South Carolina 2021 Rural Broadband Grant Program
Application Guidelines

Purpose

The 2021 SC Rural Broadband Grant Program (RBGP) is a collaboration between the SC Department of Commerce (DOC) and the South Carolina Office of Regulatory Staff (ORS) and was created to provide funding for high-speed broadband projects to support economic development and enhance quality of life in eligible rural counties.

Pursuant to Proviso 50.21 of the General Appropriations Act for Fiscal Year 2019-20, the RBGP shall use $30 million of DOC funds, less administrative costs, to provide financial assistance to install and deliver broadband infrastructure in unserved areas of 14 eligible counties and 15 contiguous counties in South Carolina.

Designated Contact Person

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Questions

Questions must be submitted by email to the Designated Contact Person prior to the close of the Application Period. Questions and Answers will be published on the website.

Schedule of Events

Event	Date/Deadline
Areas of Need Published on the ORS Website	*3/15/2021*
Application Period Opens	*4/1/2021*
Challenge Period Opens	*4/15/2021*
Application Period Closes	*5/14/2021*
Challenge Period Closes	*5/17/2021*
Submitted Applications Posted on ORS Website	*5/18/2021*

All RBGP information, including the Areas of Need map and detailed Schedule of Events are posted to the ORS website at *ORS.SC.GOV/broadband/funding/rural-broadband-grant-program*.

Funding Award Selected

Applicants will be notified in writing, which may include email. 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.

Funding Agreement Process

Selected Applicants must enter into a contractual funding agreement with the ORS. Such Funding Agreement is not valid until approved by the 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 through January 15, 2023 with the project completed by October 31, 2022.

Definitions

Rural – Rural communities are defined by the United States Department of Agriculture Rural-Urban Commuting Area codes (RUCA). USDA scores of four (4) or higher are considered rural for purposes of this application.

Served – A residence or business is considered served if broadband service at speeds of 25/3 Mbps download/upload is available to the residence or business at no additional cost to the owner or occupant requesting service. If the broadband customer is asked or required to bear the additional costs to construct a drop or line to the residence or business, then the structure is considered unserved.

Unserved – Any residence or business at which broadband service at speeds of 25/3 Mbps download/upload is unavailable to the residence or business at no additional cost to the owner or occupant requesting service.

Universal Service – Universal service is the principle that all Americans should have access to communications services. Universal service is a cornerstone of the law that established the FCC, the Communications Act of 1934. Since that time, universal service policies have helped make telephone service ubiquitous, 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 ubiquitous as voice, while continuing to support voice service. Universal Service means telecommunications services including Internet access, Internet services, and internal connection services and other services that are identified by the FCC as eligible for federal universal service support mechanisms. 47 U.S.C. 254(c), (h)(5)(A)(ii)

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 on the RBGP Areas of Need map is encouraged to submit a challenge to the "unserved" designation between April 15, 2021 and May 14, 2021. Such a challenge must demonstrate that the BSP is currently serving all or part of the designated unserved area. Evidence must be provided to the ORS in the form of an Ookla Speedtest(s) at the residential premise of current subscribed customers demonstrating speeds of 25 Mbps down and 3 Mbps up, or faster, at peak usage times during the day.

To be considered "served," all residences and businesses within the BSP designated challenge area must have broadband service available at speeds of 25/3 Mbps download/upload to the residence or business at no additional cost to the owner or occupant requesting service. If the broadband customer is or may be required to bear the additional costs to construct a drop or line to the residence or business, then the structure is considered unserved. Challenge areas such as this may be considered unserved by ORS.

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 25/3 Mbps requirement. Challenges must be submitted to the ORS at Broadband@ORS.SC.GOV, and challenges must be received by the ORS during the Challenge Period, 4/15/2021 to 5/14/2021. Challenges received after 5/14/2021 will be evaluated on a case-by-case basis and may be accepted or rejected at the discretion of the ORS.

