



South Carolina 2023 American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Fund (SLFRF) Accelerated Deployment Grant Program (ADGP) Application Guidelines

Purpose

The 2023 Coronavirus State and Local Fiscal Recovery Fund (“SLFRF”), Accelerated Deployment Grant Program (ADGP), seeks to compensate a portion of those construction costs for the expansion of broadband infrastructure to households, business, and communities in the State that were unserved.

The South Carolina General Assembly has allocated \$214,234,345 of American Rescue Plan Act (“ARPA”) funds, less administrative costs, to provide financial assistance to install and deliver broadband infrastructure in unserved areas throughout the State. Pursuant to 2022 S.C. Acts No. 244 (“American Rescue Acts Authorization”), the Office of Broadband Coordinator, also referred to as the SC Broadband Office (SCBBO) which is housed within the South Carolina Office of Regulatory Staff, may include an opportunity to reimburse a portion of construction costs incurred on or after March 15, 2021, related to the expansion of broadband during the pandemic. All expenditures, reimbursements, and grants awarded by the SCBBO must be in compliance with American Rescue Plan Act (ARPA) guidelines and the methods and guidance issued by the United States Department of the Treasury for the allocation and oversight of ARPA funding.

Overview

This grant program is designed to reimburse a portion of those construction costs associated with broadband projects that were constructed and completed without any public funding between March 15, 2021 – June 30, 2022. Projects are eligible for an opportunity for reimbursement of a portion of those construction costs. Only those broadband construction projects implemented without any public grant funding are eligible for this program. Projects participating in USDA’s broadband expansion programs such as but not limited to USDA Reconnect, the Federal Communication Commission’s Rural Digital Opportunity Fund (RDOF) or Connect America Fund Phase II (CAF II), County America Rescue Plan Act (ARPA) Funds, CARES I or II, the Rural Broadband Grant Program, or other public, state, or federal grant funding are not eligible, **private investments only**. Participation in the federal or state universal service fund does not ban an application in this program.

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Questions

Questions must be submitted by email to the Designated Contact Person prior to the close of the Application Period. A Frequently Asked Questions (FAQ), document will be published with answers to questions. Individual responses will not be provided. An FAQ will be published on the South Carolina Office of Regulatory Staff (the “ORS”) website at: <https://ors.sc.gov/broadband/investments/state/adgp>

Schedule of Events*

Event	Date
Eligibility Map, Grant Application, and Guidelines Published on the ORS Website	1/23/2023
Application Period Opens	1/30/2023
ADGP Webinar	2/2/2023
Application Period Closes	2/28/2023
Submitted Applications Posted on the ORS Website / Comment Period Opens	3/3/2023
Comment Period Closes	3/17/2023
Application Review / Selection	6/30/2023
Funding Agreements Sent to the Companies	7/14/2023
Funding Agreements Returned to the ORS	7/28/2023
Grant Award	8/4/2023
Submit all backup to ORS for review	8/18/2023
Project Completion /Submit Application for Disbursement to ORS	10/13/2023
US Treasury Reporting Due	6/30/2024

***All dates reflect no later than**

All ARPA ADGP information, including the Eligibility Map and Schedule of Events are posted to the ORS website at: <https://ors.sc.gov/broadband/investments/state/adgp>

Funding Award Selected

Applicants will be notified in writing, which may include email, if their project(s) are approved for funding, subject to the execution of a contractual funding agreement approved by the ORS.

Funding Agreement Process

Selected Applicants must enter into a contractual funding agreement (“Funding Agreement”) with the ORS. The ORS reserves the right to negotiate the final terms and conditions of the Funding Agreement with Applicants whose proposals are selected and to reject any Applicants with whom the ORS cannot agree to terms and conditions. Such Funding Agreement is not valid until approved by the ORS. The anticipated Funding Agreement term begins on the effective date of the Funding Agreement and must be completed by June 30, 2023.

Definitions

Served – A residence or business is considered served if standard broadband service at reliable speeds of 25/3 megabits per second (“Mbps”) download/upload is available to the residence or business at no additional charge for aid in construction cost. If the broadband customer is asked or required to bear the additional costs to construct a drop or line to the residence or business to obtain broadband service at reliable speeds of 25/3 Mbps download/upload, then the structure is considered unserved.

Unserved – Any residence or business at which standard broadband service at reliable speeds of 25/3 Mbps download/upload is unavailable to the residence or business without additional charge for aid in construction cost as of the South Carolina Broadband Office (“SCBBO”) **9/2021 Eligibility Map available at: <https://ors.sc.gov/broadband/investments/state/adgp>**.

Comments – A comment period provides the ISPs or any interested party the opportunity to raise issues or comments regarding an application submitted for grant funding. Comments must be provided to ORS by the deadline set forth in the timeline in order to be considered.

