



## South Carolina Broadband Infrastructure Program

(08/13/2020)

### Application Frequently Asked Questions

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1. Did you take into account any considerations where ReConnect 2 or RDOF applications have been made?

***Response:***

Based on information forwarded to ORS: the only federal programs mentioned in the RDOF R&O as potentially reducing eligibility are CAF Phase II and USDA's Reconnect fund. Using CARES act for state broadband infrastructure will **NOT** impact SC's RDOF applications. We do not currently have information regarding Reconnect 2 but will supplement this response as information becomes available.

2. Regarding Application Infrastructure where it asks for “The Number Community Anchor Points in the Project Area.” What are “Community Anchor Points?” The closest thing we know of is community anchor institutions. That term is defined in the *FCC’s regulations (47 C.F.R. § 54.5)* as follows:

**Community anchor institutions**- For the purpose of high-cost support, “community anchor institutions” refers to schools, libraries, health care providers, community colleges, other institutions of higher education, and other community support organizations and entities.

***Response:***

The FCC 's definition for community anchor institutions qualifies as community anchor points which is meant to be flexible.

3. **We are reviewing the maps that were provided in yesterday's broadband application release. Are you able to provide any additional details on the priority and program boxes such as latitude and longitude of the 4 corners of the boxes? Or, are there natural boundaries such as rivers, streams or even highways so that we can get an accurate comparison for the exchanges. For example, in McClellanville Charleston 1 area, when we look at our records at the corner of the county, there are currently only 6 service addresses in that area. The excel spreadsheet indicates 316 unserved households.**

***Response:***

The boxes themselves are not intended to be exact areas – they are just focal points. Think of the box as hovering over a set of complex Census Blocks that have different shapes. Some are big and some are really small. Each box represents all of the Census Blocks that intersect it. Therefore, despite the fact that each box is 6 x 6 mi., the Target actually represents a physical land mass which is much larger. GIS files can be found here: [Program Targets GIS Shape File](#)

4. **Do you know if SC is basing areas of need on speed tests?**

***Response:***

We based areas of need on a variety of information not solely speed tests.

5. **Can you provide me with non-graphical info as what is in each block? Or census block numbers if that is better.**

***Response:***

Each Program Target (red & yellow boxes) represents a collection of Census Blocks that lie beneath and intersect it. Census Blocks have a very irregular shape, and some are tiny, others can be quite large.

To understand the household impact in each Target Area you can do it in two ways:

- 1) Excel – there is an Excel list on the ORS website. Here's the link: [Program Targets and Priority Program Targets List \(.xls\)](#)

- 2) Esri GIS – The shape file contains an Attribute Table with the same data as in #1 above. If you have ESRI, just use the right mouse button and open up the attribute information.

**6. Can you forward me or point me to the data online for the school district poverty index for counties?**

***Response:***

The information provided by the South Carolina Department of Education is located in the [attached excel spreadsheet](#).

**7.**

- a) **If we're applying for a project that covers multiple squares adjacent to one another, can they all be included in one application, or does each square need its own application?**
- b) **How should we plan for/allocate for customer premise installation costs after the deadline? It's a milestone on the application, but it's dependent upon when a customer signs up for service. If a customer subscribes after Dec 18, can we use any of these funds to cover the drop cost?**
- c) **If we're submitting ReConnect areas as part of our challenge, does ReConnect need to be a separate document from proof of current service documentation, or can it all be included in one challenge document?**
- d) **Is there a preferred format for the challenge submission? We are planning on a PDF with maps and commentary.**

***Response:***

- a) The Guidelines provide that multiple projects can be submitted. A provider may submit more than one application; however, the provider must provide evidence that each project will be completed by December 18, 2020. More than one application can be submitted per community; however, each application must be accompanied by evidence of need and support from the community and is directly related to COVID-19.
- b) No. Not at this time.