Upon notice that the ORS has received a challenge as to whether a 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. Demonstrate that the challenger's claims are not valid or incorrect;
3. Modify the application to meet the criteria if necessary; or
4. 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 both the applicant and the challenger.

Eligible/Ineligible Activities

Any project currently under contract or under construction is not eligible to apply. A provider may submit more than one application; however, the Applicant must provide evidence that each project will be completed by October 31, 2022. More than one application can be submitted per community. To be eligible, Applicant must fund no less than 50% of the total project cost but may use funds from other non-public sources to make its 50% match. Applicant must provide proof that it has secured the necessary funds to meet its 50% match requirement.

After the application period has closed on May 14, 2021, 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 applications. Only formal written comments on submitted applications due by June 1, 2021 will be accepted. Any improper contact can lead to disqualification of the application. However, the ORS can 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. Any deviation from the Universal Broadband Service requirements will require a written request and must be documented in the Funding Agreement for each Project.

Universal Service Broadband Requirement

Consistent with the FCC's position, Universal service is the principle that all Americans should have access to communications services. Today, the FCC recognizes high-speed Internet as the 21st Century's essential communications technology and is working to make broadband as ubiquitous as voice, while continuing to support voice service.

The Universal Service Broadband Requirement for this South Carolina Rural Broadband Grant Program is that, for a Project to be granted, all residents and businesses in the project area must be served 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. The project must:

1. Be completely located within one of the 14 eligible counties or 15 contiguous counties as defined by the RBGP. The 14 eligible counties are Allendale, Bamberg, Barnwell, Clarendon, Dillon, Fairfield, Florence, Hampton, Jasper, Marion, Marlboro, Lee, Orangeburg, and Williamsburg. The 15 contiguous counties with a single school district are Aiken, Beaufort, Berkeley, Calhoun, Chester, Chesterfield, Colleton, Darlington, Georgetown, Horry, Kershaw, Lancaster, Sumter, Newberry, Union.

    Applicants are encouraged to focus their proposals on the 14 eligible counties since only $7M of combined funding may be granted for the contiguous counties.

2. Include broadband infrastructure investment and associated equipment costs designed to deliver broadband that meets or exceeds standards as defined by the ORS and supported by FCC orders (e.g.: FCC 20-50 and FCC 21-18).

    a. Wireline project applications must be able to demonstrate sustained speeds of at least 100/20 Mbps download/upload to all households and businesses to be served,

    b. Fixed wireless project applications must be able to demonstrate speeds of at least 50/5 Mbps download/upload to multiple households and businesses within each service area.

3. Be a project that does not overbuild another provider's existing wired broadband network 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 sustain 25/3 or cannot deliver service without additional construction or setup charges may be overbuilt)

4. Include only broadband service capable of 100/20 Mbps for wireline and 50/5 Mbps for fixed wireless as a 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. Adhere to the South Carolina Universal Service Broadband Requirement.

7. Be completed, operable, paid for, and submitted to the ORS for payment no later than October 31, 2022.

8. Include eligible costs, 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 October 31st, 2022
    d. Permitting fees
    e. Validation of Service expenses
    f. Equipment related to broadband infrastructure
    g. Equipment installation

9. Exclude the following ineligible costs 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

Special Considerations and Exceptions

To provide broadband service to an unserved area or community an application may include costs to build facilities through an area already served by broadband. 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 **April 1st, 2021**, with applications **due by 3 pm (EDT) on May 14, 2021**. 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, hybrid fiber-coax, or fixed-wireless 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, and Project Area Census Block(s). 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. **Evidence of Universal Broadband Service Within the Proposed Broadband Project Area**
   Provide evidence that the provider will serve all residences and businesses requesting service within the Project Area on a non-discriminatory basis, at speeds equal to or greater than the minimum required in these Guidelines, and without additional construction or startup costs to the customer.

