologies in rural areas to complement broadband infrastructure expansion.
- **Get Ready Community Support Program:** Competitive grants to support community broadband planning efforts at a regional scale through tailored technical assistance.
- **Regional and Tribal Broadband Partnerships:** Funding capacity, technical assistance, and shared learning for 14 organizations throughout the State to support a community of practice to inform infrastructure development and digital inclusion.
- **Connect the Ready:** \$60 million of competitive grants to design, fund, and build broadband infrastructure projects in unserved areas, collaborating with applicants on the scope of projects and readiness of project partners.
- **Reach Me:** \$20 million in line extension incentives for existing network owners to complete service to the last mile.
- **Partnerships for Enabling Middle Mile:** \$23 million to address large-scale, regional broadband needs by leveraging middle mile infrastructure and maximizing private and community financial contributions. This program extends the Connect the Ready programming to integrate last mile investment with identified middle mile needs and future planned investment, including the NTIA-funded MOOSENNet.

In parallel, MCA's NTIA-funded planning processes built on Maine's tradition of community-supported broadband solutions and open dialogue with internet service providers to gather extensive data about Maine's existing and planned telecommunications infrastructure investment and remaining areas of need. The rich participation of a diverse array of partners and the data generated through the planning process, paired with proactive investment in capacity for mapping and analysis, gives the MCA a detailed understanding of where and how to target public investment to fill the remaining gaps to make high-speed connectivity universally available in the state.

Maine's first Digital Equity planning process, conducted in coordination with the development of the Five Year Broadband Action Plan, brought together a statewide cohort of individuals, organizations and agencies representing and working with covered populations, many of whom had not been previously engaged in broadband planning. These conversations made clear that infrastructure expansion to the most remote locations alone would not address Maine's needs and that substantial additional work would be necessary to ensure that all residents could take full advantage of the health, educational, and other opportunities that high-speed connectivity makes possible. First and foremost, these services must be affordable to all Mainers. For many Mainers in covered populations, this affordable service would need to be paired with access to affordable devices, technical support, and targeted education to address concerns about internet safety.

With 35,557 Maine locations unserved and 39,578 underserved by BEAD definitions (as of December 2023), 1 in 8 Maine locations lack adequate broadband service. MCA's extensive outreach, engagement, and partnership with organizations throughout the state - in a diversity of sectors have confirmed that even for those with access to broadband service, there remain significant obstacles to realizing the full benefits of these services, including affordability, devices, training, and technical support. This Initial Proposal, along with the Five Year Action Plan and MCA's programming implemented to date, is the road map for how this transformational funding will address Maine's needs and achieve Maine's connectivity goals.

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

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

2.2.1 Local, Tribal, and Regional Broadband Support

This Initial Proposal is built on a foundation of nearly two years of significant stakeholder engagement by the MCA, which was preceded by nearly a decade of state-level investments in local planning, stakeholder engagement, and facilitation of public-private partnerships for connectivity.

MCA developed the Five-Year Broadband Action Plan and the Digital Equity Plan in a single, integrated process that ensured its approaches to digital equity and infrastructure planning would not be siloed. This combined process allowed efficient, integrated public engagement on both local and regional challenges and those faced by the entire state.

Regional Planning Processes - Regional and Tribal Broadband Partners Program

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

Statewide Planning Processes focused on five major areas:

- **Digital Equity:** Extensive planning process as articulated in the 5-Year Action Plan and State Digital Equity Plan, and the ongoing work of a Digital Equity taskforce. Maine has anchored BEAD planning around digital equity because the vast majority of the state is subject to systemic constraints that require making investments that reflect the needs of the least connected - which the vast majority of the State is subject to given rurality, population demographics and geography.
- **Workforce:** Engagement resulted in the production of a Workforce Analysis Report & Stakeholder Event in February 2023 and the ongoing work of a Workforce Advisory Cabinet.
- **Capital Markets:** Representatives from the banking and finance community, philanthropy, legal, community development financial institutions, venture capital, and executives with experience in strategic financing, working together to provide capital markets recommendations related to the Broadband Action Plan and process.

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- **Mapping and Data Collection:** Maine is building upon several years of data-driven decision making and robust mapping through a broadband intelligence platform. This includes multiple years of a State Broadband Data Collection process that mirrors the FCC's and a new mechanism to collect construction information for new privately funded builds proactively.

Also of note are MCA's previously mentioned community-informed and regionally scaled connectivity solutions, line extensions to leverage existing infrastructure, and the proactive development of last mile solutions to leverage an expanding middle mile infrastructure. As of December 2023, the Maine Connectivity Authority has facilitated over \$145 million in digital equity and infrastructure investments. MCA's "All-In" programming has deployed state connectivity funds towards the design, launch and execution of the following programs:

- **Get Ready Community Support Program:** Competitive grants to support community broadband planning efforts at a regional scale through tailored technical assistance.
- **Connect the Ready:** \$60 million of competitive grants to design, fund, and build broadband infrastructure projects in unserved areas, collaborating with applicants on the scope of projects and readiness of project partners.
- **Reach Me:** \$20 million in line extension incentives for existing network owners to complete service to the last mile.
- **Partnerships Enabling Middle Mile:** \$23 million to address large-scale, regional broadband needs by leveraging middle mile infrastructure and maximizing private and community financial contributions. This opportunity builds from MCA's existing Connect the Ready programming, links to middle mile, and prepares partners and stakeholders for a modified funding strategy that will be developed for BEAD.

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2.3 Local Coordination (Requirement 4)

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

2.3.1 Plan for Ongoing Coordination

Ongoing coordination at a local, regional, tribal, state, and sector level has been crucial to the success of Maine for many years. As MCA continues to braid multiple state and federal resources, continued leverage of the partners, taskforces, working groups, advisory councils, and grantees, as outlined as a response to the previous question in Section 2.2.1, will be a cornerstone of the MCA's activity through the Final Proposal development.

The most notable impacts of local coordination in developing this Initial Proposal are:

1. Creating an updated and more comprehensive definition of Community Anchor Institutions (CAIs) in Maine and expanding engagement and subsequent data collection, which further hones digital equity priorities. Proposing a definition and then collecting the information, which had not previously been compiled, has engaged many new voices in broadband connectivity not previously involved.
2. Diverse and substantive community meetings, workshops (16 meetings, 250 participants) and focus groups with covered populations (13 meetings, 116 participants), including Tribal consultations with Tribal leadership of the Mi'kmaq Nation, Passamaquoddy Tribe at Sipayik, and the Passamaquoddy Tribe at Motahkomikuk, amplified challenges of unserved and underserved communities across Maine. Maine's first Digital Equity workshop brought together over 100 individuals to elevate and affirm priorities and strategies represented in the Initial Proposal. Covered populations engaged in focus groups included rural inhabitants, older adults, veterans, individuals with a disability, individuals with a language barrier or low literacy, members of racial and ethnic minority groups, low-income individuals, and formerly incarcerated individuals. (The covered populations referenced here are those referred by the IIJA under the Digital Equity Act.)
3. Ensuring comprehensive geographic representation through all aspects of the planning process has helped galvanize MCA's methodology for Project Service Areas to reflect the state's geographic, cultural, and economic necessities - while factoring in the technical considerations of how internet networks are designed, engineered and built.
4. Creation of the Maine Connectivity Resource Exchange (The Exchange) and Connectivity Headquarters for Analysis, Research and Transparency (CHART).
 - a. The Exchange, to be launched in 2024, will establish a centralized repository of knowledge, guidance, technical assistance and support for partners, grantees, covered populations and localities to translate planning efforts into implementation activities.

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In doing so, the Exchange will outline a community-supported broadband engagement curriculum, broadband basics, adoption and use case studies, and public-ownership models and succession planning tools to leverage lessons learned as Maine continues to expand connectivity. These resources will also serve as a centralized learning hub for municipal officials participating in the BEAD Subgrantee Selection Process to ensure all communities within project areas (PSAs) have the knowledge and understanding to work in partnership with internet service providers seeking bid submission.

- b. CHART will serve as a mapping and analysis platform to incorporate diverse and complex data to address the geospatial, economic, and cultural needs identified in the planning process.

Throughout the implementation of BEAD, MCA will continue to collaborate extensively with partners and stakeholders established through the last year of an integrated planning process toward program implementation.

- **Digital Equity Taskforce**

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

- **Regional and Tribal Broadband Partners**

These organizations, which include 13 statewide partners and 180 regional coalition members with a geographic reach that covers the entire state, are implementation partners for regional and tribal broadband planning, implementation, and digital equity plans. They are also important convenors for partners at the local and regional levels.

- **Tribal Leadership**

MCA partners with Tribal leaders and organizations on implementation strategies for digital equity in Tribal communities and serving Tribal members throughout the state.

- **State of Maine Broadband Working Group**

The 17 state agencies and bureaus of the Broadband Working Group may serve as implementation partners for infrastructure planning, addressing barriers and policy challenges, affordability strategies, digital skill building, affordable device access, inclusive government resources, and internet safety. State agencies are education and awareness builders, as well as partners with direct relationships with covered populations through their existing roles and programs.

- **Workforce Advisory Committee**

This committee of 20 partners works with MCA's Workforce Development Manager to create and support education and training opportunities to solve the broadband workforce gap.

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Members include community partners, education representatives, labor and trade organizations, employers, and state and federal representatives. These members serve as advisors to MCA and practitioners to ensure underserved populations are engaged in broadband workforce strategies as MCA implements training and recruitment practices articulated in MCA's workforce strategic plans. Key strategies include recruiting women and minority populations into the broadband workforce and educational opportunities.

- **Broadband Infrastructure Capital Markets Taskforce**

Though this taskforce of 27 partners is devoted primarily to helping to solve gaps in funding for broadband infrastructure, members may also be engaged to support the Digital Equity Fund and other creative financing solutions related to digital infrastructure support programming.

- **Stakeholder and Partner Forums** such as weekly informal dialogues known as "Let's Talk Broadband," the Maine Broadband Coalition's policy committee and an annual summit, the Technology Association of New England's gatherings, the Maine State Chamber's Broadband gathering, the Energy, Utilities, and Technology legislative committee, and many more will continue to serve as a key interface to exchange information.

2.3.1.1 Attachment: Local Engagement Tracker

The complete Local Coordination Tracker Tool, including engagements with Tribal Governments, local community organizations, unions and work organizations, and other groups, is attached as [Attachment 1](#). The table can also be downloaded at <https://www.maineconnectivity.org/bead>.

2.3.2 Tribal Consultation Process

During the outreach and engagement period from February to April 2023 that informed the [5-Year Action Plan](#) and the [Maine Digital Equity Plan](#), MCA conducted formal consultations with three federally recognized Tribes in Maine. These consultations were held with the Passamaquoddy Tribe at Motahkomikuk, the Passamaquoddy Tribe at Sipayik, and the Mi'kmaq Nation. Outreach was conducted by mail, email, and phone to the Penobscot Nation and the Houlton Band of Maliseets, but a consultation was not scheduled or completed. MCA also shared the resulting draft plans during the 30-day public comment period in June 2023 and directly with all Tribal leadership to ensure there was an opportunity for feedback.

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

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

2.3.2.1 Attachment: Tribal Consultation Evidence

Tribal Consultations meeting [invitations](#) and agendas are included as [Attachment 2](#) and can also be downloaded at <https://www.maineconnectivity.org/bead>

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2.4 Deployment Subgrantee Selection (Requirement 8)

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

2.4.1 Deployment Projects Subgrantee Selection Process & Scoring Approach

The Subgrantee Selection Process will leverage MCA's prior experience as a grant-making and grant-monitoring organization. Since 2021, Maine has funded more than 56 broadband infrastructure grants totaling over \$147 million. MCA has developed effective subgrant award policies and procedures that meet all Federal and State requirements for competitive subgrant solicitation. The proposed Subgrantee Selection Process includes the following stages:

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

MCA's BEAD program design and development will follow the same process MCA has successfully used to rapidly develop, refine, and implement targeted infrastructure grant programs since its inception, modified to meet BEAD parameters. This process begins with circulating an initial draft of the program design for public comment with as much guidance as possible for interested parties and potential applicants, including a calendar of activities for the Subgrantee Selection Process and an outline of key milestones and dates.

MCA then conducts an extensive outreach process to make information about the proposed program as broadly available as possible and provide opportunities for meaningful public comment and dialogue. MCA issues press releases for general media coverage and works with industry sources to promote the opportunity through targeted outreach for earned media in key outlets. MCA also disseminates program information across multiple targeted email lists, developed over the last decade and expanded in the BAP planning process, with more than 4,000 members representing nearly every interested stakeholder in Maine and northern New England.

This general outreach is followed by targeted outreach and feedback sessions with Internet Service Providers (ISPs) and other eligible subgrantees. MCA will also conduct outreach sessions with relevant non-ISP stakeholder groups, including its Regional and Tribal Broadband Partners, the Digital Equity Taskforce, the Interagency Broadband Working Group, the Broadband Infrastructure Capital Markets Taskforce, and the Workforce Advisory Committee, among others. Ongoing coordination with the Maine Municipal Association will be essential in sharing the process with municipal audiences across the state, who are very engaged in community connectivity. MCA will then use the feedback from this process to revise and refine the proposed program, which will be released before the application deadline. Outreach will be complemented with webinars and meetings, regular postings on the MCA website, social media, and email updates. Final application guidance will be widely disseminated, with additional webinars, meetings and postings.

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Stage 2: Project Service Area Definition *(estimated February 15 - June 15, 2024)*

The boundaries and characteristics of Project Service Areas (PSAs) will be developed in coordination with potential subgrantee and public input based on the methodology described in Section 2.4.6 of this Initial Proposal. Final Project Service Areas will be released 30 days before the opening of Stage 4: BEAD Application Period.

Stage 3: Applicant Pre-Qualification Period *(estimated July 1 - July 31, 2024)*

Stage 3 of the Subgrantee Selection Process evaluates applicants' technical, financial, operational and managerial capacity. This evaluation is conducted at an applicant/organizational level. It is separate from, and prior to, MCA's assessment of the capacity needed to successfully complete project-specific proposals in the following phase. The Applicant Pre-Qualification evaluation will allow MCA to identify the pool of eligible applicants in advance and work proactively with those applicants to ensure that their applications meet eligibility requirements and the application process is as competitive as possible. MCA intends to open the applicant pre-qualification period after approval of Volume 2 of the Initial Proposal by NTIA and while the state-led challenge process concludes. However, if Volume 2 approval has not been received, MCA is willing to proceed with prequalification at MCA's own risk due to the compressed timeline.

Pre-qualification guidance materials will be published 60 days before the pre-qualification process begins. MCA will use the same channels described in Stage 1 to make information available about the facilitation of a series of informational sessions about the BEAD grant program leading up to the opening of the pre-qualification period. The pre-qualification process will determine which applicants meet the minimum qualifications set forth by the BEAD NOFO and additional MCA requirements. Minimum pre-qualifications will include evidence that the applicant:

- Can execute activities funded by the subgrant competently and in compliance with all applicable federal, state, and local laws (BEAD NOFO Section IV.D.2.d)
- Has the financial (BEAD NOFO Section IV.D.2.a) and managerial capacity (BEAD NOFO Section IV.D.2.b) to meet the commitments of a subgrantee under a subgrant, the requirements of the Program and other requirements that NTIA or the MCA has prescribed and that will be promoted throughout Stage 1
- Has the technical (BEAD NOFO Section IV.D.2.c) and operational capability (BEAD NOFO Section IV.D.2.e) to provide the services promised in the subgrant in the manner contemplated by the subgrant award
- Has the operational capacity and strategy to provide direct municipal and/or tribal partnership in addition to a record of municipal and/or tribal government engagement across proposed project areas within MCA-defined regions
- Has a record of past compliance and plans to ensure ongoing compliance with federal labor and employment laws (as detailed in Section 2.7.1)

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Applicants must also provide:

- Ownership information (BEAD NOFO Section IV.D.2.f and other public funding (BEAD NOFO Section IV.D.2.g) information), including updates to MCA's Broadband Investment Notification & Demonstration (BIND) process. This includes any applications the subgrantee or its affiliates have submitted or plan to submit and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds, including but not limited to funds provided under: the Families First Coronavirus Response Act; the CARES Act, the Consolidated Appropriations Act, 2021; or the American Rescue Plan of 2021, any federal Universal Service Fund high-cost program (e.g., RDOF, CAF), or any Eligible Entity or local universal service or broadband deployment funding program)
- Certification that it will adhere to all State of Maine laws regarding net neutrality, collection of data, and guarantee of privacy of all broadband internet service customers as defined in statute at the time of award.
- Certification that it will offer a low-cost plan option as outlined in Section 2.12.

Applicants will also be presented with a list of draft Project Service Areas (PSAs) that will be developed as described in the previous stage and asked to indicate which they intend to apply for. Providers will submit polygon areas indicating non-binding intent to apply for BEAD funding for a given set of BSLs, which may include some or all of a draft PSA. MCA will use this input to refine the boundaries of the PSAs further.

During the prequalification round, applicants will also submit materials related to the following capabilities (in a general, non-project-specific context). Those requirements are documented in various subsections of this Initial Proposal Volume 2.

Within 30 days following the close of the pre-application process, MCA will notify applicants of their pre-qualification status and ability to proceed into Stage 4, the **BEAD Application Period**. Completing the Applicant Pre-Qualification will allow applicants to submit applications for specific Project Areas. MCA will conduct a final review of each applicant's financial, managerial, technical and operational capability after the BEAD application submissions in Stage 4 to assess an applicant's capabilities and capacity in the context of the overall BEAD project application(s) submitted.