- c) Applicant must provide evidence that a challenged area (listing addresses) is served by 25/3 or greater broadband service. If the applicant has received ReConnect funding, then evidence of such funding and evidence of the addresses to be served should be provided.
- d) No preferred format. ORS will accept a PDF.

## **8. Evidence of Community Need (Weighted 20%)**

**There is prioritization given to the “Area of Need” designation published by ORS on its website and to the Department of Education specifications, but is there any prioritization given to unserved communities? Please clarify the intersection between unserved locations and the Area of Need Designation.**

**A number of the areas identified as “Areas of Need” already have 100 Mbps or higher broadband tiers to as many as 92% of the homes. How will prioritization for these more densely populated areas be weighted compared to rural areas with less dense populations and much lower broadband availability levels (some of these areas have no broadband at all)?**

***Response:***

The questions as posed are not factually correct. A Broadband Infrastructure Project Application may only be submitted for an area that is unserved.

Within the yellow and red boxes are unserved households based on the information currently known. To the extent an area has available service, providers have the opportunity to challenge an area. However, ORS is **NOT** discarding an area where service for example is available one mile away but is not available to the teacher or student household who is located in a lower income neighborhood nearby. It was contemplated that this program would add facilities to serve those households that are unserved, some of which may be just outside currently served areas. The Application provides the weighting.

9.

- a) **The Application Guidelines states that: “A challenge to an ORS-designated unserved area may result in the ORS reducing the size of the area identified as unserved. This funding is not approved for projects that may duplicate existing broadband facilities that meet or exceed the FCC 25/3 Mbps requirement” and “Be a project that does not overbuild another provider’s existing broadband network designed to deliver service at speeds equal to or greater than the FCC 25/3 Mbps minimum benchmark.” 37% of the blocks are in areas that with 50% or greater served populations. How will the challenge process identify overbuilding in areas that are served and substantially served? Will you end up having to do street address level validations to match addresses? How will you drill down to ensure that you are not allocated funds for builds to locations that already have service in these blocks? Would overbuilding violate the Treasury Guidelines related to the CARES Act Funds?**
- b) **As structured, the program weights the technology type as much as it weights meeting the needs of South Carolina’s community needs. Is there any potential that the state will reallocate the weighting to better prioritize community needs (perhaps up to 30%) over all other criteria?**
- c) **The state broadband study notes equivalency in the scalability of speeds between FTTP and HFC networks. Given the high need for rapid broadband deployment in the state, why limit potential projects by applying such a large (5 - 7 points) differential between two technologies that are essentially equally scalable and HFC potentially more rapidly deployed? As an example - there is only a 3-point differential between HFC and fixed wireless, an unproven technology and extreme lower speed and scalability than HFC and fiber.**

***Response:***

- a) ORS will utilize the best information available at this time which is the map provided by Revolution D. To the extent, a challenge is raised, and evidence of service or availability of facilities is provided, ORS will review and allow the Applicant to respond. The link to the US Treasury advisories is provided here:  
<https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>

- b) No. Criteria 1, 2, 4, and 5 totaling 60%, all focus on different areas of community need. Infrastructure represents only 20%. There is no need to change these requirements.
  - i. Additionally, given the current deadline and the pressing need to quickly expand service availability for those impacted by COVID-19, no changes will be made at this time, but we appreciate your comments.
- c) As stated in the question, there is a “high need for rapid broadband deployment in the state.” Given the current deadline and the pressing need to quickly expand service availability for those impacted by COVID-19, no changes will be made at this time, but we appreciate your comments.

**10. Can Community CARES funding be used to supplement the CARES Broadband funding envisioned in this South Carolina Broadband Infrastructure Program?**

***Response:***

No.

**11. Can CARES Broadband funding be combined with funding from the USDA ReConnect program?**

***Response:***

No.