~~**Universal Service** – Telecommunications services including internet access, internet services, and internet connection services and other services that are identified by the FCC as eligible for federal universal service support mechanisms. See 47 U.S.C. 254(c), (h)(5)(A)(ii). Universal service is the principle that all Americans should have access to communications services. Since that time, universal service policies have helped make telephone service universally available, even in remote rural areas. Today, the FCC recognizes high-speed Internet as the 21st Century’s essential communications technology and is working to make broadband as universally available as telephone services, while continuing to support telephone services. Participation in universal service funds does not bar participation of an applicant in this program.~~

Comments to ISP Grant Applications and the Identification of Eligible Unserved Areas

The ORS will take comments on grant applications by submitting their inquiry to the ORS Citrix Share File site for ADGP, if provided by the deadline set forth in the timeline.

Upon notice that the ORS has received comments on a grant application, or the status of an eligible unserved area, applicants may, within three (3) business days:

1. Submit a response to the comments containing specific evidence that may counter a claim;
2. Demonstrate that the ISP’s or commenter’s claims are not valid or incorrect;
3. Modify the application to meet the criteria if necessary; or

4. Withdraw their application.

ORS reserves its authority to determine whether an application shall be granted or denied.

Eligible/Ineligible Activities

A provider may only submit one application, but a single application may include multiple projects. To be eligible, the Applicant must have funded the total project cost through private investment. Any project currently under contract or under construction is not eligible to apply. The Applicant must provide evidence that each project has been completed by June 30, 2022 in order to be considered and only a portion of construction expense incurred between March 15, 2021 through June 30, 2022 are eligible. The Applicant must provide proof that it has successfully completed the project within the timeframe allotted.

After the application period has closed, there shall be no further telephonic, email, or in-person contact by Applicants, their agents, or representatives with the ORS in an attempt to lobby or influence the approval of its applications. Only formal written comments regarding submitted applications, which are due by the deadline set forth in the timeline will be accepted and considered. Any improper contact with the ORS can lead to disqualification of the application. The ORS may contact the Applicant to seek clarification or additional information regarding an application. The quiet period will terminate upon receipt of the Funding Agreement.

~~To be eligible for funding, a Project must meet the Universal Broadband Service requirements established in these Guidelines and provide universal access in areas supported by these funds. Any deviation from the Universal Broadband Service requirements will require a written request by the Applicant and must be documented in the Funding Agreement for each Project.~~

~~Universal Service Broadband Requirement~~

~~Upon approval of a project under this grant program, all residents and businesses in the Project Service Area must have access to service in a manner that is non-discriminatory, at speeds equal to or greater than the minimum required in these Guidelines, and without additional construction or startup costs to the customer.~~

Projects must meet the following eligibility criteria

- a. The applicant must have customers and provide retail residential service directly or in combination with a partner in South Carolina.
- b. Eligible Internet Service Providers (ISPs) may only submit one (1) grant application; however, one application may contain multiple projects.
- c. ISPs must currently offer, directly or in combination with a partner, the FCC Affordable Connectivity Program (ACP) for the life of ACP.
- d. Provide an affordable high-speed Internet plan option separate from ACP that does not include an income threshold requirement.
- e. Each project must have made service available to unserved areas (no wireline fiber/cable connections) as identified by the SCBBO broadband maps that were dated **9/2021 Eligibility Map available at: <https://ors.sc.gov/broadband/investments/state/adgp>**.
- f. Projects must make available wireline service that is capable of 100 Mbps/100 Mbps (download/upload speeds).
- g. Excluding state or federal universal service funds, projects must not have received funding from any other state, local, or federal source.