Stage 4: BEAD Application Period (estimated August 1 - September 13, 2024)

Applicants who have pre-qualified during Stage 3 will be invited to submit applications through MCA's Grant Portal in Stage 4. Applicants will complete an application consisting of one or more of the Project Service Areas (PSAs) defined in Stage 2, including the following tasks:

- **Task 1: Project Service Area Selection.** Applicants will first select one or more Project Service Areas they wish to apply for. By selecting a PSA, applicants agree to provide a connection to all unserved locations, underserved locations, and Community Anchor Institutions in the given PSA. Eligible CAIs will only be funded after a clear plan to connect all unserved and then underserved

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locations has been developed by MCA. Applicants can include multiple PSAs in a single application if they are contiguous or part of a naturally connected network build. Applicants should create a separate application for PSAs (or groups of PSAs) not connected by geography or network infrastructure. For each Project Service Area, applicants will specify:

- The amount of BEAD funding (subsidy) the applicant is requesting
- The requested dollar amount to separately serve the following sets of locations in the PSA*
 - Unserved BSLs
 - Underserved BSLs
 - Unserved/underserved Community Anchor Institutions

** While the overall cost of any PSA application will combine these costs for service locations, breaking out the specific costs per location type allows MCA, in the case of a funding shortfall, to prioritize awards based on unserved locations without revisiting proposals.*

- **Task 2: Technical Narrative & Profile.** Applicants will provide a technical narrative for each application that will apply to all Project Service Areas included in a single application. Information required in a technical narrative and profile includes:
 - Technology types
 - Redundancy and business continuity plans
 - Speeds offered
 - Latency expectations
 - Equipment providers and inventory management
 - Staffing and workforce readiness - both construction and operating phases
 - Service plans and pricing
 - Service and billing commitments
 - Timelines for deployment by specific progress milestones
- **Task 3: Financial Analysis.** Applicants will provide a financial analysis for each application that will apply to all PSAs included in that application. If the applicant needs to provide varying financial analyses for other PSAs, a separate application should be filed for those PSAs. MCA will provide a template to streamline and coordinate this process, and some elements of this task may be contained in an accompanying workbook if necessary. Information collected will include:
 - Construction - Sources and Uses of funding
 - Sources - Grant request, plus source(s) of matching funds (equity, debt, operating cash, community support, grant)
 - Uses - Capital expenditures
 - Timeline of expenditures
 - Operations
 - Operating revenue and expense estimates - inc. key assumptions (take-rate, labor, etc.)
 - Cash flow projections

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Stage 5: Application Evaluations (estimated September 16, 2024 to November 15, 2024)

Following the closing of the Application Period (Stage 4), the MCA Review Team will assess all applications received from pre-qualified applicants. MCA's Review Team will be led by MCA staff with specialist consulting support for the technical and financial elements. All scoring will initially be applied to each project service area by MCA's integrated GIS tool that will be developed for the purpose of the Subgrantee Selection Process. This scoring application will be further reviewed by MCA employees who will receive specific training to be objective in the process. Following the application of scoring, the evaluation process will proceed with four review elements.

- **Review Element 1: Confirming Eligibility.** This review element will confirm all applications are complete and all necessary information has been submitted. At this time, the Review Team will check application information against pre-qualification eligibility requirements to ensure alignment and no discrepancies between the two processes.
- **Review Element 2: Technical.** This review element will examine the technical feasibility of the application and Project Service Areas, and ensure that all technical standards of the program are met. Information examined during the Technical Review includes:
 - Network design including narrative description, planned technology (e.g., GPON, EPON, Active Ethernet, etc.), proposed fan-out if using a passive optical network (PON) technology, network demarcation points, planned locations for points of interconnection with middle-mile networks, and any proposed locations for points of presence/network connections for last mile service delivery.
 - Plan to satisfy permitting requirements
 - Infrastructure construction timelines
 - Capacity of proposed networking equipment
 - Other key factors outlined in program guidance materials
 - Re-review of Applicant's technical, operational and managerial capacity identified in pre-qualification, in the context of the totality of project applications submitted to MCA (and other states) by the applicant
- **Review Element 3: Financial.** This review element will examine the overall financial sustainability of the proposed application and project areas and ensure that all financial standards of the program are met. Information examined during the Financial Review includes:
 - Pro Forma analyses and business plans of the proposed project - as identified in the workbook submitted
 - Reasonableness of proposed construction budget
 - Reasonableness of proposed operating budget and cash flow analysis
 - Applicant's financial capacity for the project

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- Re-review of Applicant's overall financial capacity identified in pre-qualification, in the context of the totality of project applications submitted to MCA (and other states) by the applicant
- **Review Element 4: Project Service Area.** This review element will ensure all Project Service Areas selected as part of the application fit appropriately in a single application. It will also identify three categories:
 - PSAs that are not included in any eligible applications
 - PSAs that are included in a single eligible application
 - PSAs that are included in multiple eligible applications

A. If a specific Project Service Area is not included in any eligible applications, the MCA Review Team will identify pre-qualified applicants with applications for PSAs in close proximity or with existing infrastructure in the area. Potential outcomes include the addition of these unselected PSAs to existing applications or the creation of a new application. To secure applicants for this set of PSAs, MCA may consider inducements such as waiving the match requirement and using supplemental funding or financing toward the match requirement.

B. If a specific Project Service Area is included in multiple eligible applications that both meet the priority criteria, the MCA Review Team will:

- Solicit applicants' final and best offer, including price, match, BEAD subsidy requested, and potentially add any proximate PSAs not included in any other applications.
- Score the proposed project area(s) based on the scoring matrix developed by MCA, including reviewing individual PSA subsidy costs if there is a partial overlap of multiple applications with bundled PSAs.

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

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

Stage 6: Staff & Board Final Review (estimated November 18, 2024 to December 17, 2024)

Following application evaluations of the previous four stages conducted by the MCA Review Team, a BEAD Grant Approval Plan will be implemented and utilized, including the following stages:

1. **Reviewer Report and Recommendations - delivered by MCA Review Team**
 - a. The initial cohort of applications that are recommended for approval
 - b. Overview of the review process utilized, including, but not limited to:
 - i. Applications not being recommended for approval

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- ii. Information on partially overlapping PSAs and subsequent steps taken
- iii. Information on PSAs with zero original applications and subsequent steps taken

2. Staff Grants Committee (SGC)

- a. The MCA Review Team will present the Reviewer Report and Recommendations
- b. SGC will review the recommendations and vote to move applications forward to the Last Mile Infrastructure Committee (LMIC) of the MCA Board
- c. If the SGC is not satisfied with a recommended application, additional information for further remediation may be requested

3. Last Mile Infrastructure Committee (LMIC)

- a. LMIC will review the recommended applications from the SGC and vote to recommend for approval to the full MCA Board
- b. If the LMIC is not satisfied with a recommended application, additional information or further remediation of the application may be requested and/or a conditional approval provided based on specific deliverables

4. MCA Board

- a. MCA Board will review the recommended applications from the LMIC and vote to approve a final version of the Reviewer Report and Recommendations
- b. MCA Board will review and approve the Final Plan, incorporating the projects approved, for submission to NTIA

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

2.4.2 Prioritization and Scoring Process

Priority Project Criteria and Weight

MCA will use the scoring criteria and weights listed below to evaluate **Priority Project Applications** under the Subgrantee Selection Process. The BEAD program defines priority project applications as projects providing service via end-to-end fiber-optic facilities to each end-user premises.

MCA seeks to optimize its deployment of allocated infrastructure funds to achieve the greatest impact, consistent with Maine's long-term connectivity goals. The proposed scoring criteria are intended to ensure that as many locations as possible receive world-class connectivity while ensuring that service is affordable to subscribers and responsive to community needs.

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Primary Scoring Criteria

- **Minimal BEAD Outlay (40 points available)**

Applicants will provide the list of one or more Project Service Areas (PSAs) and the match amount and grant request amount for each PSA they are applying for so that each application and PSA can be scored and evaluated on a per-PSA basis.

Further information about how MCA plans to deconflict overlapping Project Service Areas in applications is available in Section 2.4.6.

The criteria will be scored based on the total BEAD subsidy (and related applicant match) required to serve unserved and underserved locations in each PSA. Absent a waiver, the applicant match should cover no less than 25 percent of the project cost. MCA will share estimated benchmark subsidy amounts for each PSA based on the CostQuest Associates cost model, additional data collected by MCA during previous grant programs, and information provided by NTIA as part of the Eligible Entity Toolkit. Points will be awarded in the following manner:

- 15 Points - Awarded to applicants who agree to meet the baseline subsidy amount for each PSA
- 25 Points - An additional 1/2 point will be awarded for every 1% below the benchmark subsidy amount proposed for each PSA.

Sample scoring results are as follows:

- **Result = 0 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$600,000 of BEAD subsidy.
- **Result = 15 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$450,000 of BEAD subsidy. *(15 baseline points for meeting the benchmark subsidy)*
- **Result = 26.1 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$350,000 of BEAD subsidy. *(subsidy request is 22% less than subsidy benchmark, resulting in 11.1 points + 15 baseline points)*
- **Result = 37.2 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$250,000 of BEAD subsidy. *(subsidy request is 44% less than subsidy benchmark, resulting in 22.2 points + 15 baseline points)*

- **Affordability (25 points available)**

Scoring for this criteria will be based on the applicant's commitment to provide the most affordable total price to the customer for 1 Gbps/1 Gbps service in the project area. Points will be awarded in the following manner:

- 25 points - Subgrantees who commit to offering symmetrical 1 Gigabit service at \$70.00 or less, or at the lowest rate currently offered by the provider in other service areas (whichever is lower)

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will receive full points.

- *0 Points* - Subgrantees who do not commit to offering symmetrical 1 Gigabit service at \$70.00 or less will receive no points.

** All speed tiers and pricing include all taxes, fees, recurring monthly charges, and rentals.*

- **Fair Labor Practices (10 points available)**

Scoring for this criteria will award points based on 1) an applicant's demonstrated record of, and plans to be in, compliance with Federal and State labor and employment laws, and 2) affirmative steps taken by applicants to support and sustain its workforce. New entrants without a record of labor and employment law compliance will be permitted to make specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects.

Applicants will be awarded points for demonstrating compliance with the Federal labor and employment standards as referenced in Section 2.7.1, including documented (or planned) compliance with Davis-Bacon and Service Contract Act requirements. Where applicable, these requirements are outlined in Section 2.7.1 and the BEAD NOFO on page 91, and also on page 57 of the NOFO which lays out [possible options for providing "an effective plan for compliance with federal labor and employment laws."](#) MCA opted to combine these two sets of BEAD NOFO requirements into a single scoring criteria to holistically assess applicant's demonstrated record of and plans to be in compliance with Federal labor and employment laws and provides an environment where employees can thrive. After feedback from stakeholders with expertise and interest in federal labor, employment laws and best practices, MCA opted to include an additional two scoring criteria (opportunities for 401k matching, equity incentives, or cooperative ownership; and third part compliance with standards such as B-Corp certifications) in alignment and support of those elements that are explicitly named in the BEAD NOFO. These two elements fulfill MCA's continued goals of ensuring that applicants are providing a workplace environment that is safe, rewarding, and financially supportive of their employees, while also ensuring broad community, regional, and statewide public benefit. Numerous third party standards encompass these values and goals, and MCA aims to include them broadly. Points will be awarded in the following manner:

- *3 points* - Applicants are able to certify a record of compliance with Federal labor and employment standards and protections for at least three years
OR
- *3 points* - New entrants can present a plan for ensuring compliance with Federal labor and employment standards and protections.

Applicants may also achieve up to seven (7) points for additional elements as specified further in Section 2.7.1. Points will be awarded in the following manner:

- *1 point* - Using a directly employed workforce, or subcontractors with a workforce that is based in Maine

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- *1 point* - Committing to pay prevailing wages and benefits to workers as determined by the Bureau of Labor Standards for all projects regardless of size
- *1 point* - Use of local hire provisions, or evidence of targeted training and hiring of Maine residents in proximity to Project Service Areas
- *1 point* - Evidence the entity offers opportunities for all full-time employees to participate in offerings such as a 401k matching program, equity incentive program, ESOP, or employee participation in cooperative ownership
- *1 point* - Third-party certification in compliance with environmental, social and governance standards such as B-Corp certifications
- *1 point* - Use of labor peace agreements
- *1 point* - Commitments to union neutrality
- *1 point* - Use of programs to establish of an appropriately credentialed workforce and opportunities for employees to obtain additional occupational training, certification, and licensure
- *1 point* - Use of joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded, including but not limited to Registered Apprenticeships
- *1 point* - Taking measures to prevent the misclassification of workers.

Secondary Scoring Criteria

- **Speed and Scale to Deployment (3 points available)**

This criteria will be scored based on each applicant's ability to make a binding commitment to complete the deployment of their BEAD-funded broadband project. The applicant commits to completing the broadband deployment in the following time frame, measured from the contract execution date to the completion of the verification and validation of construction. Applicants will be held to the proposed timeline within the contract and subject to a "Good Standing" review if this completion date is more than six months later than the stated binding commitment. Applicants deemed not in "Good Standing" may be subject to fines and penalties as established by MCA's BEAD Subgrantee contract. Applicants are encouraged to select PSAs beyond pre-existing enforceable commitment areas such as ILEC boundaries, RDOF awards, or BUDs. Points will be awarded in the following manner:

- *3 points* - Project is completed in 24 months or less

Additional Prioritization Factors

- **Local and Tribal Coordination (8 points available)**

This criteria will be scored based on each applicant's ability to demonstrate engagement with local and/or Tribal governments within selected Project Areas. Engagement will be evaluated based on the community engagement template MCA will release with guidance documentation in Spring 2024. The community engagement template will describe the community engagement practices that have proven, in Maine, to provide a successful foundation for collaboration between ISPs and the communities and

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tribes they serve. These practices include meetings with Regional and Tribal Broadband Partners, updates and presentations to municipal and tribal officials, and engaging local broadband leaders as points of contact for adoption and digital equity fulfillment. Points will be awarded in the following manner:

- *8 points* - Applicant has demonstrated exceptional engagement using MCA's community engagement template and participation in at least one of the Identified Ongoing Coordination activities in Section 2.2. Evidence includes interactive communication, attending local meetings, engaging in stakeholder feedback sessions, and expressions of support from multiple communities, Regional and Tribal Broadband Partners, and CAIs located in the Project Area.
 - *4 points* - Applicant has demonstrated minimal engagement using MCA's community engagement template and conducted only basic outreach to communities, Regional and Tribal Broadband Partners, and CAIs located in the Project Area. Expressed support must be identifiable by at least one entity in the Ongoing Coordination Activities identified in Section 2.2.
 - *0 points* - Applicant has not demonstrated engagement using MCA's community engagement template or has received explicit opposition from a minimum threshold of impacted communities and partners.
- **Digital Equity and Inclusion Objectives (8 points available)**

This criteria will be scored based on each applicant's ability to provide a low-cost plan for five years, identify Community Anchor Institution and Multi-Unit Dwelling locations within the project area and include specific plans for outreach and upgrading or providing connectivity to these locations. These and other digital equity and inclusion objectives are outlined in Maine's Digital Equity Plan. Points will be awarded in the following manner:

 - *4 points* - Applicant commits to offering the low-cost plan for five years from the date the funded network is operational to all locations in Maine, not just those eligible for the low-cost plan under Section 2.12.
 - *2 points* - Applicant commits to serve any unserved CAIs (identified in Initial Proposal Volume 1 and through completion of State Lead Challenge Process) within the project area with 1Gbs symmetrical service.
 - *2 points* - Applicant identifies location of MDUs within the project area and 1) provides specific plans to deliver service to all individual units within the MDU, including partnering with a third-party solution provider if required and/or evidence from the owner or manager of the MDU confirming sufficient inside plant exists within the MDU to distribute service to all individual Dwelling Units, and 2) including specific plans for outreach to connect these residents within their adoption campaign plans (further outlined in Section 2.12).
 - **Equitable Workforce Development and Job Quality (3 points available)**

This criteria will be scored based on each applicant's commitment to advancing equitable workforce development and job quality objectives. Points will be awarded in the following manner:

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- *1 point* - Applicant commits to train, host, or hire employees from within PSAs
- *1 point* - Applicant commits to train, host, or hire participants from MCA-sponsored programs, including but not limited to Fiber Optic Trainings, Regional & Tribal Broadband Partners, Connectivity Boosters.
- *1 point* - Applicant commits to the 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 such as Minority Business Enterprises and Women's Business Enterprises or Labor Surplus Firms as referenced in Section 2.9.
- **Open Access and Competitive Market Incentive (3 points available)**

This criteria will be scored based on each applicant's commitment to design infrastructure elements that promote the diversification of broadband infrastructure statewide and increase a competitive market in rural and remote project areas. Applicants who receive points in this section will agree to the provision of open access wholesale last-mile broadband service for the life of the subsidized networks on fair, equal, and neutral terms to all potential retail providers. Points will be awarded in the following manner:

 - *3 points* - Awarded to applicants who agree to provide access to their network on an open, non-discriminatory basis to multiple retail internet service providers, describe the technical design features that make this possible, and describe the additional steps they will take to facilitate competitive access to their network.

