

## South Carolina Broadband Infrastructure Program Application Guidelines

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### Purpose

The South Carolina Broadband Infrastructure Program was created to provide high-speed broadband internet access to unserved South Carolinians who have been directly impacted by COVID-19. Impacted communities or households are those hindered in their ability to respond to the challenges of COVID-19 due to a lack of broadband (as defined by the Federal Communications Commission (FCC) standard of 25/3 Mbps download/upload speeds), thus limiting access to online learning, healthcare via telehealth and limiting one's ability to work from home.

The Infrastructure Program shall use federal funds to provide financial assistance to install and deliver broadband infrastructure and service in the state.

Act 142 allocated Coronavirus Aid, Relief and Economic Security (CARES) Act funds to the South Carolina Office of Regulatory Staff (ORS) for administering the South Carolina Broadband Infrastructure Program to assist COVID-19 impacted individuals, families and communities. Enhanced broadband infrastructure is an important tool for enabling South Carolinians to address the challenges resulting from this public health emergency

*NOTE: Per U.S. Department of the Treasury guidelines, project costs for any project not expected to enhance capacity until after the health emergency has passed are ineligible. Therefore, costs related to infrastructure that would not facilitate internet access prior to December 30, 2020, are not eligible.*

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### Designated Contact Person

Chris Rozycki  
Broadband Project Administrator  
South Carolina Office of Regulatory Staff  
[Broadband@ors.sc.gov](mailto:Broadband@ors.sc.gov)

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### Questions

Questions must be submitted by email to the Designated Contact Person prior to the close of the Application Period.

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### Schedule of Events

Event	Date/Deadline
Areas of Need published on ORS website <a href="http://www.ors.sc.gov/broadband">www.ors.sc.gov/broadband</a>	8/5/2020
Application Period Opens	8/5/2020
Challenge Period Opens	8/5/2020
Challenge Period Closes	8/12/2020
Application Period Closes	8/14/2020
Submitted Applications posted on ORS website	8/18/2020

The Schedule of Events may be adjusted by ORS. Any changes to the Schedule of Events will be posted on the ORS website [www.ors.sc.gov/broadband](http://www.ors.sc.gov/broadband).

### **Funding Award Selected**

Applicants will be notified in writing, which may include email. ORS reserves the right to negotiate the final terms and conditions of the Funding Agreement with selected Applicants whose proposals are selected, and to reject any selected Applicants with whom ORS cannot agree to terms and conditions.

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### **Funding Agreement Process**

Selected Applicants must enter into a contractual funding agreement with ORS. Such Funding Agreement is not valid until approved by ORS. Selected Applicants must be in receipt of a Notice to Proceed before any work may begin. Any project costs incurred prior to receipt of a Notice to Proceed are ineligible expenses under this solicitation. The anticipated Funding Agreement term is from the effective date of the Funding Agreement through December 30, 2020 with the project completed by December 18, 2020.

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### **Challenges to the Identification of Eligible/Unserved Areas**

Any Broadband Service Provider (BSP) currently providing service at speeds at or above 25/3 Mbps download/upload in an area designated as unserved is encouraged to submit a challenge to the “unserved” designation immediately. Such a challenge must demonstrate that the BSP is currently serving all or part of the designated unserved area, meaning it can provide evidence of current subscribed customers.

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. Challenges must be submitted to the ORS at [broadband@ors.sc.gov](mailto:broadband@ors.sc.gov).

Upon notice that the ORS has received a challenge as to whether the proposed area is served, applicants may, within three (3) business days:

1. Submit a response to the challenge containing specific evidence that the applicant plans to serve only unserved areas;
2. Modify the application to meet the criteria if necessary; or
3. Withdraw their application.

Upon review of the application, the challenge, the applicant’s response, and additional information requested and provided to the ORS, if any, the ORS will issue a written determination concerning the challenge. Such determination shall be final and binding upon the applicant and the challenger.

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### **Eligible/Ineligible Activities**

Any project currently under contract or under construction is not eligible to apply. To the extent allowed by federal or state law, BSP’s may seek additional state, federal or local funding for projects bid through this CARES funding request for proposals. 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. To be eligible, Applicant must fund no less than 50% of the total project cost but may use funds from other sources (community, local and other public funds) to make its 50% match. Applicant must provide proof that it has secured the necessary funds to meet its 50% match requirement.