- h. Cost reimbursements will only be made for allowable costs of new construction incurred during the period beginning March 15, 2021, and fully functional by June 30, 2022.
- i. ISPs must offer proof that new construction was functional by June 30, 2022. Examples may include, but not be limited to, billing statements, georeferenced date/time stamped speed tests, or other documented means all occurring within the allotted timeframe.
- j. The applicant has provided to the SCBBO the following information, on a confidential basis: (1) mapping information, including fiber or cable lines accurately depicting the location of the project; and (2) the residential and commercial addresses passed by the project for which reimbursement is sought based on the January 2023 FCC Broadband Serviceable Location Fabric, (linework and structures should reflect work performed between March 15, 2021 through June 30, 2022 only), and (3) the applicant has provided to the SCBBO speed tests for all broadband serviceable locations that currently have service in the project ~~area~~ and the current plan subscribed to for each location.
- k. Projects submitted which go beyond the extent of eligible unserved areas for funding will be reimbursed based on the percentage of fiber and/or cable that was installed within the eligible area, relative to the total linear miles of fiber and/or cable installed for the entire project.
- l. Total project costs, including receipts and proof of payment, must be submitted and the percentage of the project which occurred in the eligible area (based on linear miles of fiber or cable) will serve as the percentage of the project cost that will be considered as an initial basis for reimbursement (see illustrative example below).
- m. The applicant has complied with all other requirements and is willing to comply with all federal funding and future reporting requirements as set forth in the American Rescue Plan Act and associated requirements by U.S. Treasury.
- n. The application does not include any request for reimbursement of the applicant's general overhead and/or operating costs but only costs specifically incurred for the broadband infrastructure project construction costs that occurred in eligible areas as described in their grant application.
- o. Ensure broadband infrastructure and associated equipment was designed to reliably deliver broadband in an eligible area that meets or exceeds symmetrical download and upload speeds of 100/100 Mbps.
- p. Be a project that did not overbuild another provider's existing wired broadband network as of June 30, 2022 that currently delivers service at sustainable speeds equal to or greater than the 25/3 Mbps minimum benchmark to all requesting customers without additional charges. (Networks that cannot deliver or sustain reliable 25/3 or cannot deliver service without additional construction or setup charges may be overbuilt.)
- ~~q. Adhere to the South Carolina Universal Service Broadband Requirement.~~
- r. Be compliant with all federal and state ARPA SLFRF requirements, for which Grantees of public funds are responsible. Department of the Treasury Final Rule [31 CFR Part 35 RIN 1505-AC77] - <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule.pdf>. 2021-2022 Bill 4408: American Rescue Plan authorizations - https://www.scstatehouse.gov/sess124_2021-2022/bills/4408.htm

Eligible and Ineligible Costs

Eligible costs include, but are not limited to:

- Construction and Materials (e.g., fiber, conduit, photonics, electronics, etc.)
- New and rehabilitative construction contracts
- Architect and engineering services, subject to ORS approval
- Permitting fees
- Validation of Service expenses
- Equipment related to broadband infrastructure
- Equipment installation

Ineligible Costs include but are not limited to:

- General broadband planning not associated with the project
- Expenses related to providing broadband services
- Ongoing overhead, operating costs, or staff costs
- Political activities, lawyer fees, or lobbying
- Expenses related to administering the Grant
- Supply and Material Markups
- Operating and maintenance expenses not directly related to the construction of the Project, including, but not limited to, leases or franchise costs of any kind
- Expenses related to the provision of customer devices (handsets, laptops, tablets, etc.)
- Bandwidth or spectrum expenses
- Salaries, interest, or overhead
- Expenses related to the purchase or construction of towers, land, or buildings, or for building renovations, tower upgrades, or the acquisition of facilities or companies
- Purchase of equipment that is depreciable and has a useful life after project completion, unless it is part of the facilities used to deliver the broadband service (e.g., fiber, conduit, electronics, etc.)

Special Considerations and Exceptions

The ORS will evaluate such applications on a case-by-case basis to determine approval of eligible costs.

Project Applications

Applications will be available beginning by the deadline set forth in the timeline with applications due by 3 pm (EDT) by the deadline set forth in the timeline. Applications, all attachments, and GIS Data must be uploaded to the ORS Citrix site under the “ADGP Applications and Attachments” folder. If an applicant does not have access to the following folder complete the data access request form located here <https://arcg.is/1fiq1j> and access will be granted. Applications received after the deadline will **NOT** be considered. Failure to answer each question and section completely may result in disqualification of the application. All questions with answers highlighted in the following color () are **REQUIRED** to be answered. Questions with answers highlighted in yellow are optional. All applications must be submitted by ISPs providing retail service to broadband, provided under the following sections:

1. Applicant Information

- 1.1. Descriptors reflecting the primary applicant – Descriptive information relevant to each Broadband Service Provider submitting a grant application to the SCBBO
- 1.2. Secondary Contact – An alternative contact from the primary contact identified in section 1.1
- 1.3. Confirmations - Yes/No answers to confirm applicant acceptance of key elements associated with ARPA ADGP
- 1.4. Broadband Infrastructure Information – Choose the type of Broadband Infrastructure deployed

- 1.5. Low-Cost Plan – Convey the Applicant’s affordable high-speed Internet plan option separate from Affordable Connectivity Program (ACP) that does not include an income threshold requirement
- 1.6. Attachment Checklist – Attachments listed in the application tab must accompany the grant application to be considered for ARPA SLFRF funds. Failure to provide requested attachments may result in disqualification of a submission

- 1.6.1. GIS Shapefiles – Provide GIS data showcasing the project limits utilizing the templates provided by the ORS in accordance with GIS standards established under the grant program

Applicants are required to submit GIS Shapefiles or a File Geodatabase to the ORS as part of the application submission process depicting broadband infrastructure lines and FCC Broadband Serviceable Location (BSL) addresses which now have access as a result of the project(s) submitted. Data must be fully attributed and compiled in accordance with the GIS data standard and associated template data developed as part of this grant program. ~~See Attachment 1.~~

GIS data from Applicants will be evaluated by the ORS. Applications which are funded will include a print map and corresponding table of Census Block IDs produced by ORS, that will serve as the basis of the Project limits which must be dated and initialed by the Broadband Service Provider.