Non-Priority Project Criteria and Weight

MCA adopts the scoring criteria and weight of each respective criterion below to evaluate **Non-Priority Projects** proposed under the Subgrantee Selection Process. The BEAD program defines non-priority project applications as not providing service via end-to-end fiber-optic facilities to each end-user premises. These projects must still meet the BEAD required speeds of at least 100/20 Mbps with latency less than or equal to 100 milliseconds.

The evaluation criteria for each scoring category outlined below abide by the guidelines set forth for project scoring in the BEAD NOFO.

Primary Scoring Criteria

- **Minimal BEAD Outlay (40 points available)**

Applicants will provide the list of one or more Project Service Areas (PSAs) and the match amount and grant request amount for each PSA they are applying for so that each application and PSA can be scored and evaluated on a per-PSA basis. Further information about how MCA plans to deconflict overlapping Project Service Areas in applications is available in Section 2.4.6.

The criteria will be scored based on the total BEAD subsidy (and related applicant match) required to serve unserved and underserved locations in each PSA. Absent a waiver, the applicant match should cover no less than 25 percent of the project cost. MCA will share estimated benchmark subsidy

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amounts for each PSA based on the CostQuest Associates cost model, additional data collected by MCA during previous grant programs, and information provided by NTIA as part of the Eligible Entity Toolkit. Points will be awarded in the following manner:

- *15 Points* - Awarded to applicants who agree to meet the baseline subsidy amount for each PSA
- *25 Points* - An additional 1/2 point will be awarded for every 1% below the benchmark subsidy amount proposed for each PSA.

Sample scoring results are as follows:

- **Result = 0 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$600,000 of BEAD subsidy.
- **Result = 15 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$450,000 of BEAD subsidy. (*15 baseline points for meeting the benchmark subsidy*)
- **Result = 26.1 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$350,000 of BEAD subsidy. (*subsidy request is 22% less than subsidy benchmark, resulting in 11.1 points + 15 baseline points*)
- **Result = 37.2 Points.** A proposal for a PSA with a subsidy benchmark of \$450,000 receives a proposal requesting \$250,000 of BEAD subsidy. (*subsidy request is 44% less than subsidy benchmark, resulting in 22.2 points + 15 baseline points*)

- **Affordability (25 points available)**

Scoring for this criteria will be based on the applicant's commitment to provide the most affordable total price to the customer for 100 Mbps / 20 Mbps in the project area. Points will be awarded in the following manner:

- *25 points* - Subgrantees who commit to offering symmetrical 100/20 Mbps service at \$45.00 or less, or at the lowest rate currently offered by the provider in other service areas (whichever is lower) will receive full points.
- *0 Points* - Subgrantees who do not commit to offering symmetrical 100/20 Mbps service at \$45.00 or less will receive no points.

** All speed tiers and pricing include all taxes, fees, recurring monthly charges, and rentals.*

- **Fair Labor Practices (10 points available)**

Scoring for this criteria will award points based on 1) an applicant's demonstrated record of, and plans to be in, compliance with Federal and State labor and employment laws, and 2) affirmative steps taken by applicants to support and sustain its workforce. New entrants without a record of labor and employment law compliance will be permitted to make specific, forward-looking commitments to strong labor and employment standards and protections with respect to BEAD-funded projects.

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Applicants will be awarded points for demonstrating compliance with the Federal labor and employment standards as referenced in Section 2.7.1, including documented (or planned) compliance with Davis-Bacon and Service Contract Act requirements. Where applicable, these requirements are outlined in Section 2.7.1 and the BEAD NOFO on page 91, and also on page 57 of the NOFO which lays out possible options for providing “an effective plan for compliance with federal labor and employment laws.” MCA opted to combine these two sets of BEAD NOFO requirements into a single scoring criteria to holistically assess applicant’s demonstrated record of and plans to be in compliance with Federal labor and employment laws and provides an environment where employees can thrive. After feedback from stakeholders with expertise and interest in federal labor, employment laws and best practices, MCA opted to include an additional two scoring criteria (opportunities for 401k matching, equity incentives, or cooperative ownership; and third party compliance with standards such as B-Corp certifications) in alignment and support of those elements that are explicitly named in the BEAD NOFO. These two elements fulfill MCA’s continued goals of ensuring that applicants are providing a workplace environment that is safe, rewarding, and financially supportive of their employees, while also ensuring broad community, regional, and statewide public benefit. Numerous third party standards encompass these values and goals, and MCA aims to include them broadly. Points will be awarded in the following manner:

Points will be awarded in the following manner:

- 3 points - Applicants are able to certify a record of compliance with Federal labor and employment standards and protections for at least three years
OR
- 3 points - New entrants can present a plan for ensuring compliance with Federal labor and employment standards and protections.

Applicants may also achieve up to seven (7) points for additional elements as specified further in Section 2.7.1. Points will be awarded in the following manner:

- 1 point - Using a directly employed workforce, or subcontractors with a workforce that is based in Maine
- 1 point - Committing to pay prevailing wages and benefits to workers as determined by the Bureau of Labor Standards for all projects regardless of size
- 1 point - Use of local hire provisions, or evidence of targeted training and hiring of Maine residents in proximity to Project Service Areas
- 1 point - Evidence the entity offers opportunities for all full-time employees to participate in offerings such as a 401k matching program, equity incentive program, ESOP, or employee participation in cooperative ownership
- 1 point - Third-party certification in compliance with environmental, social and governance standards such as B-Corp certifications
- 1 point - Use of labor peace agreements

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- *1 point* - Commitments to union neutrality
- *1 point* - Use of programs to establish of an appropriately credentialed workforce and opportunities for employees to obtain additional occupational training, certification, and licensure
- *1 point* - Use of joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded, including but not limited to Registered Apprenticeships
- *1 point* - Taking measures to prevent the misclassification of workers.

Secondary Scoring Criteria

- **Speed and Scale to Deployment (6 points available)**

This criteria will be scored based on each applicant's ability to make a binding commitment to complete the deployment of their BEAD-funded broadband project. The applicant commits to completing the broadband deployment in the following time frame, measured from the contract execution date to the completion of the verification and validation of construction. Applicants will be held to the proposed timeline within the contract and subject to a "Good Standing" review if this completion date is more than six months later than the stated binding commitment. Applicants deemed not in "Good Standing" may be subject to fines and penalties as established by MCA's BEAD Subgrantee contract. Applicants are encouraged to select PSAs beyond pre-existing enforceable commitment areas such as ILEC boundaries, RDOF awards, or BUDs. Points will be awarded in the following manner:

- *6 points* - Project is completed in 12 months or less

Additional Prioritization Factors

- **Local and Tribal Coordination (8 points available)**

This criteria will be scored based on each applicant's ability to demonstrate engagement with local and/or Tribal governments within selected Project Areas. Engagement will be evaluated based on the community engagement template MCA will release with guidance documentation in Spring 2024. The community engagement template will describe the community engagement practices that have proven, in Maine, to provide a successful foundation for collaboration between ISPs and the communities and tribes they serve. These practices include meetings with Regional and Tribal Broadband Partners, updates and presentations to municipal and tribal officials, and engaging local broadband leaders as points of contact for adoption and digital equity fulfillment. Points will be awarded in the following manner:

- *8 points* - Applicant has demonstrated exceptional engagement using MCA's community engagement template and participation in at least one of the Identified Ongoing Coordination activities in Section 2.2. Evidence includes interactive communication, attending local meetings, engaging in stakeholder feedback sessions, and expressions of support from multiple communities, Regional and Tribal Broadband Partners, and CAIs located in the Project Area.

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- *4 points* - Applicant has demonstrated minimal engagement using MCA's community engagement template and conducted only basic outreach to communities, Regional and Tribal Broadband Partners, and CAIs located in the Project Area. Expressed support must be identifiable by at least one entity in the Ongoing Coordination Activities identified in Section 2.2.
- *0 points* - Applicant has not demonstrated engagement using MCA's community engagement template or has received explicit opposition from a minimum threshold of impacted communities and partners.
- **Digital Equity and Inclusion Objectives (8 points available)**

This criteria will be scored based on each applicant's ability to provide a low-cost plan for five years, identify Community Anchor Institution and Multi-Unit Dwelling locations within the project area and include specific plans for outreach and upgrading or providing connectivity to these locations. These and other digital equity and inclusion objectives are outlined in Maine's Digital Equity Plan. Points will be awarded in the following manner:

 - *4 points* - Applicant commits to offering the low-cost plan for five years from the date the funded network is operational to all locations in Maine, not just those eligible for the low-cost plan under Section 2.12.
 - *2 points* - Applicant commits to serve any unserved CAIs (identified in Initial Proposal Volume 1 and through completion of State Lead Challenge Process) within the project area with 1Gbs symmetrical service.
 - *2 points* - Applicant identifies location of MDUs within the project area and 1) provides specific plans to deliver service to all individual units within the MDU, including partnering with a third-party solution provider if required and/or evidence from the owner or manager of the MDU confirming sufficient inside plant exists within the MDU to distribute service to all individual Dwelling Units, and 2) including specific plans for outreach to connect these residents within their adoption campaign plans (further outlined in Section 2.12).
- **Equitable Workforce Development and Job Quality (3 points available)**

This criteria will be scored based on each applicant's commitment to advancing equitable workforce development and job quality objectives. Points will be awarded in the following manner:

 - *1 point* - Applicant commits to train, host, or hire employees from within PSAs
 - *1 point* - Applicant commits to train, host, or hire participants from MCA-sponsored programs, including but not limited to Fiber Optic Trainings, Regional & Tribal Broadband Partners, Connectivity Boosters.
 - *1 point* - Applicant commits to the 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 such as Minority Business Enterprises and Women's Business Enterprises or Labor Surplus Firms as referenced in Section 2.9.

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2.4.2.1 Scoring Matrix Attachment

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

2.4.3 Prioritizing Unserved Locations and Project Service Areas

Based on MCA's current cost projections as of December 2023, it is expected that funding available under the BEAD program, along with leveraged match funding and use of the EHCPLT, will address all unserved and underserved locations that lack broadband access as defined by the BEAD program.

As other enforceable commitments are finalized, private ISP investments are confirmed, and once MCA adjudicates all challenges through the State-Led Challenge Process, a definitive number of unserved and underserved locations will be identified and finalized.

After applications are received, MCA will assess whether any unserved locations exist in PSAs that did not receive qualifying applications. If any such PSAs remain, MCA will engage in the process outlined in Stage 4 (Application) of the Subgrantee Selection Process. Application Evaluations and pause any funding awards for Underserved PSAs or CAIs as defined by MCA. Before funding Underserved PSAs, MCA will identify Unserved PSAs and reserves the right to apply flexibility in evaluating applications utilizing the following methods:

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

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

2.4.4 Non-deployment Projects

MCA expects to be able to serve all of the unserved and underserved locations plus all of the eligible CAIs that need service. After meeting those commitments, MCA will use the approximately \$2 million estimated to be remaining for eligible non-deployment projects. Use of these funds will be contingent upon Final Proposal approval.

The funds allocated to non-deployment projects will supplement, but not duplicate or supplant, funding for activities funded in connection with the Digital Equity Act of 2021 or other federal funds. The details of these projects are to be determined; however, the ideas are discussed further in Section 2.5.2. Non-deployment activities will be implemented and supported by existing MCA staff. In addition to existing staff capacity, MCA may contract with vendors to implement the above activities, which could include utilizing existing vendors.

2.4.5 EHP and BABA Compliance

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MCA will emphasize ensuring funds are spent on procuring products and supplies from American workers and businesses, strengthening and growing U.S. domestic manufacturing capacity, and following all appropriate environmental and historic preservation requirements. MCA will communicate Build America, Buy America Act (BABA) requirements and Environmental & Historic Preservation to applicants utilizing all of the outreach strategies identified in Section 2.4.1. To communicate this information, MCA will perform outreach regarding the BEAD subgrantee selection program, including BABA and EHP compliance, as part of the requirements for participation. MCA's outreach strategy includes press releases for general and targeted media coverage, email lists, and social media. This general outreach is followed by targeted outreach to Internet Service Providers (ISP) and other potentially eligible subgrantees and stakeholders. MCA will hold webinars during the Subgrantee Selection Process to discuss the BABA and EHP requirements.

Key points highlighted by MCA will include:

- 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. The cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
- In addition to the provisions above, subgrantees may not use BEAD funding to purchase or support any covered communications equipment or service, as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. § 1608).
- The Infrastructure Act expressly prohibits subgrantees from using BEAD funding to purchase or support fiber optic cable and optical transmission equipment manufactured in the People's Republic of China unless a waiver of this requirement is received from the Assistant Secretary. MCA will incorporate the requirements of the Build America, Buy America Act into the Subgrantee Selection Process by conducting regulations information webinars, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as grant agreement terms/conditions and subgrantee grant monitoring requirements.
Any application that does not show intent to abide by BABA or explicitly violates the requirements will not be considered to receive BEAD funding.

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

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seeking to capitalize on BEAD funding comply with NEPA and NHPA. The below points will be specifically highlighted:

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

MCA will incorporate the requirements of the National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.) and National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.) into the Subgrantee Selection Process by conducting regulations information webinars, posting a list of regulations on the MCA website, and including the requirements in grant applications/instructions as well as contract negotiation records, grant agreement terms/conditions, and subrecipient grant monitoring program requirements. Subgrantees will be required to produce all required EHP-related information as part of their applications and ongoing award monitoring. MCA will review that information for completeness and technical sufficiency prior to delivering it to NTIA for review and next steps. Projects that fail to comply with Environmental Historic Preservation (EHP) regulations will not be considered for BEAD funding.

MCA would like to avail subrecipients of any exceptions and adjustments NTIA applies to the BABA and EHP requirements. Should any revisions to this Initial Proposal submission be needed to accomplish this, MCA would like an opportunity to make those revisions.

2.4.6 Project Service Area Definition

Maine's population is very dispersed, creating barriers to achieving financial sustainability for broadband providers through increased costs per location passing. Existing infrastructure ownership is heavily influenced by legacy local exchange boundaries, increasing costs for competitors willing to expand beyond those boundaries, and new entrants. Maine's geography consists of heavily forested mountains, rocky coasts and islands, and very rural farmlands interwoven with rivers and lakes, creating physical barriers to contiguous project areas.

Many unserved BSLs are dispersed in dense clusters of single-provider-served locations, increasing the difficulty of fostering competition to provide affordable service. Lack of sufficient Middle Mile infrastructure creates single points of failure, and adds significant cost to Last Mile deployments through high backhaul fees. To address these challenges, MCA will create custom Project Service Areas to use in the BEAD Subgrantee Selection Process.

Methodology

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MCA's process to define Project Service Areas (PSAs) will prioritize the creation of un- and underserved clusters based on geospatial analysis, presence of existing infrastructure, geographical features, proximity to middle mile routes (including MCA's NTIA-funded MOOSE Net), jurisdictional and municipal boundaries that influence network cost and community involvement, presence of existing enforceable state or federal commitments, and input from community stakeholders and ISPs as referenced in Stage 2 of the Subgrantee Selection Process.

MCA expects to create approximately 700 Project Service Areas incorporating all Eligible BSLs. This size will allow grantees to combine multiple PSAs as the building blocks for a larger project, or to apply for only one PSA that might serve a very targeted geography.

Each Project Service Area must include a defined set of Eligible BSLs. Before the conclusion of the State-Led Challenge Process, MCA will deduplicate enforceable commitments and perform geospatial analysis on un- and underserved locations to form template Project Service Areas from the then-known Eligible BSLs. PSAs will be further refined based on the initial feedback from applicants participating in the pre-qualification process and finalized upon completion of the State-Led Challenge Process. MCA will refine the list of Eligible BSLs within each PSA and, if necessary, the boundaries of these PSAs. At that time, MCA will also have awarded nearly all of Maine's American Rescue Plan funds, further reducing the list of Eligible BSLs, and NTIA will confirm the final list of Eligible BSLs.

These PSAs will then be normalized to include similar cost profiles and number of locations within the limits of geographic constraints and logical network construction and design. MCA will evaluate the resulting PSAs to understand the potential contingent relationships between adjacent PSAs, including which PSAs may be most cost-effectively served together. This will allow MCA to prepare for the process of deconflicting and incentivizing applicants to extend their proposals to include PSAs for which no applications are received.

At the conclusion of this process, MCA will be able to provide applicants with the following information for each Project Service Area:

- Geospatial data and geographic boundaries associated with the Project Service Area
- List of Broadband Serviceable Locations (BSLs) contained in the project area, including an identification of unserved BSLs, underserved BSLs and eligible CAIs included in the Project Service Area
- Technical specifications required
- Cost modeling (CostQuest Associates data may serve as a starting point), including the estimated total cost to connect and the associated baseline amount of subsidy funding available

This information is intended to be sufficient to allow an applicant to make a binding commitment to deploy to all eligible locations in a PSA if their application for a given PSA is awarded.

Deconflicting Project Service Areas

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MCA's Project Service Areas (PSA) are designed to provide a flexible set of modular components that diverse applicants can combine to create competitive BEAD applications. If this is successful, MCA anticipates that it will result in multiple competing applications for many PSAs.

As outlined in Section 2.4.1, if a specific Project Service Area is included in multiple eligible applications that both meet the priority criteria (full FTTH builds), the MCA Review Team will:

- Solicit applicants' final and best offer, including price, match, BEAD subsidy requested, and the opportunity to include proximate PSAs not included in any other applications.
- Score the proposed project area based on the scoring matrix developed by MCA and referenced in Section 2.4.2. This will include an unbundling of multiple sub-component PSAs included in the same application so a direct comparison between competing bids for the individual PSA can be reviewed.