**12. Can an applicant for the South Carolina Broadband Infrastructure Program apply for CARES funding to build infrastructure in an area where broadband service at 25/3 is already provided?**

***Response:***

No. Applications may only be submitted for areas that are unserved, meaning areas that do not meet the Federal Communications Commission (FCC) standard for broadband which is service at a minimum of 25 Megabits per second (Mbps) download and 3 Mbps upload.

**13. In order to construct, we must secure necessary inventory and line up sub-contractors. Neither of these steps can be taken without contract approval from ORS so that we know what we must build. Given the limited time remaining in 2020 for construction, what is ORS's timeline for final approval of projects? How long will it take to get the Funding agreement signed and the Notice to Proceed?**

***Response:***

ORS will provide a timeline once projects are approved. ORS is seeking guidance on who will approve the projects.

**14. In order to get to specific service blocks identified by ORS, construction will also be required to reach those areas, which will also pass by unserved customers. Will the cost to construct facilities to those unserved customers outside of the identified blocks be eligible for reimbursement under the contract?**

***Response:***

Each project will be reviewed separately. Yes, where unserved customers are outside any other block.

**15. Block Bids**

- a) Will the Applicant be required to build out to all of the unserved locations in a Target area, or can the project area be less than a Target block?**
- b) For example, could a project area include the Eastern portion of one block, the Western portion of another, and the unserved locations between the two blocks?**

***Response:***

- a) The project may be defined by the Applicant.
- b) This example would require two applications.

**16. Applicants would like to request funding to build to as many unserved locations as possible; however, final construction will depend on both availability of inventory and contract construction crews. These contracts cannot be locked down until the Applicants know what funding is available. There may be other construction delays, such as permitting, etc.**

- a) What happens if an Applicant is unable to build to all areas for which funding was approved?**
- b) Will Applicant be reimbursed for the portion of the project that it was able to complete before the December deadline?**

***Response:***

- a) The Applicant may want to consider dividing a bigger project into smaller projects that can be completed.
- b) The Applicant can only be reimbursed for completed projects with evidence of served customers.

**17. If a company is awarded funding under the SC program, can the company decline the funding? For example, a company may find that it is unable to secure labor or materials on short notice to complete the project, or additional guidance or information received after the application is submitted makes the project untenable, etc.**

***Response:***

Yes, the Applicant may decline funding.

**18. If there are costs expended or work proceeds prior to the notice to proceed, are those expenditures identified as ineligible or can they be part of the company match?**

***Response:***

Expenses incurred prior to award are not eligible.



**19. What information will be provided to the Applicant about a challenge?**

***Response:***

ORS will provide the entire challenge to the Applicant.

**20. What information will be required of Applicant to rebut a challenge?**

***Response:***

The Applicant will be required to explain or show evidence why the challenge is incorrect.

**21. What happens if Applicant can't respond within 3 days of the challenge notice?**

***Response:***

The Applicant may request additional time for good cause shown.

**22. Is there a definition of low-moderate income? Who will determine eligibility of individuals as low-moderate income?**

***Response:***

No, but SC Code Section 31-13-170 provides a definition utilized for Moderate to Low Income Housing and is set forth as follows:

(p) "Persons and families of moderate to low income" means those individuals who are members of households whose gross income falls between seventy-five percent and one hundred fifty percent of the "median gross income" of all households in South Carolina as determined on the basis of the latest available statistics furnished to the Authority by the Revenue and Fiscal Affairs Office. Gross income means income derived from any source whatsoever. An allowance for each member of the family equal to an amount for personal exemptions as defined by Internal Revenue Code Section 151, as defined in item (11) of Section 12-7-20, must be deducted from gross income in order to qualify a person or family as a member of the "beneficiary class".

**23. How does Lifeline support affect the rates listed, i.e. can the two work together?**

***Response:***

Currently, there is no provision for state Lifeline support for broadband. Federal lifeline support may be available.

**24. Are Applicants required to provide service at the subscription rate levels in the Application? For how long?**

***Response:***

No.

