

Proposed Infrastructure Grants Program

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Background: www.maine.gov/connectme/grants/engagement

Authority Members

Nick Battista, Chair
Jasmine Bishop
Fred Brittain
Susan Corbett
Heather Johnson
Jeff Letourneau
Liz Wyman

Purpose

The ConnectMaine Authority administers grants, including the recently passed state bond. The mission of ConnectMaine is in part to facilitate the universal availability of broadband to all Maine households and businesses. First setting objectives with stakeholders,¹ ConnectMaine develops this design of its infrastructure grants program.

Goals

The state Broadband Action Plan (Plan) contains goals that guide ConnectMaine activities. Broadband service enables civic and cultural participation, employment, lifelong learning and access to essential services. The state has set a goal of expanding the availability of broadband to connect 95% of potential subscriber locations by 2025.

Duties

ConnectMaine awards broadband infrastructure grants to support investments that propose the greatest relative improvement to existing internet service. ConnectMaine considers its statutory goals and policies, including that all infrastructure projects funded meet or exceed a minimum build standard and must be forward-looking to meet future broadband needs.

Structure

The proposed structure of the broadband infrastructure grants program involves an announcement of the application window, with eligibility and project requirements. Aligning with the Plan, ConnectMaine will consider two tracks or project categories: Community-Driven Broadband Projects or Provider Expansion Projects. The application and review process may differentiate between these tracks or categories, while ensuring grants are awarded competitively as required by the ConnectMaine statute and rule. Drawing from the Plan and stakeholder engagement, elements for eligibility, application and review, and accountability below build on the requirements of the ConnectMaine statute and rule.

Many communities in Maine have gone through a community-driven planning process. Looking to meet the current and future broadband needs of the community, and ensure equitable access, most plans call for broadband service that is universally available. **Community-Driven Broadband Projects** are substantial and seek to expand infrastructure that brings affordable and reliable connectivity. Many of these communities are actively seeking enough funds to implement projects.

To-date most projects receiving state grants have been proposed by internet service providers to fill coverage gaps within or between communities. Given that these types of coverage gaps aren't experienced by whole communities, less community engagement occurs. By leveraging and expanding the existing broadband networks, **Provider Expansion Projects** help achieve the state's broadband vision.

¹ www.maine.gov/connectme/grants/engagement

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Eligibility

The proposed design of the infrastructure grants program involves determination of applicant and location eligibility before applications are reviewed for potentially awarding grants, based on the following elements:

A single or multiple communications service providers (ISPs) that have provided address-specific, availability data of actual speeds. Potential evidence for this element includes:

- In good standing with all ConnectMaine reporting obligations

Any unit of local government, including town, city, county or regional council of governments; broadband utility district or corporation, wholly or partially owned by a unit of local government. Potential evidence for this element includes:

- Community broadband committee, whether local or regional

Technical, managerial and financial capacity, and experience to operate the network capability, are demonstrated for ConnectMaine to determine whether or not the responsible entity(ies) are capable of installing, using, and managing broadband infrastructure. Potential evidence for this element includes:

- Narrative of prior experience in designing, installing, operation and managing infrastructure
- Public-private partnerships

Eligible uses of awarded grant funds are described in the ConnectMaine Rule. Potential evidence for confirming that broadband infrastructure wouldn't be installed in the same time period includes:

- For Community-Driven Broadband Projects: Documentation that existing ISPs were contacted to confirm that no plans exist to provide broadband service to the unserved or underserved areas of the affected community within the following 12 months, by sending an email, which is carbon-copied to ConnectMaine, followed with a letter sent certified-mail within 60 days of the application window being closed, for response, which must be carbon-copied to ConnectMaine, within seven days of the application window being closed.
- For Provider Expansion Projects: Documentation that existing ISPs were contacted to confirm that no plans exist to exceed the minimum build standard for broadband (currently 10mbps/10mbps) within the following 12 months, by sending an email, which is copied to ConnectMaine, followed with a letter sent certified-mail within 60 days of the application window being closed, for response, which must be copied to ConnectMaine, within seven days of the application window being closed.

Granted funds may be applied in unserved areas only; however, proposed project areas may include areas designated underserved.² Potential evidence for identifying unserved and underserved areas include:

- The ConnectMaine Broadband Availability Map,³ which is intended to provide a starting point for potential customers to identify what broadband service might be available in their area⁴
- The ConnectMaine Unserved Reports,³ which are a series of spreadsheets indented to provide a starting point for identifying unserved areas⁵
- Community Broadband Plans⁶ that have identified areas as unserved or underserved⁷

² At least annually, and subject to 30-day comment period, ConnectMaine designates geographic areas that are unserved. Currently areas are designated as unserved where internet service is less than 25mbps/3mbps. Proposed project areas may include areas designated underserved. Currently areas are designated as underserved where less than 20% of the households have access to internet service of at least 25mbps/3mbps.