As part of the Subgrantee Selection Process, each applicant will be required to provide two separate bids for Project Service Areas. The first will be a bid that applies if all PSAs in a given application are awarded. The second bid will apply if only the single sub-component PSA is awarded, with no other areas. This will allow MCA to understand the potential financial impact of separating PSAs from a larger application. Upon completing this analysis, MCA may complete the deconfliction by making an award for the higher-scoring PSA, and, if necessary, removing individual conflicted PSAs from an application that includes more than one PSA. MCA will outline the specific parameters of this deconfliction, and applicants will confirm their understanding of this possibility during the Subgrantee Selection Process.

2.4.7 Project Service Areas Included in No Eligible Applications

If a specific Project Service Area is not included in any eligible applications, the MCA Review Team will identify pre-qualified applicants with other applications in close proximity or with existing infrastructure in the area. Potential outcomes include the addition of these unselected Project Service Areas to existing applications or the creation of a new application with pre-qualified applicants. [To secure applicants for this set of PSAs, MCA may consider inducements such as waiving the match requirement and using supplemental funding or financing toward the match requirement.](#) To secure applicants for these Project Service Areas, MCA will:

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

2.4.8 Tribal Government's Consent

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

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Tribal leaders and MCA can sign to reflect agreement and consent on the specific project(s) within their purview.

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

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

Faced with a potential funding challenge to provide fiber service to all unserved and underserved locations across the state, MCA anticipates using the EHCPLT to maximize the use of its BEAD allocation to provide broadband service to as many Maine people as possible in a sustainable and high impact manner. MCA will determine the EHCPLT during Stage 4 of the process outlined in 2.4.1, after the designation of Project Service Areas and Stage 4 of the Subgrantee Selection Process has closed.

MCA will set the EHCPLT to achieve the State's goals of maximizing the use of FTTH while reaching as many eligible locations as possible in Project Service Areas. MCA will perform an optimization and sensitivity analysis to project the number of unserved, underserved and CAI locations connected via FTTH for different EHCPLTs. This exercise aims to set the threshold as high as possible (prioritizing FTTH) while serving all eligible locations (universality, alternative technology) and maintaining realistic match requirements.

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

- NTIA verified location data of eligible BSLs - via CostQuest Associates (CQA)
- NTIA provided Extremely High Cost Per Location Threshold tool
- Proprietary project financial data from the past five years of last-mile connectivity grant applications submitted to and awarded by MCA and its predecessor state agency, ConnectMaine, (primarily FTTH plus some alternative technologies)
- MCA GIS modeling and analysis of BEAD subgrantee project applications received
- MCA financial modeling and analysis of BEAD subgrantee project applications received, including analysis of capital and operating costs associated over the lifetime of the proposed projects
- MCA financial sensitivity analysis - to identify the highest EHCPLT level (prioritizing fiber) that will allow all eligible locations (inc. CAIs) to be served (universality)

Once established, the EHCPLT will enable MCA to consider the use of alternative technologies where FTTH is cost prohibitive, and maximize BEAD investments to expand connectivity. In anticipation of this balanced approach, MCA developed the "Jumpstart" initiative to evaluate different technologies, models and geographic deployment to ascertain the impact of speed to market, service performance and take-rate. Insights from this pilot project will help inform deployment considerations for EHC locations.

2.4.10 Extremely High Cost Per Location Utilization

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

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

If no non-priority applications are received for that PSA, MCA will engage with applicants who submitted proposals for priority projects and determine if the costs outlined over EHCPLT are appropriate and warrant an award over this threshold. As described in 2.4.6, MCA will engage with applicants who submitted proposals for priority projects to identify the BSLs that, when removed from the calculations, bring the overall average PSA funding request per location below the EHCPLT while also identifying alternative technology solutions for the high-cost BSLs.

During the Subgrantee Selection Process, MCA will allow applicants to proactively identify locations within a PSA where the cost to serve that particular location deviates significantly from the average cost per location to serve the entire PSA. The review of these proactively identified locations will take place before establishing the EHCPLT and in the context of ensuring that BEAD funding can be deployed to meet the connectivity needs of all unserved locations.

If it is determined that a small number of locations in a given PSA should be served with alternative technologies allowed through the EHCPLT process to ensure maximum impact of BEAD funding, MCA will consider allowing non-fiber service to a minimal number of locations. All other locations in the PSA will otherwise be served by FTTH.

Deployment Subgrantee Qualifications

As described in Section 2.4.1, MCA will pre-qualify applicants before accepting applications for grants to serve PSAs. This Applicant Pre-Qualification will ensure that applicants meet the minimum qualifications for technical, financial, operational and managerial capacity. The Applicant Pre-Qualification evaluation will allow MCA to identify the pool of eligible applicants in advance and work proactively with applicants to ensure that their applications meet eligibility requirements and the application process is as competitive as possible.

2.4.11 Minimum Qualifications: Financial Capability

MCA is committed to a fair and comprehensive vetting of applicants through the Subgrantee Selection Process to ensure that the applicants meet the minimum qualifications for financial capability as defined in the BEAD NOFO. Applicants will be required to provide the information listed below demonstrating their financial capability to execute BEAD projects.

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Documentation related to the requirements below will be collected and reviewed by qualified personnel and/or consultants. The MCA review team will consist of subject matter experts. If necessary, MCA will hire additional staff or source contractor support to ensure appropriate capacity and expertise to adequately review the documentation and provide a consistent third-party perspective of the capabilities of all applicants.

MCA will communicate the requirements outlined below to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements. Applicants must provide the following evidence to demonstrate both Applicant and project-specific financial capability.

Certifications: Applicants must certify that they:

- Are financially qualified to meet the obligations associated with the project
- Will have available funds for all project costs that exceed the amount of the grant
- Will comply with all Program requirements, including service milestones
- If funding is disbursed upon task completion, subgrantees must certify sufficient financial resources to cover project costs until further disbursements are authorized

MCA will review certifications for the validity and dates of the certifications, proper authorization and endorsement of the certifications.

For example, if an applicant certifies that they have the necessary funds for project costs exceeding the grant, MCA will cross-check this claim with financial statements or bank guarantees.

Letter of Credit (LOC) Requirements: The BEAD NOFO and the conditional programmatic waiver of the NOFO's letter of credit requirements together require the following:

- Applicants must submit a letter from:
 - An eligible bank or credit union committing to issue an irrevocable standby letter of credit in the form established by the Eligible Entity
 - A certified surety on federal bonds committing to issue the applicant a performance bond.
- Before finalizing any subgrantee agreement, the applicant must obtain:
 - A standby letter of credit in the form established by the Eligible Entity valued at no less than 25% of the subaward amount
 - A performance bond acceptable in all respects to the Eligible Entity in a value of no less than 100% of the subaward amount
 - The Eligible Entity may elect to issue funding on a reimbursable basis for periods of no more than six months and permit subgrantees to maintain a letter of credit or performance bond valued at 10% of the subaward amount
- If requiring the 25% letter of credit or 100% performance bond, the Eligible Entity may elect to permit subgrantees to reduce the amount of the letter of credit or performance bond upon achievement of specific deployment milestones.

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- Letters of credit, but not performance bonds, must be accompanied by an opinion letter from legal counsel asserting that in bankruptcy proceedings, the letter of credit or its proceeds will not be treated as the subgrantee's bankruptcy estate property, subject only to customary assumptions, limitations, and qualifications.
- During the application process, prospective subgrantees will be 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.⁸ The letter shall at a minimum provide the dollar amount of the performance bond.
- Any United States credit union must be insured by the National Credit Union Administration; and have a credit union safety rating issued by Weiss of B- or better.
- 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, allows the initial amount of the performance bond to be lower than 100% of the subaward amount, where:
 - The Eligible Entity issues funding on a reimbursable basis consistent with Section IV.C.1.b of the NOFO;
 - Reimbursement is for periods of no more than six months; and
 - 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 percent of locations to be served by the project or until the period of performance of the subaward has ended, whichever occurs first.

With the Assistant Secretary of Commerce for Communications and Information's approval, entities with the ability to issue public bonds, such as municipalities, can provide comparable evidence of financial capabilities.

The BEAD Letter of Credit Waiver Notice (October 23, 2023) can be found here:

https://broadbandusa.ntia.gov/sites/default/files/2023-10/BEAD_LOC_Waiver_Notice_10.23.23.pdf

To determine eligible Letter of Credit (absent use of programmatic waiver), MCA will check for:

- A letter amount corresponding to or exceeding 25% of the subaward value
- A legal opinion letter accompanying the letter of credit addressing bankruptcy considerations
- Example: If the applicant provides a \$250,000 letter of credit from a well-known bank for a \$1,000,000 project, the Eligible Entity should verify that the amount matches or exceeds 25% of the subaward amount and that the period of the letter is valid

Audited Financial Statements

Applicants must submit financial statements from the prior two fiscal years that are audited by an independent certified public accountant. If not previously audited during the ordinary course of business, applicants can provide unaudited statements but must commit to supplying audited statements by a deadline specified by the Eligible Entity. MCA will review the following regarding the applicant's submitted audited financial statements:

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- Detailed financial statements
- Indicators of cash flow for financial stability
- Positive financial indicators and absence of alarming discrepancies
 - Examine profit and loss, balance sheets, and cash flow for financial stability
 - Identify any substantive discrepancies or red flags in the statements.
- Recommendations from auditors regarding material weaknesses/deficiencies
- Example: Financial statements audited by a CPA firm showing consistent profitability and positive cash flow indicate good financial health and capability.

Sustainability / Pro Forma Analyses

Applicants must submit business plans and related analyses demonstrating that the proposed project will be financially sustainable. This may include pro forma statements or analyses, cash flow and balance sheet projections, and at least three years of operating cost and cash flow projections post-project completion.

MCA will review the following elements during the Sustainability / Pro Forma Analyses:

- Comprehensive Pro Forma analyses and evaluation of reasonability of any assumptions
- Alignment of project with applicant's business plan
- Proposed construction budget, including detailed information on Sources and Uses of funding
- Proposed operating budget and cash flow analysis indicating the project's sustainability
- Contingencies and risk management strategies in the business plan
- Evidence of applicant's financial capacity for the project as well as the totality of all project applications submitted to MCA by the applicant
- Example: If a applicant's pro forma analysis predicts steady growth in user subscriptions over three years after completion, makes assumptions on subscriber take rates and Average Revenue Per User (ARPU) that reflect local conditions such as existing non-fiber competitors, and has contingencies for market downturns, it indicates a well-thought-out plan.

During Stage 4 (Application) of the Subgrantee Selection Process, applicants will provide a Project Workbook that includes information related to the capital budget expenditure schedule (Use of Funds), capital plan (Sources of Funds), business and operating plan, project ownership, organizational chart, and pro forma operating statements inclusive of at least three years of cash flow and balance sheet projections following targeted completion of the project.

Utilizing information provided in both Stage 3 (Pre-Qualification) and Stage 4 (Application), MCA will make a final determination that the applicant can execute activities funded by the subgrant competently and in compliance with all applicable federal, state, and local laws, as well as that the applicant has the financial and managerial capacity to meet the commitments of the subgrantee, and the technical and operational capability to provide the services promised in the subgrant in the manner contemplated by the subgrant award.

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MCA anticipates it may be required to disburse funding to subgrantees upon completion of identified milestones under fixed-amount subawards. Due to the reimbursement nature of the program, each applicant will also be required to certify that it will have sufficient financial resources to cover eligible costs for up to 25% of the Grant Award amount until MCA reviews and approves each disbursement request. This financial requirement is in addition to the match funding.

Applications that fail to meet the minimum qualifications for financial capability by not submitting the information outlined in the BEAD NOFO will not be considered to receive BEAD funding.

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2.4.12 Minimum Qualifications: Managerial Capacity

MCA will ensure that all applicants seeking to deploy network facilities comply with the managerial capability requirements outlined in the BEAD NOFO. During Stage 3 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require applicants to submit documentation including resumes of all key management staff, an organizational chart(s) detailing all parent companies, subsidiaries, and affiliates. Each applicant must also provide a narrative on Managerial Readiness describing the applicant's readiness to manage a broadband network, which includes: experience and qualifications of key management; experience undertaking projects of similar size and scope; recent and upcoming organizational changes, including mergers and acquisitions; and relevant organizational policies.

During Stage 4 (Application) of the Subgrantee Selection Process, applicants must identify key management personnel for all stages of the project, including construction, operations, and administrative capacity for management of federal awards. MCA will evaluate whether these personnel have relevant qualifications, experience, and a track record of successfully managing and supporting similar projects, as well as organizational charts that explain the structure and relationships within the organization.

MCA will communicate the requirements outlined above to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements.

Applications that fail to meet these minimum qualifications as outlined in the BEAD NOFO will not be considered to receive BEAD funding.

2.4.13 Minimum Qualifications: Technical Capability

MCA will ensure that all applicants seeking to deploy network facilities comply with the minimum qualifications for technical capability outlined in the BEAD NOFO. During Stage 3 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require that applicants submit certification that they are technically qualified to complete and operate a project that meets BEAD requirements and that they are capable of carrying out the funded activities in a competent manner, including that they will use an appropriately skilled and credentialed workforce.

These certifications will be reviewed by MCA for validity, accuracy, and comprehensiveness of the certifications, and authentic endorsements by the appropriate authorities, and to ensure that the applicant is capable of carrying out the funded activities in a competent manner, including that it will use an appropriately skilled and credentialed workforce. If applicants have provided a recruitment plan, workforce strategy, or training modules that highlight their commitment to hiring or deploying credentialed professionals, MCA will review them to ensure that these plans are not only comprehensive but also align with the BEAD NOFO's stipulations (Fair Labor Practices and Highly Skilled Workforce).

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During Stage 4 (Application) of the Subgrantee Selection Process, MCA will require applicants to provide the following information, attested by a Professional Engineer (PE), to ensure that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the project:

- A network design and diagram
- Detailed project costs
- Build-out timeline and milestones for project implementation
- 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

In reference to new entrants to the broadband market, an applicant will be required to provide evidence to demonstrate that the newly formed entity has obtained sufficient operational capabilities through internal or external resources.

In reviewing the project-specific materials, MCA will have subject matter experts evaluate whether:

- The comprehensive network designs and diagrams align with the project's scope
- Detailed project cost estimates are realistic and aligned with industry standards
- The capital investment plan ensures full project execution and initiation of services
- The project has clear timelines with defined milestones
- Supporting documentation is endorsed by a PE, attesting the network's capability to deliver the proposed broadband service to every location within the PSA

MCA will communicate requirements outlined above to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements.

Applications that fail to meet these minimum qualifications as outlined in the BEAD NOFO will not be considered to receive BEAD funding.

2.4.14 Minimum Qualifications: Compliance with Applicable Laws

During Stage 3 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require each applicant to demonstrate that it can carry out funded activities in a competent manner in compliance with all applicable Federal, State, Territorial, and local laws. Applicants must adhere to safety and health requirements and must permit worker-led health and safety committees. Management must be prepared to meet with these committees upon a reasonable request.

In reviewing the project-specific materials, MCA will look for clear documentation from the applicant attesting to their:

- Understanding and commitment to all relevant laws and safety requirements
- Evidence of past compliance or adherence to similar regulations in previous projects or endeavors

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- Established processes, procedures, or protocols that the applicant has in place to ensure continued compliance during the project
- Training programs or initiatives aimed at informing and ensuring that applicant's team understands and adheres to safety and legal standards

Materials provided as examples may include past records (previous records or compliance checks from past projects), and MCA will review these for any red flags or past non-compliance issues. If an applicant describes training programs as an example, they could provide training schedules, modules, or materials as evidence. MCA would review these to ensure these programs are relevant and align with the required safety and legal standards.

Because locations already subject to another enforceable deployment obligation are not eligible for BEAD funding, MCA has particular concern that all other obligations are honored. Simply put, MCA is concerned that other federal obligations may block a location from BEAD eligibility in the near term and then be defaulted by the provider after the end of the BEAD subgrant process, leaving the locations in question without funding to receive service.

Therefore, as a separate step from any federal enforcement penalties, as part of its subgranting authority under the BEAD program, the state seeks to create a disincentive for any provider to subsequently abandon a deployment obligation that, as part of the BEAD deduplication process, excludes locations in Maine from BEAD eligibility. Any BEAD subgrantee also subject to deployment obligations elsewhere in Maine—including from programs such as RDOF, Enhanced-ACAM, ReConnect or any other similar program included in the BEAD deduplication process—must make an enforceable commitment as part of its BEAD subgrant agreement not to default or otherwise fail to fulfill any such deployment obligation in the state of Maine. The penalty for breach of this commitment shall be, as reimbursement for funding that could have been awarded but for other federal program funding, payment to the state in the amount equal to the Total Investment cost of all defaulted locations, as measured by the Eligible Entity tool provided to the state by NTIA.

MCA will communicate the requirements outlined above to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements.

Applications that fail to meet these minimum qualifications as outlined in the BEAD NOFO will not be considered to receive BEAD funding.

2.4.15 Minimum Qualifications: Operational Capability

MCA will ensure that all applicants seeking to deploy network facilities comply with the minimum qualifications for operational capability outlined in the BEAD NOFO. During Stage 3 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require applicants to present evidence demonstrating readiness and highlighting their sufficient operational capabilities.