- 1.6.2. Signed Affidavit - All applications will require certification and signature through execution of an affidavit by the President, CEO, or CFO. Signed affidavits must be included as an attachment to an application submission.

2. Budget Summary

- 2.1. Project Name/Number – Values must be unique for each project submitted under a given application
- 2.2. Construction/Installation Period – Provide the dates work began/ended in addition to installation start dates
- 2.3. Additional Information – Include justification if applicant overbuilt an area where state or federal investments were made
- 2.4. Project Costs – Provide details associated with project costs by category. If you have quantity and per unit cost, please include.

Application Selection

1. The ORS will review grant applications, eligible projects will be evaluated based on the September 2021 eligibility map published by the SCBBO, available at: <https://ors.sc.gov/broadband/investments/state/adgp>, in accordance with the criteria and priorities set forth in these guidelines. Applications will be reviewed, and the SCBBO reserves the right to award grants that are in the public interest and accelerated internet deployment in eligible areas. Additional selection criteria include:
2. Broadband service provider must provide a complete application submission, including:
 - a. Grant application,
 - b. GIS fiber or cable linework reflecting new construction which occurred between March 15, 2021 – June 30, 2022,
 - c. FCC BSL Fabric Location data of all structures that can be connected within 10 business days of requesting service, and
 - d. Signed affidavit as to the completeness and accuracy of all data and associated documentation provided to the SCBBO as part of their submission.
3. At least a portion of the project is geographically coincident with an unserved area based on the September 2021 eligibility map.
4. Be capable of producing speed tests for all homes, business, and community anchor institutions that have access and subscribed to service as part of US Treasury reporting requirements.

Calculating Percentage Reimbursement Example:

**An illustrative example of how the funds will be distributed amongst several projects.
For easy calculations, we are using \$10 million in this example as the total amount of funds available for the grant program.**

		Available ARPA Accelerated Deployment Funds (Example Only)		\$ 10,000,000			
		Total Eligible Project Costs		\$ 32,350,000			
		Available ARPA \$ / Total Eligible Project Costs		31%			
ISP	Project	Total Project Cost	% total linear miles of Fiber in Eligible Unserved Areas	Eligible Total Project Cost	% ORS ARPA Reimbursement	ORS ARPA Reimbursement	
ISP 1	ABC-01	\$ 5,000,000	50%	\$ 2,500,000	31%	\$ 772,798	
ISP 1	ABC-02	\$ 11,000,000	75%	\$ 8,250,000	31%	\$ 2,550,232	
ISP 2	DEF-01	\$ 10,000,000	60%	\$ 6,000,000	31%	\$ 1,854,714	
ISP 3	GHI-01	\$ 9,000,000	80%	\$ 7,200,000	31%	\$ 2,225,657	
ISP 3	GHI-02	\$ 12,000,000	70%	\$ 8,400,000	31%	\$ 2,596,600	
Total Eligible Project Costs				\$ 32,350,000		\$ 10,000,000	

In processing reimbursements made pursuant to this provision the SCBBO must require appropriate verification of the costs for which reimbursement is sought and that the broadband infrastructure projects meet the requirements of this section. It is the responsibility of the broadband provider seeking reimbursement pursuant to this provision to provide supporting documentation satisfactory to the SCBBO verifying and attesting all requirements for reimbursement have been met. The SCBBO shall provide notice of all applications for grants made pursuant to this Section to all broadband providers that have requested such notice. Within 30 days of such notice, broadband service providers may submit information relevant to the SCBBO determination of the application’s compliance with this section.

Reporting Requirements and Right to Audit

Grant recipients must also comply with ARPA SLFRF reporting, monitoring, and audit requirements as prescribed by the applicable federal authority. At any point, the ORS reserves the right to audit the project, conduct site visits, ensure timelines were met, and obtain additional information from the ISP to verify compliance with contractual obligations. Independent verifiable evidence may be requested to include but not be limited to: geotagged photographs of completed construction. The grant award recipients will be required to provide address specific information for all homes passed as part of US Treasury reporting requirements. In addition, award recipients will also be required to share their FCC data submission and update that information to ensure compliance across FCC and US Treasury reporting.