**25. For the public/private funding:**

- a) Is this funding for every % point above the 50%, i.e. if Applicant's contribution is 60% there would be 1 point added to the score?**
- b) Does funding in this section have to come from a third party or can it come from the Applicant?**

***Response:***

- a) ORS envisions funding to be 50% Applicant + Public/Private and 50% CARES. If the Applicant provide 40% of funds and 10% is publicly funded, then 1 point will be awarded.
- b) Points are awarded if funding is provided by a third party however Applicant may use its own funds to meet the 50% match.

**26. Can invoices be submitted and funds disbursed throughout the project, or only upon completion?**

***Response:***

Applicant funds must be spent first, followed by reimbursement through CARES funds pursuant to Act 142.

**27. What is the definition of “Upfront Cost Requirements” and “Cost of building and/or extending infrastructure to Customer Premises”?**

***Response:***

“Upfront requirements” may include: (1) New and rehabilitative construction contracts; (2) Architect and engineering services and legal and professional services, if required; and (3) Permitting fees.

“Cost of building and/or extending infrastructure to premises” may include: (1) Construction and Materials (e.g., fiber, conduit, photonics, electronics, etc.); (2) Equipment related to broadband infrastructure; (3) Equipment installation; and (4) Validation of service expenses.

**28. Will an affidavit from a Bank stating that the company has the cash on hand or has a sufficient line of credit available satisfy the requirement for the 50% match?**

***Response:***

Yes.

**29. Where a provider has a plan to build out in phases, but has not yet begun one of the phases and has not yet executed a contract to build out that phase, are those phases eligible to be funded under the South Carolina Broadband Infrastructure Program?**

***Response:***

The applicant may apply to build broadband to an unserved area so long as it has not already begun the project or budgeted to do so, and if the project can be completed and customers served before 12/18/2020 then the project is eligible.

**30. I am reaching out to inquire if an applicant is planning on applying for more than one community, should they be submitting an application for each community or box represented in the map? Or is it okay to include each community onto one application?**

***Response:***

If multiple communities are all “in” a defined target area or box, they may be submitted together. If multiple communities are “in” different defined target areas or boxes, they must be submitted separately.

**31. In addition, does an applicant have to provide service to every unserved household in the target community or just be capable of serving each household?**

***Response:***

The applicant needs to build facilities to the curb, ready to install the drop on request for service. To “be capable of serving each household” means the facilities must “touch” each customer’s property, not be close or a mile down the road.

**32. If we are able to identify unserved households that sit just outside of a square’s associated census block, may we include them in our application?**

***Response:***

See response to 14.

**33. Are there penalties if a project does not get completed as described in the application by the deadline?**

- a) **If we are in the process of building and a permit slows the project down. Would we still be able to recover 50% of the actual expenses even though the full project is not complete?)**

***Response:***

CARES is a reimbursement program. Funding will not be provided unless the project is complete and used and useful by the deadline December 18, 2020.

**34. Can you provide some clarity around the subscription pricing?**

- a) **Are we obligated to offer it?**  
b) **For how long?**  
c) **Who will manage the qualifying process for a low-moderate income customer?**

***Response:***

- a) No.
- b) See Guidelines document page 5.
- c) Applicant.

**35. How do you submit an application, and will applicants receive an acknowledgment that their application was received?**

***Response:***

All applications should be submitted to [Broadband@ors.sc.gov](mailto:Broadband@ors.sc.gov). Applicants will receive an acknowledgement that their application was received.

**36. What is considered sufficient “proof of funding”? Specifically, our company is planning to apply for projects that we initially estimate to cost approximately \$xxxK. If we put up 50%, we need to prove we have \$xxxK available for this project. We will be funding our 50% internally. What proof do we need to provide? We do not want to present our financial statements as this info may be included in the application which will be posted as public info available to others.**

***Response:***

As stated in response to a similar question, an affidavit from a bank may be used. ORS will not post bank statements with applications on its website.