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This can include resumes of significant personnel, detailed project descriptions and narratives from contractors, subcontractors, or partners with relevant operational experience, and/or any other comparable evidence underlining operational proficiency.

All utility pole owners must confirm that they have provided pole ownership and attachment data to Alden One (joint use infrastructure database) such that the system may be effectively used to facilitate make-ready work, placement and removal of pole attachments, and pole transfers and removals.

Applicants must also certify that they include certification that the applicant have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of its application submission, or that they are a wholly owned subsidiary of such an entity, and specify the number of years the applicant or its parent company has been operating. For those applicants that have provided a voice and/or broadband service, they must also certify that they have timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period, and otherwise have complied with the Commission's rules and regulations. As part of MCA's Pre-Qualification Process, applicants will be asked to check a box certifying that they meet these requirements, and will also be asked to upload documentation and proof of this fact.

If an applicant has operated only an electric transmission or distribution service, they will be required 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. As part of MCA's Pre-Qualification Process, applicants will be asked to check a box certifying that they meet these requirements, and will also be asked to upload documentation and proof of this fact.

In reviewing the operational capability materials, MCA will have subject matter experts look for detailed documentation (regular and timely submission of required forms), comprehensive operating or financial reporting highlighting a clear and consistent track record of the applicant's operational activities, financial health and stability, indicators of industry-standard performance or better, credible plans that lay out a roadmap for project execution, strong partnerships or hires that can fill experience gaps, and detailed evidence such as resumes, project plans, and narratives, which indicate the applicant's preparation and strategy.

MCA will communicate the requirements outlined above to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements.

Applications that fail to meet these minimum qualifications as outlined in the BEAD NOFO will not be considered to receive BEAD funding.

Commented [1]: Moved from Section 2.4.13

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2.4.16 Minimum Qualifications: Ownership Information

MCA will ensure that all applicants seeking to deploy network facilities comply with the minimum qualifications for providing ownership information outlined in the BEAD NOFO. During Stage 3 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require applicants to submit ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7). This regulation mandates the full disclosure of direct and indirect ownership interests, including details of any parties with a 10% or more stake, the nature of the interest, and the inter-relationships with any FCC-regulated entities.

In reviewing the ownership materials, MCA will have subject matter experts look for complete disclosure of direct and indirect ownership, ensuring no hidden interests; specific details of all parties with a stake of 10% or more; and verification of the relationship between the applicant and any related FCC-regulated entities. For example, an applicant may demonstrate this by providing a detailed ownership chart showing direct and indirect stakeholders, a list of associated FCC-regulated entities, and clear explanations of relationships between entities. MCA subject matter experts will cross-reference the provided list with external databases to verify accuracy, seek clarifications on any ambiguities, and consult with legal teams to ensure that the disclosure aligns with the requirements of 47 C.F.R. § 1.2112(a)(1)-(7).

MCA will communicate the requirements outlined above to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements.

Applicants that fail to meet these minimum qualifications as outlined in the BEAD NOFO will not be considered to receive BEAD funding.

2.4.17 Minimum Qualifications: Public Funding Information

MCA is committed to ensuring applicants seeking to deploy network facilities comply with the minimum qualifications for providing information on other public funding as outlined in the BEAD NOFO.

During Stage 3 (Applicant Pre-Qualification) of the Subgrantee Selection Process, MCA will require that applicants submit information about other public funding as detailed in the BEAD NOFO. MCA requires that applicants, along with their affiliates, fully disclose all applications they have submitted or plan to submit and every broadband deployment project funded by public sources. This includes detailing aspects of sources of public funding, service speed, coverage area, commitment to serve unserved/underserved areas, the amount of public funding used, consumer service costs, and any matching commitments. (Note: The term "affiliate," per the BEAD NOFO, refers to a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For the purposes of this definition, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.)

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In reviewing the public funding information materials, MCA will have subject matter experts look for complete disclosure by the applicant and its affiliates of any projects and applications (planned or submitted) of every broadband deployment project funded by the following sources that they are undertaking or have committed to undertake at the time of application using public funds, including but not limited to funding provided under: Families First Coronavirus Response Act (Public Law 116- 127; 134 Stat. 178); CARES Act (Public Law 116-136; 134 Stat. 281); Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); American Rescue Plan of 2021 (Public Law 117-2; 135 Stat. 4); Federal Universal Service Fund high-cost program (e.g., RDOF, CAF); any Eligible Entity or local universal service or broadband deployment funding program.

During Stage 4 (Application) of the Subgrantee Selection Process, MCA will require the disclosure, for each broadband deployment project, of the following: the speed and latency of the broadband service to be provided; the geographic area to be covered; the number of unserved and underserved locations committed to serve; the amount of public funding to be used; the cost of service to the consumer; and the matching commitment, if any, provided by the subgrantee or its affiliates.

MCA will communicate the requirements outlined above to all applicants utilizing the outreach strategies and methods detailed in Section 2.4.1 as part of the Subgrantee Selection Process. This will include engaging participating stakeholders in webinars, meetings, and providing online materials, including requirements of the grant applications and grant agreement terms, conditions and program requirements.

Applications that fail to meet these minimum qualifications as outlined in the BEAD NOFO will not be considered to receive BEAD funding.

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2.5 Non-Deployment Subgrantee Selection (Requirement 9)

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

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

MCA's priority is to utilize the state's BEAD allocation to extend broadband infrastructure to every unserved location, underserved location, and Community Anchor Institution without gigabit symmetrical connectivity in the state. Following this, the remaining funds will be used to fund qualifying non-deployment programs related to addressing the digital divide in Maine. It is essential to complement BEAD infrastructure investments with digital equity strategies that will extend and sustain the impact of those infrastructure investments.

Non-deployment activities will be implemented by other state partners and supported by existing MCA staff. Any agreements with these partners will be conducted using MCA's existing procurement processes, culminating with an MOU with the partner organization.

2.5.2 Non-Deployment Activities and Initiatives

As noted in Section 2.5.1 above, MCA does not anticipate sub-granting for non-deployment activities. However, it has identified priorities from the State Digital Equity and Inclusion Plan that will hopefully be implemented with capacity from partners identified through MCA's procurement processes. The identified digital equity strategies will be consistent with the goals of the BEAD Program, ensuring the maximum benefit from infrastructure deployment in Maine.

MCA anticipates that the remaining funds available upon successful funding for priority locations will be used for the non-deployment activities outlined in section 2.6.1. These activities, from the Broadband Action Plan and Digital Equity Strategy, have been developed to maximize the utilization and sustainability of the infrastructure investments enabled through the BEAD program. Covered populations are disproportionately affected by the digital divide, and it is imperative to enable more people not just to access, but be able to afford and utilize, internet service.

2.5.3 Non-Deployment: Un- and Underserved Location Coverage

MCA's clear priority for BEAD funding is to serve currently unserved and underserved locations with broadband access. The estimated cost to achieve universal service depends on the final number of locations to be prioritized, including how many previously funded federal awards are executed as planned, and the cost to serve those unserved and underserved locations. This will further depend on various factors, including provider bids and match rates, labor, materials, inflation, permitting, etc.

Commented [2]: Removed: MCA believes these activities can be accomplished as a recipient because of the organization's strong staff capacity and expertise, existing vendors working on some of the outlined activities, and an RFP process that has been employed with success for new vendors.

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Cost, internet safety and access to devices and technical support are the first three items outlined in the needs assessment of the Maine Digital Equity Plan.

90% of the Mainers engaged in the Broadband Action Planning process (especially those representing covered populations) cited affordability as the critical issue limiting the utilization of high-speed internet. Further, awareness of and access to resources, including affordable devices, service plans and tools to stay safe online, was identified as the second and third most important limiting factors.

The Affordable Devices for ME Statewide Campaign (Digital Equity Plan Strategy 4): A statewide campaign to engage private sector and institutional partners to donate new and refurbished devices to help meet MCA's goal of securing 25,000 donated devices and improving affordable device access to covered populations and workforce development partners. MCA would contract with a vendor to develop the campaign marketing, message, and materials and utilize staff capacity to outreach to partners, host events, provide materials to partners, and secure donated devices.

Internet Safety for ME (Digital Equity Plan Strategy 4): A statewide campaign providing user training on cybersecurity, online privacy and data protection, and digital safety. The campaign aims to ensure that all Mainers, especially the most vulnerable covered populations, can access resources that improve their ability to stay safe online and improve confidence in their digital skills in this area, as well as awareness of the resources available. MCA would contract a vendor to develop curriculum and design delivery tools and materials. MCA staff will work directly with partners and stakeholders to integrate the campaign resources into program delivery to reach covered populations and the public.

Continue ACP4ME Campaign (Digital Equity Plan Strategy 3): MCA has an existing statewide campaign supporting Affordable Connectivity Program enrollment, outreach, and awareness. This is a co

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MCA currently projects the total costs to facilitate the successful build-out of all unserved, underserved, and community anchor institutions are approximately \$264.9 million. These estimates will continue to change due to the many factors involved, including updates to the FCC fabric, the state challenge process, enforceable commitments, and continued private investment. MCA is sequencing the BEAD program to ensure that enough funding exists to address gaps in infrastructure, as well as gaps in infrastructure to Community Anchor Institutions, before allocating funding to non-deployment eligible uses. Currently, MCA estimates approximately \$2 million remaining for non-deployment activities.

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Assigned to ballenby@maineconnectivity.org

2.5.4 Non-Deployment: Subgrantee Qualifications

MCA does not anticipate subgranting for non-deployment activities and will utilize existing organizational procurement protocols and MOUs to engage other statewide partners if/when necessary. These partners and the programs they will help support are outlined in Section 2.6.1.

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2.6 Eligible Entity Implementation Activities (Requirement 10)

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

2.6.1 Direct Implementation Activities

MCA will use a portion of funds for critical grant functions such as the state lead challenge process, Subgrantee Selection Process and implementation, support for developing project service areas, and workforce strategy implementation. MCA has budgeted \$3.1 million for direct implementation dollars, with the work to be accomplished through a combination of direct MCA resources and State of Maine partnerships.

MCA will use \$2,000,000 of BEAD funds for non-deployment implementation activities with the assistance of four key state partners: Maine Department of Environmental Protection, Maine Department of Labor, MaineHousing, and Maine Department of Economic and Community Development.

- **Maine Department of Environmental Protection (DEP)** will receive \$500,000 to facilitate Environment and Historic Preservation (EHP) licensing and permitting directly or via a contracted party to coordinate, track and accelerate applications in sequence with BEAD subgrantee selections. By administering a 2021 Broadband Infrastructure Program award through NTIA, MCA can attest to the real and unpredictable cost and time delays associated with EHP in a rural state such as Maine. Dedicated capacity with Maine DEP will ensure that the pre-construction activities for BEAD funding can occur with maximum coordination and efficiency.
- **Maine Department of Labor (DOL)** will receive \$500,000 to assist with designing, promoting, and coordinating education, training and employment opportunities in partnership with the Maine Community College System and Maine's Career and Technical Education providers. The marketing, recruitment and targeted training for Maine opportunities will be critical to address Maine's significant workforce shortfall, projected to be 3,387 to 3,976 workers annually due to the surge of investment in broadband, according to MCA's 2022 Broadband Workforce market analysis. MCA's partnership with the Maine Community College System, which began thanks to BEAD planning grant funding, puts this training within 25 miles of 92% of Maine's population and allows us to continue to offer this training at zero cost to the participants. Activities will include a recruitment and marketing campaign, apprenticeship funding, access to subsidized training programs and/or supplemental funding for on-the-job training.
- **MaineHousing** will receive \$500,000 to assist with MCA's digital equity strategy of focusing on affordability by ensuring that residents of affordable housing rental units across the state have equitable access to affordable, reliable, high-speed internet. More than 100,000 people benefit from MaineHousing programs and services each year. These benefits include affordable mortgages, affordable rental housing, heating assistance, improvements to make homes safe and warm, and housing for people who are homeless or have special needs.

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Maine Housing has 770 assets under management, with over 20,000 units, and they work closely with almost two dozen other local housing authorities. They are well positioned to work with MCA to ensure that affordable housing units have access to high-speed internet and the knowledge and tools to make the most use of their devices and internet service. Maine Housing will utilize funding to enable wifi capacity and digital inclusion education, training and programming for affordable housing properties to individual units and/or common spaces at no cost to renters. Maine Housing can also use a portion of the funding to support local Housing Authorities in upgrading their properties to improve connectivity for residents.

- **Maine Department of Community and Economic Development (DECD)** will receive \$500,000 to aggregate, assess, and document industry connectivity demand in extremely rural areas to leverage technology and funding. This approach will align MCA's strategy and funding to directly support MCA's strategy to help grow Maine's key economic sectors (forest products, marine/aquaculture, food/agriculture, and outdoor recreation). Key activities include identifying, assessing, documenting and evaluating industry connectivity needs to map priority areas in proximity to MCA infrastructure investments. Dedicated capacity for DECD will enable the evaluation of the economic impact associated with increased connectivity.

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2.7 Labor Standards and Protection (Requirement 11)

Describe the specific information that applicants will be required to provide in their applications and how the Eligible Entity will weigh that information in its competitive Subgrantee Selection Processes.

2.7.1 Federal Labor and Employment Laws

MCA will require applicants to submit the following information during Stage 3 (Pre-Qualification) of the Subgrantee Selection Process outlined in Section 2.4.1. Successful submission will be reflected in the Fair Labor Scoring summarized in Section 2.4.2.

- Applicant's record of past compliance with federal labor and employment laws, which:
 - Must address entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years
 - Must include a certification from an Officer/Director-level employee (or equivalent) of the applicant evidencing consistent past compliance with federal labor and employment laws, as well as all contractors and subcontractors
 - Must include written confirmation that the applicant discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.
- Applicant's plans for ensuring ongoing compliance with federal labor and employment laws, which must address the following:
 - How the applicant will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:
 - Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network
 - How the applicant will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

During the Subgrantee Selection Process, MCA will determine that the information submitted is complete and meets the federal BEAD requirements unless otherwise noted in this document.

2.7.2 Labor Standards and Protections Requirements

MCA does include labor standards and practices outlined below in the primary scoring criteria identified in Section 2.4.2 but does not plan to incorporate any of the following items into legally binding commitments for

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subgrantees (including contractors and subcontractors) unless incorporated into the application as outlined in Section 2.4.

As noted in the workforce readiness narrative (Section 2.8), MCA is dedicated to fostering strong partnerships among employers, educators, the public workforce system, unions, and community-based organizations. MCA aims to develop effective training programs tailored to Maine's unique broadband needs, cultivating a skilled and inclusive workforce vital for the safe and efficient deployment of high-speed internet. Given the tight labor market and difficulty competing for scarce resources, MCA encourages these measures voluntarily rather than mandating participation.

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

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2.8 Workforce Readiness (Requirement 12)

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

2.8.1a. Equitable Workforce Development

To deploy fast, reliable, and affordable broadband to all parts of Maine, it is essential to support a skilled and diverse workforce operating in a safe environment. Beyond its physical infrastructure, Broadband catalyzes economic growth and revitalization, particularly in unserved and underserved rural communities. Expanding the pipeline of skilled workers through targeted educational, training and employment opportunities is key to successfully addressing Maine's connectivity needs, especially in the context of Maine's workforce challenges. Those challenges include an aging population, a low birth rate, and a relatively low labor participation rate, particularly in skilled trades.

Through coordinated sector-based partnerships, expanded training opportunities, and targeted collaboration with historically underrepresented populations, MCA will implement the following actions as a key component of its BEAD deployment strategy.

1. **Skill Development Programs:** To support the development and use of a highly skilled and diverse workforce by subgrantees, MCA will implement the following strategies:
 - a. **Fiber Technician Training Program at Community Colleges:** MCA is collaborating with the Maine Community College Systems (MCCS), supported by the Maine Department of Labor, on a Fiber Optic Technician program to provide training for five hundred (500) fiber optic technicians over the next three years. Subgrantees and their contractors will employ graduates from this program through the Registered Apprenticeship program administered by the Maine Department of Labor. MCA has allocated funding to cover student stipends, removing financial barriers to participation, especially for historically underrepresented groups, and promoting workforce diversity and inclusion. Recognizing the critical importance of aligning the curriculum with industry standards, MCA has established partnerships with the Fiber Optic Association (FOA) and Fiber Broadband Association (FBA). Additionally, MCA is evaluating training and industry providers at the time of Initial Proposal development. These collaborations ensure the development of a curriculum that meets industry standards and incorporates best practices, enabling quality control and technical support to colleges and instructors as necessary. MCA has also engaged multiple Internet Service Providers and local contractors to ensure that the curriculum is attuned to the specific needs of Maine's employers, fostering as direct transition for graduates into the workforce as possible.
 - b. **Broadband Integration into Career and Technical Education (CTE):** MCA is also collaborating with Maine's CTE staff in the Department of Education to integrate broadband and

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telecommunications training into their curriculum.

With a statewide network of 27 CTE organizations, each regionally connected to high schools, broadband training will be offered to as many students as possible. To optimize the initiative, MCA proposes embedding telecommunications modules into existing electrical curricula, inspired by the successful model of integrating Clean Energy education, streamlining the educational process and sparking an early interest in broadband careers. The MCA workforce development manager will engage with CTEs regularly, organizing yearly career fairs and panels featuring staff from the ISP community to inspire and connect students to opportunities. Internship opportunities will help provide students with practical experience. Students expressing interest will be directly connected to training programs in their locations, including community colleges, union shops, ISPs (for in-house training and employment), or universities for further training or employment. The initiative aims to create a more informed and skilled workforce, closing the workforce gap and supporting subgrantees in deployment efforts.