Bids or proposals to serve unserved areas of South Carolina that have not been identified as high-priority Areas of Need will be accepted, reviewed and scored with all other proposals.

**Projects must meet the following eligibility criteria. The project must:**

1. Include broadband infrastructure investment and associated equipment costs designed to deliver broadband that meets or exceeds standards as defined by the FCC (25/3 Mbps download/upload speeds) (See: <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/2015-broadband-progress-report>).
2. Meet the CARES Act criteria, which is designed to address key areas of public health and safety by improving opportunities to telework, facilitate distance learning, and improve public safety (additional guidance can be found at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments>).
3. 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.
4. Include only broadband service capable of 25/3 minimum (higher speeds are preferred), installed, owned, and operated by experienced broadband companies.
5. Provide broadband service within the applicant's proposed project area.
6. Be completed, operable, paid for, and submitted to the South Carolina Executive Budget Office for payment no later than December 18, 2020.
7. Eligible costs include, but are not limited to:
  - a. Construction and Materials (e.g., fiber, conduit, photonics, electronics, etc.)
  - b. New and rehabilitative construction contracts
  - c. Architect and engineering services and legal and professional services, if required to complete the project by December 18, 2020
  - d. Permitting fees
  - e. Validation of Service expenses
  - f. Equipment related to broadband infrastructure
  - g. Equipment installation
8. The following are ineligible and Grant funds may not be used to pay for:
  - a. General broadband planning not associated with the project
  - b. Expenses related to providing broadband services
  - c. Ongoing overhead, operating costs, or staff costs
  - d. Political activities or lobbying
  - e. Expenses related to administering the Grant

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**Project Applications**

Applications will be available beginning **August 5, 2020**, with applications **due by 3 pm (EDT) on August 14, 2020**. Applications received after the deadline will **NOT** be considered.

All applications must be submitted by broadband service providers, and shall include, at a minimum:

1. **Applicant Contact**  
Application Name/Organization, Applicant FCC Registration Number (FRN), primary contact name, title, mailing address, phone number and email.
2. **Broadband Provider's Experience**  
Provide evidence that the provider can build/deploy, operate and maintain broadband infrastructure on-time and on or below budget, and that the provider has successfully completed similar projects in the recent past. Include the date of the provider's initial FCC Form 477

submission and the date of the Applicant's most recent FCC Form 477 submission. Indicate whether Applicant and/or Applicant's project Partner (if applicable) have experience delivering broadband service over fiber or hybrid fiber-coax infrastructure, building and operating broadband networks in rural areas, and/or building and operating broadband networks in low-moderate income areas. Provide further details as requested in the Application.

**3. Project Area**

List the Project Area County, nearest city/town, Project Area Map Code (Program Target Code/Red or Priority Program Target/Yellow), and whether the Project Area is located in a rural or urban area. Provide the approximate number of households, businesses, health care facilities, community anchor points, and educational institutions located in the Project Area. Attach a .pdf map file and digital shapefile of the project area depicting the project area and number of households and businesses the project area would include.

**4. Broadband Infrastructure**

Indicate the type(s) of broadband technology (e.g., hybrid fiber-coax, fiber, etc.) to be deployed or extended directly into housing and/or business units for the project, including expected minimum sustainable download/upload speeds to be achieved.

**5. Broadband Pricing Schedules or Tiers**

Indicate all applicable rate tiers for broadband service at sustainable speeds of 25/3 Mbps or faster that will be offered to customers in the Project Area. Indicate low-income packages or pricing to be available.

**6. Project Timeline and Milestones**

List the project's anticipated start date, date construction activity begins, date construction activity will be complete, date customer premises installations will be complete, and date of completion. Projects **MUST** be completed as soon as possible, and no later than December 18, 2020.

**7. Project Cost**

Provide an itemized cost breakdown to include all upfront requirements, cost of building and/or extending infrastructure to the premises, and average cost to serve each customer premise, each housing unit, and each business.