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

    a. Wireline project applications must be able to demonstrate sustained speeds of at least 100/20 Mbps download/upload to **all** households and businesses within the area to be served,

    b. Fixed wireless project applications must be able to demonstrate speeds of at least 50/5 Mbps download/upload to multiple households and businesses within each service area.

6. **Broadband Pricing Schedules or Tiers**
Indicate all applicable rate tiers for broadband service at sustainable speeds of 100/20 Mbps or faster that will be offered to customers in the Project Area. Indicate low-income packages or pricing to be available. Do not include introductory or promotional pricing or packages.

7. **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 October 31, 2022.

8. **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.

9. **Project Funding**
Indicate the amount 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.

10. **Other Information**
Where requested in the Application, describe the needs of the community to be served (including economic development) 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.

To stimulate adoption and drive rapid economic development, Applicants are encouraged to showcase their strategic partnerships with community organizations, non-profit groups and/or other educational organizations as part of their application. Unique partnerships will earn points in the Adoption/Community Assistance scoring category listed below.

Application Selection

The ORS will review applications and rank eligible projects in accordance with the criteria and priorities set forth in these guidelines. 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. **Community Need** – *15%*
    a. Project Area is in an Area of Need in one of the 14 eligible counties published by the ORS on its website – *up to 5 points*
    b. Creative solutions for low-income communities (e.g.: Free Wi-Fi in a well-defined area of homes and/or businesses) – *up to 10 points*

2. **Availability - Broadband Infrastructure** – *25%*
    a. FTTP symmetrical – *up to 25 points*
    b. HFC symmetrical – *up to 20 points*
    c. HFC non-symmetrical – *up to 15 points*
    d. Fixed Wireless – *depending on speed up to 10 points*

3. **Adoption/Affordability - Subscriptions for Low-moderate Income Households** – *20%*
    a. Low-moderate income package - less than $10/month – *up to 20 points*
    b. Low-moderate income package - between $10 - $14.99/month – *up to 17 points*
    c. Low-moderate income package - between $15 - $19.99/month – *up to 14 points*
    d. Low-moderate income package - between $20 - $24.99/month – *up to 10 points*
    e. Base rates - between $25 - $ 34.99/month – *up to 6 points*

4. **Adoption/Community Assistance - Applicant Strategy and Training Plan** – *20%*
    a. Community Adoption Strategy and Plan – up to 10 points
    b. Broadband User Training Plan – *up to 10 points*

5. **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*

6. **Project Cost** – *10% (Compare and rank bidders for same area)*
    a. Lowest cost per home passed– *10 points*
    b. Higher costs per home passed receive lower points

7. **Proof of Funding** – *REQUIRED of all Applicants*
    a. Applicant must provide proof that it has secured the necessary funds to meet its 50% match requirement.

The ORS will post all complete applications to the ORS website (*See*: ORS.SC.GOV/broadband).

Disbursement of Funds

Funds will be disbursed to participants upon the successful completion of the project and submittal of invoice and any other documentation required by the ORS.

Reporting Requirements and Right to Audit

The grant award recipients will be required to report the status of the project, including delays, each quarter, 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. The grant award recipients will be required to provide address specific information for all homes passed in the Final Report. In addition, award recipients will also be required to share their FCC Form 477 information in the grant application and update that information throughout the project period. ORS timelines for FCC Form 477 reporting are identical to those published by the FCC.

3rd Q 2021 Financial and Construction Progress Report Due	*10/15/21*
4th Q 2021 Financial and Construction Progress Report Due	*1/14/22*
1st Q 2022 Financial and Construction Progress Report Due	*4/15/22*
2nd Q 2022 Financial and Construction Progress Report Due	*7/15/22*
3rd Q 2022 Financial and Construction Progress Report Due	*10/14/22*
Final Reporting Due	*1/15/23*

The grant award recipients must track and report for a period of two (2) years after completion of construction on the number of homes passed, the take rate, and agree to survey those that do not subscribe to the reason they are not subscribing to service.