- c. **Safety Training Programs:** MCA is committed to prioritizing worker safety in accordance with established labor standards and practices. In line with this, subgrantees will be required to provide documentation verifying the safety credentials of their workers before initiating BEAD broadband deployment activities. This documentation can include specific modules that cover essential skills certifications, safety standards, bucket truck certifications, and compliance with 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). To simplify the process for subgrantees, MCA has ensured that safety standards are integrated into the curriculum used for the Fiber Optic Technician training at community colleges, in-house training programs, and any on-the-job training to ensure and reinforce worker safety and adherence to industry standards.
2. **In-House Training Initiatives:** Subgrantees with in-house training facilities will be encouraged and incentivized to participate in the Workforce Advisory Committee to coordinate their recruitment and training of local workers, meeting the standards outlined in Section 2.7.2 (i.e., use of appropriately skilled workforce). For medium and smaller subgrantees lacking internal training resources, MCA will collaborate with the community colleges and other training providers to prioritize the enrollment of their staff in either the Fiber Optic Technician program or other approved programs
3. **Transparency in Labor Relations:** MCA will foster transparency and accountability in labor relations for subgrantees through frequent coordination, dedicated capacity for compliance and increased educational activities. Subgrantees will receive guidance and technical assistance towards addressing labor compliance, reporting and monitoring through regular meetings facilitated by the Maine Department of Labor (MDOL) and the Bureau of Labor Standards or their designee. MCA will dedicate funding to support the capacity of subgrantees to minimize administrative burden and ensure maximum fulfillment of labor standards in coordination with State agencies and labor union partners. This support will build from the Workforce Advisory Committee's work to ensure ongoing coordination and problem-solving to address worker needs and job quality concerns. Through these engagements, MCA aims to

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enhance connections of education, training and employment partners, leading to more informed and responsive offerings for subgrantees.

4. **Inclusive Workforce:** To foster an inclusive workforce, MCA will support subgrantees in recruiting and retaining workers from historically underrepresented and disadvantaged groups, including women, individuals from diverse racial backgrounds, tribal communities, veterans, and more.
 - a. The most effective approach involves leading targeted marketing and outreach efforts in collaboration with community partners. These efforts will be enhanced through strategic partnerships with organizations such as Jobs for Maine Graduates, New Ventures, the National Association of Women in Construction (Maine chapter), New Mainers Resource Center, MaineWorks, and others.
 - b. Leveraging the Broadband Mobile Lab as a crucial tool, MCA will conduct state-wide broadband bootcamp training, enabling direct engagement with these diverse groups. Graduates from these programs will then seamlessly connect with subgrantees for additional training and employment opportunities, ensuring a continuous and supportive pathway to success.
5. **Soft Skills Training:** Responding to employer preferences identified in MCA's workforce market analysis survey, MCA, in consultation with key stakeholders such as the Maine Department of Labor and Adult Education, will engage a local consultant to develop a guide on soft skills for subgrantees. This initiative includes developing a guide and a set of resources covering essential areas such as interpersonal skills, cultural awareness, and basic workplace ethics. Subgrantees will be encouraged to integrate this training into their programs. Subgrantees can cultivate an inclusive, respectful workplace culture by emphasizing technical and soft skills, attracting diverse talent and fostering a motivated, skilled broadband workforce.

2.8.1b. Promote Sector-Based Partnerships

The Maine Connectivity Authority is dedicated to strengthening sector-based partnerships that foster a skilled and adaptable workforce, responsive to the evolving needs of the broadband industry. The approach seeks to foster collaborative relationships among employers, education and training providers, the public workforce system, unions, and community-based entities, many of which are represented in MCA's Workforce Advisory Committee. The strategic partnerships will help enhance a pipeline for employment opportunities, and address worker needs with essential wrap-around services like childcare, transportation, and stipends for training. The goal is attracting, training, and retaining a highly skilled workforce and creating a pathway to high-quality job opportunities. To achieve this, MCA will:

1. **Leverage the Workforce Advisory Committee:** In February 2023, MCA published a preliminary workforce market analysis to evaluate gaps and deficiencies in broadband sector employment. A key recommendation was to formalize and maintain an ongoing Workforce Advisory Committee composed of industry representatives, workforce intermediaries, educational and training institutions, labor unions and other state agencies. The committee has been a critical resource through MCA's Broadband Action Planning and BEAD program development. Moving forward, it will serve as a central point of coordination to address employer and workforce needs and priorities in a proactive, solutions-oriented

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and collaborative manner.

MCA's Workforce Development Manager serves as the dedicated capacity to coordinate the committee in alignment with Maine's ambitious infrastructure expansion across multiple sectors. Dedicated resources will be deployed to accelerate matchmaking, recruitment, local hiring objectives, and evaluation of more formal designation through the state's Industry Partnership program.

2. **Advance Apprenticeship Opportunities:** MCA will collaborate with grantees to advance registered apprenticeships facilitated by the Maine Apprenticeship Program (MAP), a proven method for attracting and retaining talent. To incentivize the adoption of the model, MCA will assign points to it in the scoring rubric for subgrantees. According to the U.S. Department of Labor, registered apprenticeships improve productivity, quality, and safety while reducing turnover, fostering loyalty, and retaining skilled employees. Notably, 90% of apprenticeship program completers remain employed, yielding an average \$1.47 return on every \$1 invested. MCA will sponsor events, training, and direct apprenticeships with subgrantees, MAP, Education Maine (intermediary sponsor), and labor organizations to maximize this value. The goal will be to enable maximum utilization of registered apprenticeship offerings to match the accelerated needs of employers.
3. **Enhance Work-based Learning Opportunities:** MCA will embed work-based learning experiences into broadband partnerships to strengthen the workforce ecosystem. This will involve:
 - a. Internships for high schools, colleges, and adult education programs: MCA will develop partnerships with educational and community-based institutions such as Apex Youth Connection and Learning Works and allocate funds to establish partnerships with high schools, colleges, and adult education programs to facilitate internships.
 - b. Stipends and resources: Allocate a budget for stipends or resources to support students during their internship periods, covering transportation, materials, and other associated costs. Other funding sources will be leveraged for support.
 - c. Pre-apprenticeships for entry-level workers include a heavy focus on soft skills and hands-on experience; coursework could be provided online, including free Fiber U courses. Key partners in these initiatives will include Fiber Optic Association, Fiber Broadband Association, Associated General Contractors of Maine, Canyon Networks, Maine Department Of Labor, Educate Maine, Maine Adult Education, Maine State Building and Construction Trades Council.
4. **Support an Online Job Matching Platform:** MCA intends to establish or align with an infrastructure-based online job matching platform that offers accessible on-ramps for job seekers to identify broadband jobs aligning with their skills and experience. An online jobs board facilitating matches between job seekers and employers will help open opportunities for marginalized populations.
5. **Mobile Training Lab:** In collaboration with the Maine Community College Systems, MCA is considering investing in a Broadband Mobile Training Lab to deliver training directly to individuals from remote and underrepresented communities, addressing financial and transportation barriers that hinder participation in traditional training programs on community college campuses. MCA intends to allocate funds from the non-deployment fund for BEAD to support this project. The need for a mobile training lab

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was identified as a priority during interviews with ISPs and contractors conducted by MCA consultants for the broadband workforce market analysis report.

2.8.1 c. Develop Equitable On-ramps to Jobs

The Maine Connectivity Authority is committed to ensuring equitable on-ramps into broadband-related jobs, upholding job quality for new and existing workers in the sector, and maintaining an open dialogue with labor organizations and community-based entities to ensure worker representation. MCA's vision for creating accessible pathways into broadband careers is grounded in collaboration with partners. MCA is committed to a workforce future that extends beyond jobs, offering ladders of opportunities, career growth, and worker empowerment. MCA's strategy involves multiple key elements:

- **Creating Accessible On-ramps Into Broadband Careers:**
 - a. **Expanding Pathways to Higher Education:** MCA will encourage subgrantees to provide postsecondary career development opportunities, facilitating transitions for individuals aspiring to pursue advanced academic paths in the broadband sector. To support this initiative, MCA will collaborate with the Maine Department of Labor's Career Services Center and Maine colleges and universities to conduct multiple engagements for subgrantees to connect to the range of higher education offerings, including programs such as the Competitive Skills Scholarship Program (CSSP), Adult Degree Completion (at the University of Maine), Finance Authority of Maine, Higher Opportunity for Pathways to Employment. The CSSP, for instance, financially supports Maine residents in pursuing two- and four-year degree programs or employer-recognized credentials, ultimately leading to high-wage, in-demand jobs.
 - b. **Enhancing Registered Apprenticeship Program:** MCA remains dedicated to assisting subgrantees to maximize the benefits of registered apprenticeship programs. Regular information sessions, informative newsletters, and targeted resources on MCA or other partner websites will equip subgrantees with a comprehensive understanding of the available support systems, empowering them to make the most of these valuable opportunities.
 - c. **Integrate Soft Skills and Career Advancement into Training:** Beyond technical competencies, soft skills emphasize interpersonal communication, effective collaboration, and teamwork, fostering a collaborative and respectful work environment. In collaboration with the Maine Department of Labor and Adult Education, MCA will engage a local consultant to develop a guide on soft skills for subgrantees. The guide will be accessible to all subgrantees and posted on MCA's resource webpage. Workers equipped with these soft skills will be better prepared to navigate challenges, including conflict resolution, stress management, and cultural awareness on construction sites, ultimately contributing to career advancement and leadership roles.
- **Engaging with Labor and Community-Based Organizations:** MCA will collaborate with its partner organizations through the following initiatives:
 - a. **Regular Engagement Opportunities:** MCA's Workforce Advisory Committee, comprising union representatives, community staffing agencies, and government agencies, will continue to convene bi-monthly to address the ongoing concerns and needs of workers. This continued engagement ensures effective collaboration between labor organizations and workforce

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stakeholders, fostering labor-management partnerships. Subgrantees will be encouraged to involve workers in shaping policies and programs that directly impact their lives.

- b. **Prioritizing Local Workers:** MCA is committed to prioritizing educational, training and employment opportunities for high-quality jobs for local workers, ensuring that the state and its residents fully benefit from the economic opportunities offered by the BEAD grant. To achieve this, subgrantees' applications will be scored based on compliance with federal and labor employment standards, including preferences for hiring from the areas where projects will be proposed.
- **Accelerate Immigrant Integration into the Broadband Workforce:** An underutilized workforce exists among underemployed professional immigrant populations facing barriers. According to a 2020 study by the Maine Governor's Office of Policy Innovation and the Future, 24.2% of Maine's college-educated immigrants are either unemployed or underemployed (Phoenix McLaughlin, 2020). MCA will consult key reputable immigrant integration organizations, such as The New Mainers Resource Center, Office of Economic Opportunity, and New Mainers Resource Center, to actively engage with the Workforce Advisory Committee. MCA will engage a consultant to serve as a direct placement agent and liaison with these organizations to understand the needs of industry partners and support the fulfillment capability of the network of immigrant organizations, such as charting a path forward.

2.8.1.d Foster Equity and Diversity in Broadband Careers

MCA is committed to ensuring that job opportunities created by the BEAD Program and other broadband funding initiatives in Maine are accessible to a diverse pool of workers. To achieve this goal, MCA intends to:

- **Increase the pathways for a diverse workforce:** To promote diversity and inclusivity among subgrantees, MCA will actively encourage and support their best efforts in creating a workforce that embraces women, people of color, immigrant populations, and tribal communities by supporting subgrantees to promote employment and advertise more directly in a broader array of publications, media channels, and platforms. Additionally, MCA will partner with the Maine Diversity Hiring Coalition to provide subgrantees with resources, best practices, and guidance.
- **Facilitate support for matchmaking and hiring:** MCA will actively partner with local staffing agencies specializing in minority recruitment. An up-to-date list of such agencies, including notable names like IntWork and CareerPassion, will be developed and shared with subgrantees via emails and MCA's website.
- **Encourage Flexible Training Opportunities:** MCA is dedicated to promoting accessible training opportunities among subgrantees by encouraging the implementation of flexible and personalized training options. This will include virtual and onsite training, tuition assistance, childcare support, transportation assistance, and sponsorships for relevant coursework. Notably, MCA will make affordable online training options from the Fiber Optic Association accessible to subgrantees. Collaborating with partners like WIOA's Goodwill Workforce Solution, MCA will seek to facilitate childcare and transportation assistance for eligible candidates to enhance training accessibility further.
- **Encourage DEIA Training Initiatives:** Subgrantees will be encouraged to implement Diversity, Equity, Inclusion, and Accessibility (DEIA) training programs for their workers, fostering inclusive behaviors and

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ensuring a workforce equipped with the skills to contribute to a diverse and supportive workplace culture.

MCA will support this effort by facilitating online forums and roundtable discussions where subgrantees can share experiences, challenges, and successes related to DEIA training, creating a collaborative community. Additionally, MCA will connect subgrantees with DEIA specialists, providing tailored advice on implementing effective training initiatives.

- **Support Re-entry Program for Workforce Empowerment:** In recognition of the significant structural barriers to employment for the individuals formerly incarcerated - MCA seeks to:
 - a. Support digital literacy tools like tablets and phones as well as an online credentialing program, incorporating essential job readiness skills. MCA will collaborate with training institutions such as the Maine Adult Education program or the Community College System and utilize the Fiber Optics Association curriculum for an online training program.
 - b. Graduates from the program will be connected to subgrantees operating in their geographic area for further training and employment opportunities.
 - c. MCA will leverage the Workforce Innovation and Opportunity Act (WIOA) program through Workforce Solutions to provide wraparound and case management support to promote retention.

This initiative involves active engagement with key partners, including the Maine Department of Corrections, the Maine Prisoner Re-entry Network, Maine Works, Maine Community College Systems programs, and the broadband employer community. By tapping into untapped re-entry populations, MCA aims to encourage grantees to hire from this pool and extend the model to attract workers from recovery populations.

2.8.2 Ensuring an Appropriately Skilled and Credentialed Workforce

Prospective subgrantees must submit a plan demonstrating that the project workforce will be appropriately skilled and credentialed, specifically including:

- The use of an appropriately skilled workforce, e.g., through registered apprenticeships or other joint labor-management training programs that serve all workers.
- The use of appropriate credentials, e.g., appropriate and relevant occupational training, certification, and licensure.
- Declaring whether the project workforce will be unionized or not.
- Declaring whether the project workforce will be directly employed or a subcontracted workforce will perform the work.
- Identification of entities that the applicant proposes to contract and subcontract with in carrying out the proposed plan of work.

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

- The job titles and size of the workforce (FTE positions) required to carry out the proposed work
- List of safety training, certifications, or licensures, in particular, OSHA 10 and OSHA 30.

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- In-house training program with requirements tied to certification and titles.
- Specify if an in-house training program exists, detailing how it is tied to specific certifications and job titles.

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

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

2.9.1 MBEs/WBEs/Labor Surplus Firms Inclusion

Historically, Minority Business Enterprises and Women's Business Enterprises have encountered disparities in contracting compared to other entities despite their experience, qualifications, and impact on communities. As major economic and employment growth drivers, MCA will make concerted efforts to engage with underrepresented enterprises through the activities outlined in Section 2.8. By adhering to Federal guidelines such as 2 C.F.R. § 200.321, MCA will partner with other state and local entities, such as the Maine DBE Program, which the Maine Department of Transportation (MDOT) administers. MCA will work with MDOT to promote these procurement opportunities to DBE program participants through their DBE Supportive Service Program run by Eastern Maine Development Corporation. MCA is committed to ensuring that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are recruited, used, and retained when possible. MCA will include these organizations in outreach activities and solicitation announcements.

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

- Place qualified small and minority businesses and women's business enterprises on solicitation lists. For example, Maine's D/WBE List of Businesses is maintained and published by the Maine Department of Transportation, as they administer the state's DBE program, and the list is updated online each Friday.
- MCA will assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
- Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
- Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises
- Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce
- Require subgrantees to take the affirmative steps listed above regarding their subcontractors

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In addition to these measures, MCA will seek to develop a system to track key metrics on the inclusion of underrepresented enterprises throughout the process, including recruitment, utilization, and retainment.

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

2.9.2 MBEs/WBEs/Labor Surplus Firms Inclusion Check Box

✓

Maine Connectivity Authority will take all necessary affirmative steps to ensure minority businesses, women's business enterprises, and labor surplus area firms are used when possible, including the following outlined on pages 88 – 89 of the BEAD NOFO, including:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources
3. 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
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises
5. 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
6. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors

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2.10 Cost and Barrier Reduction (Requirement 14)

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

2.10.1 Cost and Barrier Reduction

Promote Use of Existing Infrastructure

Close working relationships between state broadband agencies, ISPs and community partners to promote the use of existing infrastructure has been the foundation of Maine's broadband policy for nearly a decade. Maine's statutory broadband goals state, "[e]xisting public and private infrastructure be used effectively and efficiently in the public interest." Similarly, Maine's state-funded broadband planning statute, in place since 2015, requires that plans include an inventory of existing broadband infrastructure assets within the municipality or region.