**8. Project Funding**

Indicate the amount of South Carolina CARES Act funding requested for the project, the amount of funding to be provided by the Applicant, and the amount and source of any funding to be provided by a third-party entity. Applicant must provide proof that it has secured the necessary funds to meet its 50% match requirement.

**9. Other Information**

Where requested in the Application, describe how the project meets CARES Act objectives, the needs of the community to be served (including how the community's households and businesses are hindered in their ability to respond to the challenges of COVID-19 due to a lack of broadband), any plans or programs Applicant has developed to improve broadband service adoption in the community to be served, and list any other authorizations, permits, funding or activities necessary prior to the commencement and/or completion of the project.

## Application Selection

The ORS will review applications and rank eligible projects in accordance with the criteria and priorities set forth in these guidelines and inform the Joint Bond Review Committee. Applicants may submit one project per application. However, Applicants can submit more than one application. Applicants submitting more than one project may prioritize their projects for the community in a cover letter submitted with each application.

Project applications will be reviewed and ranked in accordance with the following criteria:

1. **CARES Act Funding Objectives – 10%**
  - a. Distance learning – up to 5 points
  - b. Telehealth – up to 3 points
  - c. Work at home – up to 2 points
2. **Evidence of Community Need – 20%**
  - a. Community meets priority designation as having households in a school district that has been defined by the Department of Education as having a poverty rate greater than or equal to 86% – *up to 15 points depending on the level of poverty in the project area*
  - b. Project Area is located in an Area of Need published by ORS on its website but is not qualified for 2.a. above – *up to 10 points*
  - c. Other evidence of need – *up to 5 points (e.g. serves telehealth needs)*
3. **Broadband Infrastructure – 20%**
  - a. FTTP – *up to 20 points*
  - b. HFC symmetrical – *up to 15 points*
  - c. HFC non-symmetrical – *up to 13 points*
  - d. Fixed Wireless – *depending on speed up to 10 points*
  - e. VDSL 25/3 or faster – *depending on speed up to 5 points*
4. **Subscription Packages for Low-moderate Income Households for 12+ Months – 15%**
  - a. Low-moderate income package - less than \$10/month – *up to 15 points*
  - b. Low-moderate income package - between \$10 - \$14.99/month – *up to 12 points*
  - c. Low-moderate income package - between \$15 - \$19.99/month – *up to 9 points*
  - d. Low-moderate income package - between \$20 - \$24.99/month – *up to 6 points*
  - e. Base rates - between \$25 - \$ 34.99/month – *up to 3 points*
5. **Applicant Broadband Adoption Strategy – 15%**
  - a. Provide a description of provider and/or community plans and projects to improve adoption rates within the project area – *up to 15 points*
6. **Broadband Service Provider Experience – 10%**
  - a. Experience delivering broadband over fiber or HFC for 2 or more years – *up to 3 points*
  - b. Experience building and operating fiber/broadband in rural areas – *up to 3 points*
  - c. Experience operating broadband successfully in low income areas – *up to 4 points*
7. **Project Cost – 5% (Compare and rank bidders for same area)**
  - a. Lowest cost per home passed– *5 points*
  - b. Higher costs per home passed receive lower points
8. **Public/Private Funding – 5%**
  - a. 0.1 point for every 1% of other public or private funding – *up to 5 points*

9. **Proof of Funding – REQUIRED**

- a. Applicant must provide proof that it has secured the necessary funds to meet its 50% match requirement.

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The ORS will post all complete applications to the ORS website (See: <https://ors.sc.gov/broadband>).

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**Disbursement of Funds**

Reimbursable expenditures for infrastructure expansion must be necessary for the COVID-19 public health emergency and entities seeking reimbursement of broadband infrastructure expenditures shall submit an application for reimbursement to the Executive Budget Office.

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**Reporting Requirements and Right to Audit**

The provider will be required to report the status of the project, including delays, every 30 days, and must notify the ORS immediately if delays are identified or when outlined milestones are met. At any point, the ORS reserves the right to audit the project, and assure timelines are met. Following project completion, an undetermined amount of internet speed tests may be required throughout various parts of the community.