MCA has continued this commitment in its programming since its inception. MCA's "All In" programming, enabled through Capital Projects Fund, includes a line extension program specifically designed to utilize and extend existing infrastructure in areas with high concentrations of unserved locations. Through a competitive grant process, MCA selected projects with ISPs to identify efficient clusters of eligible locations to extend existing network infrastructure to areas where demand does not support competitive network offerings. Successfully implementing this program required proactive engagement with ISPs to evaluate areas of shared priority, increasing awareness of existing infrastructure and anticipated future private investments.

This experience led MCA to launch the Broadband Investment Notification & Demonstration (BIND) Process, a confidential and voluntary method for internet service providers (ISPs) to share information on planned investments to help inform MCA's decision-making for public funding. BIND establishes a standardized, rolling process where ISPs can voluntarily submit data about planned future private infrastructure investment that will take place in the next 12 months or in a timeframe that will impact a BEAD-related build. The process is intended to facilitate confidential conversations between ISPs and MCA to collectively understand where public investment and subsidy can most effectively complement private investment areas across the state.

The data generated through these efforts, NTIA-funded planning processes, community engagement, and the NTIA and FCC's mapping efforts with significant investment in personnel and technological capacity for mapping and analysis give MCA a detailed understanding of where existing infrastructure exists and will be built during the period of BEAD investment. MCA's public investment will promote and optimize the use of this existing infrastructure through the BEAD program.

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Streamline Cost-Effective Access to Poles

MCA anticipates that the vast majority of its anticipated infrastructure investment will result in new aerial fiber construction. The timely, cost-effective deployment of this infrastructure will require an efficient and effective pole attachment process, which the Maine Public Utilities Commission oversees.

In 2017, the Commission began a process to comprehensively update its pole attachment rules to facilitate broadband deployment. Since that time, the Commission, with support and direction from the Legislature, has:

- Adopted FCC formula pole attachment rates
- Implemented enhanced timelines for make ready
- Implemented One Touch Make Ready
- Established a municipal exemption for make ready costs
- Directed implementation of an electronic pole management system by pole owners
- Provided guidance regarding certain presumptively reasonable practices that expanded access to poles

Maine's existing pole attachment rules already included a rapid response process similar to that recently adopted by the FCC, that allowed timely resolution of pole attachment disputes. Despite unprecedented demand on the system, these efforts have made pole attachment in Maine less expensive, more predictable, and faster than before.

With the right regulatory framework in place, the key to making the pole attachment process work is dedicated time and focused relationship-building. MCA has launched several non-regulatory initiatives intended to build on and complement the Commission's work to streamline access to joint-use utility poles. These efforts include:

- Beginning in April of 2023, MCA began convening pole owners and attachers in separate stakeholder conversations to identify areas of common concern, potential process improvements, and areas for regulatory intervention or additional clarity. These conversations immediately identified the need for additional transparency and education in the pole attachment space.
- To address this, MCA is developing a pole attachment and One Touch Make Ready guide for review by pole owners and attachers, which will offer the first comprehensive, nose-to-tail user's guide for the pole attachment process in Maine from the perspective of the prospective attacher. MCA will use this exercise and the resulting document to identify areas for refinement, standardization, and reform, such as duplicate processes or unnecessary delays.
- MCA had integrated tracking of the pole attachment process in the quarterly reporting it requires of infrastructure grant recipients. This reporting will allow MCA to identify projects where pole attachment issues may cause delays or increased costs, and work with stakeholders to address and mitigate these issues on a per-project basis, and identify opportunities for systemic improvement.

Finally, recent statutory changes offer further opportunities to streamline cost-effective access. In 2023, these included:

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- Legislation standardizing the general liability insurance requirements that owners can require of attachers, and authorizing the Maine Municipal Association to offer a pooled insurance product to municipalities who own their broadband network to reduce their insurance costs.
- Direction to the Public Utilities Commission to study and prepare a report on the average time involved in each stage of the pole make-ready process work. The comprehensive joint study will collect data on all stages of the process, from application to deployment, which has not been tracked or publicly reported in Maine to date. This study will align with recent joint use pole attachment rule modifications and the implementation of Alden One to track the impact of the rule changes.

Other Barriers

In addition to the efforts described above, MCA will continue to address the other barriers identified in the Broadband Action Plan, including:

- Maine lacks sufficient diverse, competitive paths for middle mile infrastructure and limited intra-state locations for peering, which decreases resiliency and increases costs, particularly for rural providers. MCA will **invest in middle mile infrastructure**, including the NTIA-funded MOOSE Net, to address this deficiency.
- Community broadband planning in Maine has traditionally taken place at a municipal level, but **efforts will be regionalized** for deployment at this scale to happen at a cost-effective and relatively rapid pace.
- **Access to capital at scale** is limited for public and private partners; so far in Maine, deals have been small and outside investment limited. Specifically, **financing for public ownership** at a regional scale is critical, but support and financing for utility districts and publicly owned efforts remain limited.
- More than 3,400 new **broadband workforce** positions are needed to address the surge of investment, highlighting an increasing need to develop a talent pipeline to meet these needs. Failure to secure an adequate workforce will continue to constrain deployment, increase labor costs and limit efforts to improve affordability. (see MCA's 2023 Workforce Analysis: <https://www.maineconnectivity.org/workforce>)

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2.11 Climate Assessment (Requirement 15)

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

2.11.1 Climate Assessment

For reasons of history and geology, Maine's last mile broadband infrastructure is primarily aerial, which presents specific vulnerability to various weather and climate risks. Aerial infrastructure is vulnerable to more severe and frequent storms resulting from climate change and fire damage from drought and associated wildfires. MCA expects that, unmitigated, climate change infrastructure impacts will mean increased and longer duration outages, and higher restoration and O&M costs, particularly for areas with lower population density, greater density of vegetation, and long service drops.

2.11.1.a

To consider this as part of BEAD planning, MCA reviewed reports and maps from NOAA, FEMA, the [State of Maine's Climate Action Plan \(Maine Won't Wait\)](#), and the [2023 Maine State Hazard Mitigation Plan](#). MCA began with initial hazard screening for climate risks by looking at FEMA's National Risk Index. Of Maine's 16 counties, 14 score very low or relatively low for the risk index. However, Cumberland and York counties have a relatively moderate risk index. These two counties are particularly vulnerable and should be subject to additional hazard screening for current and projected future weather and climate-related risks. This analysis will be reviewed for the inclusion of updated information annually, and a full screening analysis will be completed every five years.

- **Cumberland County** is Maine's most populous county, is located on the coast, and is vulnerable to a wide range of climate threats, including sea level rise, storm surge, flooding, extreme heat, and drought.
- **York County** is located in southern coastal Maine and is vulnerable to ice storms, lightning, and riverine flooding.

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

2.11.1.b and c

To determine which weather and climate hazards are most important to account for and respond to over the next 20 years of the life of the BEAD-funded infrastructure, MCA consulted the National Oceanic and Atmospheric Administration National Centers for Environmental Information State Climate Summaries 2022, among other sources.

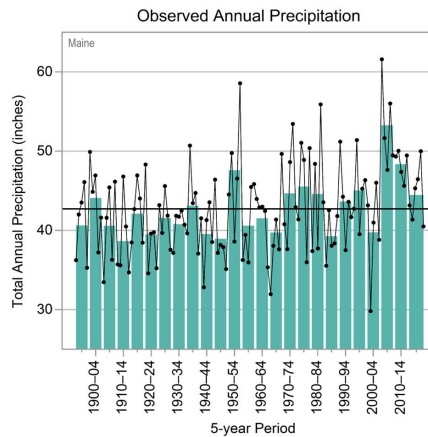
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It is known to all that Maine is subject to wind, snow, and ice storms that put heavy loads on aerial fiber installations, and the frequency and intensity of these events are increasing. Nor'easters and hurricanes can impact Maine and its surrounding areas with high winds, large amounts of rain, and coastal and inland flooding. The Maine State Hazard Mitigation Plan noted that "all counties have experienced at least eight floods substantial enough to warrant Disaster Declarations with nearly \$300M in cumulative damages from flooding alone. Severe flooding can cause loss of life, property damage, disruption of communications, transportation, electric service and community services, crop and livestock damage, health issues from contaminated water supplies, molds and mildew within structural components, and loss and interruption of business." Additionally, according to the National Oceanic and Atmospheric Administration National Centers for Environmental Information State Climate Summaries 2022:

In general, nor'easters cause more disruption than any other type of extreme weather. Nor'easters are cold-season coastal storms that can generate a tremendous amount of precipitation (in the form of snow, sleet, or freezing rain), strong winds, coastal flooding, and damage to infrastructure. Observed wind speeds from nor'easters are commonly equal to or greater than those from hurricanes that have reached Maine. Nor'easters are prevalent in most years in winter, spring, and fall, while landfalling hurricanes are very rare. Since 1861, only three hurricanes have reached Maine with hurricane-force winds, the last being Gloria in 1985. Since 2007, weather-related disasters have been declared in every county in Maine.



Total annual precipitation in Maine reached a historically high multi-year average during the 2005–2009 period (Figure 2d). In the harsh winter months, average accumulated snowfall ranges from 40 to 80 inches across the Southern Interior and Northern Interior climate divisions, with the northern tip of the state receiving up to 100 inches. The annual number of 2-inch extreme precipitation events has varied over the period of record, but the 10-year interval from 2005 to 2014 had a record number (nearly double the long-term average; Figure 4), similar to the rest of the northeastern United States.¹

In addition to the risk of loading from wind, snow, and ice, Maine faces increased drought and fire risk due to climate change. By 2050, climate models suggest that Maine may warm by 2–4 degrees Fahrenheit if no further action is taken to reduce greenhouse gas emissions.

¹ <https://statesummaries.ncics.org/chapter/me/>

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According to the National Oceanic and Atmospheric Administration's National Centers for Environmental Information, as of December 8, 2023, Maine has been affected by 17 confirmed weather/climate disaster events from 1980–2023, with losses exceeding \$1 billion each. These events included one drought event, one flooding event, two severe storm events, two tropical cyclone events, and 11 winter storm events. (NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2023) <https://www.ncei.noaa.gov/access/billions/>, DOI: 10.25921/stkw-7w73)

2.11.1.d

To mitigate the impacts of severe storms, flooding, and sea level rise, MCA will require that all BEAD-funded networks are designed to mitigate the anticipated impacts of climate change by utilizing preventative measures (cable selection, installation practices, hardware selection, and routing), and prioritizing damage mitigation through monitoring, redundancy, and rapid response. Underground deployment will be utilized where feasible and cost-effective. Conversations have begun with some pole owners regarding de-loading the pole assets during new plant construction/overlash. Best practices will be incorporated into MCA's standards for network design. These techniques will help mitigate the weather and climate risks and are prudent for this infrastructure initiative for both environmental and grid-resiliency efforts. MCA will coordinate with the Maine State Hazard Mitigation Plan and other stakeholders to identify areas for improvement and refine mitigation measures by considering emerging technologies, best practices, and lessons learned. These collaborations will enhance resilience and minimize the impacts of future disasters on Maine people and infrastructure.

2.11.1.e

In partnership with the Maine Governor's Office of Policy and Innovation for the Future (GOPIF), MCA has already committed to producing a climate impact and mitigation report with recommendations for MCA's entire middle mile network and implementing the appropriate recommendations of that report. These findings will be used to inform MCA's approach to BEAD investments. Additionally, MCA and GOPIF resolved to update the climate impact study at least every five years for the network's life as part of the NTIA-funded middle mile project. MCA will now expand that climate impact study work to include BEAD-funded infrastructure as well, and will repeat this update cycle at least every five years over the life of the BEAD program to ensure that evolving risks are understood, characterized, and addressed, and that the most up-to-date tools and information and resources are utilized.

2.11.1.1 Attachments - Relevant Reports to the Previous Section

- [2023 Maine State Hazard Mitigation Plan](#)
- [Maine Won't Wait](#) - Maine Climate Council
- [Maine Won't Wait One Year Progress Report](#) - Maine Climate Council
- [Scientific Assessment of Climate Change and Its Effects in Maine](#) - Maine Climate Council
- <https://www.maine.gov/future/initiatives/climate/climate-council/reports>
- [NOAA National Centers for Environmental Information | State Climate Summaries 2022](#)
- <https://hazards.fema.gov/nri/map>

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2.12 Low-Cost Broadband Service Option (Requirement 16)

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

2.12.1 Low-Cost Service Option

MCA's Digital Equity Planning process identified affordability as a critical barrier to digital equity in the state, with 47% of Maine people surveyed saying they have at least some difficulty affording their monthly internet service. For NTIA's defined covered populations, the barrier was even more acute. For example, 77% of low-income households reported having difficulty affording the cost of internet service.

The BEAD-funded infrastructure deployment and the Subgrantee Selection Process will be vital in achieving greater affordability for all Maine people, especially the most vulnerable. The application requirements will work in concert with the initiatives in the State's Digital Equity Plan and requirements in existing infrastructure programming to accomplish these goals. MCA proposes that all BEAD award recipients must offer a low-income affordability program that meets the following criteria:

Price

- A non-promotional rate of \$30/month to eligible households. Eligibility for the low-cost plan option is defined in the BEAD NOFO as households with income below 200% of the Federal Poverty Limit (FPL).
- The subscriber may use the ACP subsidy of \$30/month, or \$75/month for those on tribal lands, to reduce the plan cost to \$0. The low-cost plan shall include all taxes, fees, and any recurring monthly charges.
- Subgrantees will be required to offer the low-cost plan for at least five years of the useful life of the BEAD-funded network. At the time of submission, this period is still being determined. MCA will adhere to the NTIA's definition of "useful life of the network" or will otherwise define this period as five years (period of performance) from the date the funded network is operational.
- Subgrantee may submit a request to MCA for an increase in this maximum price by October 15th of each year, with pricing changes requested effective January 1 of the following year. Subgrantee's proposed price increase may not exceed the increase in U.S. Bureau of Labor Statistics Consumer Price Index since December 31, 2024. For the purposes of this section, the "Consumer Price Index" means the Consumer Price Index, Annual Average, for All Urban Consumers, CPI-U: U.S. City Average, All items, reported by the United States Department of Labor, Bureau of Labor Statistics. The reference base index for the price increase will be the Consumer Price Index for the 2024 calendar year. MCA, in its sole discretion, may permit the pre adjustment in the amount requested by subgrantee, or in a different amount, taking into account any FCC ACP maximum subsidy increases and the most current relevant Consumer Price Index. Subgrantee may request a price adjustment annually, to be effective in the subsequent calendar year, until five years following the Project Completion Date.

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Technical Requirements

- The low-cost plan must provide the greater of (a) typical download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps, or the fastest speeds the infrastructure is capable of if less than 100 Mbps/20 Mbps, or (b) the performance benchmark for fixed terrestrial broadband service established by the Federal Communications Commission pursuant to Section 706(b) of the Communications Act of 1934.
- The subscriber may choose to switch to another plan with higher upload and download speeds offered by the subgrantee at no cost.
- Round trip latency for the low-cost plan must be less than 100 milliseconds.
- Households enrolled in the low-cost plan may not be subject to data caps, surcharges, or usage-based throttling. They will be held to the same acceptable use policies offered to other home subscribers of other service tiers offered by the subgrantee on the BEAD-funded network.

Service Requirements

- Service shall be installed within ten calendar days of a service request to align consistently with state expectations conveyed in previous infrastructure programming.

MCA encourages subgrantees to ensure the low-cost plan is publicly available, easily accessible, provided in multiple languages, and made available to highlight on the MCA website. Subgrantees are encouraged to describe their adoption campaign plans for ensuring these standards. Based on experience to date, MCA expects that ISPs will make this affordable broadband service option available to all potential customers across their service territories. However, at a minimum, this service option must be available to locations within the awarded BEAD Project Service Areas.

Should the Affordable Connectivity Program expire, MCA expects all subgrantees to work with MCA to develop an affordable offering for impacted households through successor federal or state affordability programs.

2.12.2 ACP Participation Certification



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

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2.13 Middle-Class Affordability Plans

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

2.13.1 Middle-Class Affordability Plan

BEAD-funded projects in Maine must align with NTIA's affordability strategy and directly support MCA's goal to expand affordability for all Maine people as described in accordance with the state's broadband goals and MCA's Broadband Action and Digital Equity Plans. The Middle-Class Affordability Plan, combined with the Low-Cost Service Option, will ensure that anyone in Maine can access the service their household needs at an affordable price.

During outreach and engagement efforts for those plans, 47% of Maine households reported that paying for internet service was at least "somewhat difficult." MCA will utilize its Subgrantee Selection Process and scoring to incentivize further affordability for consumers beyond those eligible for the required low-cost plans. The middle-class affordability strategy also seeks to balance this while recognizing that BEAD-funded networks should be financially sustainable to provide the maximum benefit to all Maine people.

In Maine, the middle-class income ranges from \$42,123 to \$126,364. This range is based on the Pew Research Center's definition of "middle-class" as households with annual incomes that are two-thirds to twice the median household income, which, according to the ACS 2021 survey, is \$63,182 per year. A standard broadband affordability benchmark is 2% of monthly income, which equates to \$70 - \$210 per middle-class household in Maine. ([The State of Broadband: Broadband as a Foundation for Sustainable Development](#), BCSD, Sept. 2019).

As is specified in Section 2.4.2, if the applicant provides 1 Gbps / 1 Gbps service for \$70, they offer the Maine state definition of broadband at 2% of the lower range of the median household middle income.

To ensure all Maine residents have access to affordable broadband service that meets their needs, the subgrantee selection scoring process offers 29 points for Affordability.

- Subgrantees will receive twenty-five (25) points for offering symmetrical 1 Gigabit service at \$70.00 or less, or at the lowest rate currently offered by the provider in other service areas (whichever is lower). Pricing for speed tiers includes all taxes, fees, and recurring monthly charges.
- To qualify for four (4) additional points in the Subgrantee Selection Process secondary scoring criteria, providers can also offer the low-cost plan option to all subscribers across the state, not just those eligible.

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To receive points in the Subgrantee Selection Process, Subgrantees must agree to offer these non-promotional plans and meet all other requirements of the low-cost plan outlined above, including the latency requirements, outage credits, ensuring the price is inclusive of all taxes, fees and recurring monthly charges for the useful life of the network as defined by NTIA.

These additional subgrantee incentives will complement other statewide initiatives to meet the affordability goals outlined in the Maine Broadband Action Plan and Digital Equity Plan. These activities include an ongoing commitment to increase enrollment in the Affordable Connectivity Program through the ACP4ME Campaign, improving connectivity for affordable housing residents, sponsoring free access at Connectivity Hubs and low-cost or free devices.

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2.14 Use of 20 Percent of Funding (Requirement 17)

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

2.14.1 Use of Funding Request

The State of Maine requests that upon approval of the Initial Proposal, NTIA obligates 100 percent of its BEAD allocation (**\$266,977,723.07**) so MCA and its partners can begin work to close the digital divide as quickly as possible. MCA believes 100% allocation is necessary to swiftly position Maine to implement the initiatives described throughout this proposal and achieve budget certainty. With 100 percent of the funding obligated, MCA's partners will have the assurance they need to invest appropriate time and resources to participate fully in MCA's grant processes.

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

- **Administrative Costs subject to the 2% Cap:** These funds will be used for expenses relating (directly and/or indirectly) to the administration of the grant under Section 60102(d)(2)(B) of the Infrastructure Act, including:
 - Grant development, administration, management, reporting, monitoring, and compliance specific to BEAD funds and coordination of BEAD funds with NTIA
 - Indirect cost based on 10% of MTDC
 - Funds are requested to be released at the approval of the IP

- **Programmatic Activities - Eligible Entity BEAD Implementation and Deployment Support:** Pursuant to NTIA guidance for "Eligible Entity Deployment Activities", MCA intends to use a portion of the total allocation for activities in support of BEAD implementation and deployment activities, including:
 - BEAD Implementation & Deployment (Indirect Expense) - IPFR Narrative Section #2
 - Subrecipient related activities - grant contract development, administration, reporting, monitoring, and project level compliance specific to BEAD subawards,
 - Successful disbursement of funds and fiscal management processes,
 - Monitoring subgrantee performance through grant agreements and enforceable commitments, and

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- BEAD program communication & coordination focused on infrastructure planning and BEAD readiness with local, regional, and Sovereign Tribal Nation entities.
- State Challenge Process (Direct Expense) - IPFR Narrative Section #3a
 - Data collection to support mapping, analysis, and program development
 - Deduplication (pre- and post-Challenge process)
- Subrecipient Selection Process (Direct Expense) - IPFR Narrative Section #3b
 - Development, management, and implementation of the Subgrantee Selection Process, including prequalification, selection, challenge, rebuttal, and adjudicative processes
 - Development and refinement of cost models for the EHCPLT threshold and BEAD minimal outlay calculations
 - Mapping including funding areas, public-facing maps, and dashboards

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

- Funding for personnel costs
 - Continued technical assistance support from contractors
 - Technology acquisition, licensing, and/or maintenance costs
 - Data acquisition and/or licensing costs
 - Communications and awareness costs
- **Deployment Activities:** Deployment funds will be primarily used for broadband deployment, including construction and acquisition of infrastructure. Pursuant to NTIA guidance for “Eligible Entity Deployment Activities,” MCA intends to use a portion of the total allocation for workforce development and readiness efforts. These efforts directly support deployment activities—a requirement to achieve universal service—as they will ensure ISPs and other subgrantees have an available, diverse, and highly skilled workforce.
 - **Non-Deployment Activities:** Non-deployment funds will be used to address priorities from Maine’s Digital Equity Plan. MCA believes that the identified digital equity strategies will be consistent with and maximize the goals of the BEAD Program, ensuring the maximum benefit from infrastructure deployment in Maine. The funds allocated to non-deployment projects will supplement, but not duplicate or supplant, funding for activities funded in connection with the Digital Equity Act of 2021 or other federal funds.

2.14.2 Initial Funding Request Amount

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

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2.14.3 Adherence to BEAD Program Requirements



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

2.15 Eligible Entity Regulatory Approach (Requirement 18)

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

2.15.1 Waiving Laws That Preclude Participation

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

2.16 Certification of Compliance with BEAD Requirements (Requirement 19)

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

2.16.1 Compliance Certification



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

2.16.2 Subgrantee Accountability Procedures

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

- Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow MCA to withhold funds if the subgrantee fails to take the actions the funds are

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meant to subsidize).

Distribution of funding to subgrantees under BEAD will occur on fixed amount subgrant basis, following all requirements of NTIA's modifications to the Uniform Guidance as provided by final rule, with an initial 10% of the subgrant award being provided upon final execution of the subgrant agreement, and the remaining distributions made based on provider certification and MCA verification at the following thresholds of completion: 10%, 35%, 60% and 85% with the final 100% provided only after verification of 100% deployment to eligible locations, all within the mandatory 48 months maximum deployment timeline (or another shorter timeline certified by the applicant). MCA plans to make the initial 10% disbursement immediately upon grant execution to reduce the burden of financing costs on applicant business cases, thereby advancing the goal of minimizing the required BEAD outlay for projects. In support of this approach, MCA notes both that such an initial 10% disbursement would always be effectively secured by the applicant's available match commitment funds, as verified pursuant to the processes outlined in Section 2.4, as well as that pursuant to the Limited Waiver to the Letter of Credit requirements provided by NTIA as adopted for BEAD in Section 2.4.11, under any of the available options such a 10% outlay will always be fully protected by a letter of credit or performance bond. In short, such an initial 10% disbursement would always remain a fully protected use of BEAD funds, and providing such an initial funding tranche, the investment economics for BEAD-funded projects can be significantly enhanced, leading to lower BEAD outlay requests and more efficient use of BEAD funds. In short, MCA will disburse funds tied to verified milestones for completed deployments that comply with the terms included in the successful application and will withhold funds for failure to do so. Program staff will provide feedback on the financial and programmatic progress, noting any discrepancies, and submit it to MCA for review and ultimate approval.

- Upon selection, a risk assessment will be performed by MCA to assess the potential risk level of a given subgrantee based on their total awarded applications and PSAs. A Risk Assessment Score relating to the organization's financial and management strength will be generated by MCA. It will include reviews of the subgrantee's SAM.gov and FAPIIS records and requested policy, procedure and financial information, as applicable. The risk assessment score will be used to determine the frequency and scope of subgrantee monitoring. Subgrantees will be categorized by low, medium and high risk, and monitoring plans will be adjusted accordingly.
- Robust subgrantee monitoring based on MCA's successful subgrantee monitoring practices. This includes an assigned grant manager for each project who will monitor ongoing reports and progress and have regular communication and meetings with subgrantees. BEAD projects will be subject to regularly scheduled desk reviews and site visits, a schedule for which will be outlined at project inception. Monitoring includes frequent communication between the grant manager and subgrantee, invoice review, progress monitoring and reporting, risk assessments, desk reviews and site visits, technical and financial progress reports, desktop and field validation review, and closeout processing.
- At the completion of construction, all projects will be subject to a desktop and field validation and verification review conducted by a combination of MCA staff and third-party vendors to ensure all outside plant specifications outlined in the project design are met, and all standards within the Telcordia Blue Book are adhered to.

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Subgrantees will receive documentation of deficiencies and a priority timeline for remediation. Follow-up reviews of remediation measures will be conducted before final disbursement of grant funds.

- Subgrantees will have an obligation to provide quarterly technical and financial progress reports to ensure that sufficient progress is being made toward each milestone in the deployment.
- Clawback provisions (i.e., provisions allowing recoupment of previously disbursed funds) will be included in all subgrantee agreements for non-performance, as per BEAD NOFO requirements, including claw-back provisions to recoup disbursed funds if a subgrantee fails to continue to adhere to the obligations established in the grant agreement. Subgrantees that fail to provide the minimum advertised connection speed and cost at the advertised rate shall forfeit any matching funds, up to the entire amount received through the BEAD program. MCA will use its discretion to determine the amount forfeited. A subgrantee that forfeits amounts disbursed under this part is liable for up to the amount disbursed plus interest. If a subgrantee fails to perform and fails to return the full forfeited amount required, the ownership and use of the broadband infrastructure funded by the program shall revert to MCA.
- Subgrantees must report failing to meet interim build-out milestones to their MCA grant manager and project lead, as identified in the grant contract, within ten business days of missing the applicable milestone deadline. These contacts will be identified in contracts at the grant contract execution. There may be financial penalties for missed milestones, and if so, these will be included in the Subgrantee agreement.
- Failure to meet interim milestone obligations may result in the MCA assessing a penalty per location in the project area, and if so, these will be included in the Subgrantee agreement.
- Upon notification that a subgrantee has not met the final milestone, the subgrantee must seek permission from MCA to be authorized additional time to comply. Such time cannot exceed twelve months. The subgrantee will be assessed a penalty per location if it fails to meet the revised final milestone date.
- If a subgrantee can no longer provide broadband service to the end user locations covered by the subgrant, MCA, in consultation with NTIA, will require the subgrantee to either, a) sell the network capacity at a reasonable wholesale rate on a nondiscriminatory basis to one or more other broadband service providers or public-sector entities or, b) sell the network in its entirety to a new provider. New operators/owners would have to commit to providing services under the terms of the BEAD Program, and the transaction would be subject to approval by MCA, NTIA, and any other federal entity with authority to review the acquisition.

2.16.3 Civil Rights and Nondiscrimination Certification



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

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2.16.4 Cybersecurity and Supply Chain Risk Management Requirements

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

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

If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days.

✓

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

1. The prospective subgrantee has a SCRM plan in place that is either:
 - a. operational, if the prospective subgrantee is already providing service at the time of the grant
 - b. ready to be operationalized, if the prospective subgrantee is not yet providing service at the time of grant award
2. The plan is based upon the critical practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented
3. The plan will be reevaluated and updated on a periodic basis and as events warrant
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.

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MCA will require all subgrantees to certify their compliance with cybersecurity and supply chain risk management requirements. MCA will require subgrantees to prepare a cybersecurity risk management plan and to have that plan operational before the award of the grant if the subgrantee is already providing service to the area, or to demonstrate that it is ready to be operationalized upon providing service, if the applicant is not yet providing service before the grant award. The plan must reflect the latest version of the National Institute of Standards and Technology Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls outlined in Executive Order 14028, and specify the security and privacy controls being implemented. The plan will be reevaluated and updated on a periodic basis and as events warrant. The plan will be submitted to MCA before MCA allocates funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted within 30 days.

MCA will require subgrantees to submit a Supply Chain Risk Management (SCRM) plan. As with the cybersecurity risk management plan, the SCRM plans must be operational before the award of the grant if the subgrantee is providing service to the area already or to demonstrate that it is ready to be operationalized upon providing service if the applicant is not yet providing service before the grant award. The SCRM plans will be based upon the critical practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented. Plans must be reevaluated and updated on a periodic basis and as events warrant. SCRM plans must be submitted to MCA before the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted within 30 days.

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

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2.17 Volume 2 Public Comment

Describe the public comment period and provide a high-level summary of the comments received during the Volume 2 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.

Maine's BEAD Initial Proposal Volume 2 was published for public comment on November 9, 2023, with a posting on the Maine Connectivity Authority website (<https://www.maineconnectivity.org/bead>). Immediately following, emails were sent to all MCA distribution list recipients, notifying them of the posting and public comment period. The public comment period was featured prominently on all of Maine Connectivity Authority's social media channels (LinkedIn, Facebook, Instagram). In addition, the publication was shared with stakeholders via communications through the Maine Broadband Coalition, Regional and Tribal Broadband Partners, Digital Equity Taskforce members, Broadband Infrastructure Capital Markets Taskforce, Workforce Advisory Committee, and Interagency Broadband Working Group.

Open public comment sessions were held online on November 9, 16, 28, and 30, 2023. An additional, targeted public comment session for internet service providers and industry representatives was held on November 28, 2023, to collect more technical comments. MCA staff members also attended regularly scheduled sessions of the Maine Broadband Coalition "Let's Talk Broadband" open discussion forum, held Fridays at 11 a.m., to receive comments and answer questions.

Public comment for Volume 2 was closed on December 9, 2023. The public comment session lasted 31 days (comments were accepted on both the opening and closing days).

Comments were collected through an online form and compiled in a spreadsheet. Comments received during the public comment sessions were recorded in the meetings, documented via meeting minutes, and added to the spreadsheet along with the comments submitted through the online form. This allowed all comments to be tracked in one location. Other stakeholders submitted pages of written comments via email, and these were aggregated in the central spreadsheet.

The recurring themes of public comments received focused on the following topics:

- Project area selection
- Scoring allocation for subgrantee selection
- Encouraging publicly owned and open access networks
- Awarding points for net neutrality
- Connecting multi-dwelling units and using multi-dwelling units to determine cost per unit rather than cost per BSL
- Targets for MBE/DBE/WBE subcontracting
- Opposition to price regulation

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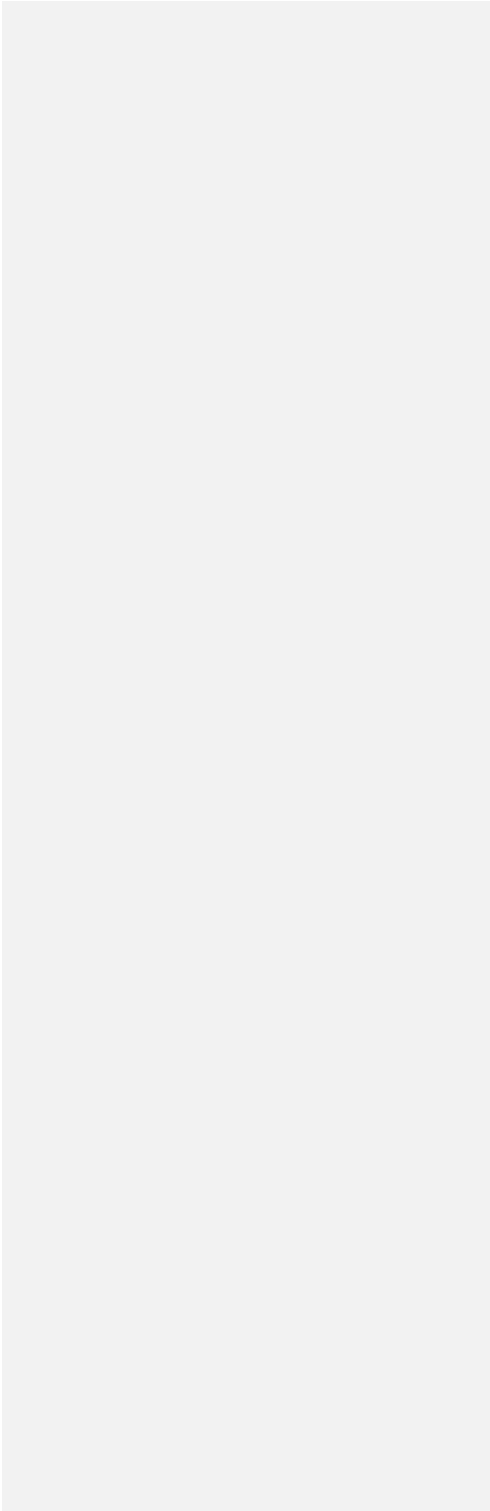


- Suggested adjustments to the affordability provisions, including alignment the affordability offerings with other state proposals
- Requests that pricing should be adjusted with inflation
- Recommendations to set the EHCPLT earlier and to use it to encourage scalability
- Mandating labor standards rather than using them voluntarily
- Engaging industry training workforce
- Ways to show community support for projects
- Suggestions for hardening infrastructure against climate and weather impacts
- Considerations for wireless providers
- Using a "Broadband Ready City" checklist to aid in deployment
- NITRO timing
- Using non-deployment funding for digital equity projects that support existing, proven organizations.

Comments were then sorted into two groups. First, those that were straightforward to incorporate, such as edits, technical clarifications, or those that had already been addressed by NTIA technical guidance. The second group required some level of consideration among staff and stakeholders. Those comments were discussed in meetings with MCA staff members, and then reviewed with appropriate stakeholders or board members with subject matter expertise to learn best practices and confirm alignment on the most challenging issues. Other state plans were also examined for comparison. Many changes were made as a result of the extensive public comments received, and these changes were incorporated into this revised draft.

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List of Attachments:

1. [Maine Local Coordination Documentation Tracker.xlsx](#)
2. [MCA Scoring Matrix Attachment - Google Sheets](#) (Create Excel version for upload)

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2.17.2 Optional Attachment: As an optional attachment, submit supplemental materials to the Volume 2 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.

2.15.1.1 Optional Attachment: 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.