³ <https://www.maine.gov/connectme/communities-resources/Broadbandmapping>

⁴ While this map is the best information on broadband availability in Maine, ConnectMaine knows the information doesn't represent the actual services that are available to individual customers.

⁵ ConnectMaine listed unserved areas by street addresses in excel spreadsheets in 2019, and ConnectMaine continues to work with ISPs to collect accurate data at finer scales.

⁶ <https://www.maine.gov/connectme/grants/planning-grants/awards>

⁷ ConnectMaine may use other data sources it deems credible and appropriate to help designate unserved and underserved areas.

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- Proposed project areas not identified as unserved or underserved may be reviewed for designation as unserved or underserved according to ConnectMaine rule² by submitting accurate mapping of address-specific, availability data of actual speeds as evidence that the areas are unserved or underserved, at least 45 days prior to the infrastructure grants application window being closed.

Review

The proposed review process to determine which projects will be awarded grants involves considering the following elements, which may be refined into criteria for scoring or comparing applications within each track or category, in order to award grants competitively as required by the ConnectMaine statute and rule:

Community-Driven Broadband Projects

Cost-Benefit of the proposed project, and potential evidence for this element includes:

- Grant amount requested per potential customer currently unserved
- Percentage of the estimated unserved premises in the state to be served by the proposed project

Community Support for the proposed project, and potential evidence for this element includes:

- Percentage of households within the affected community to be served by the proposed project
- A full and active community broadband committee
- A digital equity and inclusion plan that includes community commitments and strategies to increase subscription rate and maximize the use of the proposed broadband infrastructure, by addressing affordability and access to broadband service, computers, mobile devices and expanded digital literacy training for historically underserved individuals and communities
- Other evidence of community support for expanding availability of broadband service to students, remote workers, telehealth patients and support facilities, and small businesses

Project Scope relates to size, financial and other details of the proposed project, potential evidence includes:

- Total number of potential customers to be served
- Total miles of road, in order to determine density of potential customers to be served
- Individual financial commitments from the community, the ISP and other sources
- Type and speeds of service proposed, considering upload speeds and including years of growth with proposed capacity, as evidence toward greatest relative improvement in the unserved area

Project Value relates to the price of service and other details of the proposed project, potential evidence:

- Price per potential customer of service to be provided in the project area, which is no greater than the price per customer offered by the ISP elsewhere in the state
- Potential subscription rate or take rate within the affected community
- Affordability offerings for low to moderate income households
- Other evidence of project benefits to students, remote workers, telehealth patients and support facilities, and small businesses

Provider Expansion Projects

Cost-Benefit of the proposed project, and potential evidence for this element includes:

- Grant amount requested per potential customer currently unserved
- Percentage of the estimated unserved premises in the state to be served by the proposed project

Community Support for the proposed project, and potential evidence for this element includes:

- Number of potential customers to be served by the proposed project who are currently unserved or underserved
- Percentage of potential customers who support the proposed project
- Community engagement in the planning process
- Other evidence of community support for expanding availability of broadband service to students, remote workers, telehealth patients and support facilities, and small businesses

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Project Scope relates to size, financial and other details of the proposed project, potential evidence includes:

- Total number of potential customers to be served
- Individual financial commitments from the ISP and other sources
- Type and speeds of service proposed, considering upload speeds and including years of growth with proposed capacity, as evidence toward greatest relative improvement in the unserved area

Project Value relates to the price of service and other details of the proposed project, potential evidence:

- Price per customer of service to be provided in the project area, which is no greater than the price per customer offered by the ISP elsewhere in the state
- Potential subscription rate or take rate within the project area
- Affordability offerings for low to moderate income households
- Other evidence of project benefits to students, remote workers, telehealth patients and support facilities, and small businesses

Accountability

The proposed design of the infrastructure grants program holds applicants accountable for funded projects meeting predetermined requirements, demonstrated in grant reporting, based on the following elements: Provided internet service meets the minimum build standard for broadband (currently 10mbps/10mbps) with potential evidence for this element including:

- Accurate mapping, cost and speed level data
- Address-specific, availability data of actual speeds

Provided internet service meets performance criteria for essential applications. Potential evidence for this element includes:

- Verification that infrastructure can meet internet service needs for real-time video communications, video streaming, interactive gaming, file-sharing, network storage and other applications for economic development, remote work, education and distance education, civic engagement and meaningful community connections, and healthcare and telehealth
- No data caps
- The price and speeds for the broadband offering with the lowest annual cost, with the highest download and upload speeds, and taken by the greatest number of subscribers

Corrected market failure due to low premise density. Potential evidence for this element includes:

- Completion on time and within budget
- Percentage of the estimated unserved premises in the state now served by the completed project
- Subscription rate or take rate

Additions

These other elements remain important, but they need to be further developed to fit into the infrastructure grants program for the upcoming application window, or may be further considered in future strategic planning or rulemaking, in order to meet objectives set with stakeholders:⁸

- Universally available broadband service—funded projects don't create broadband gaps
- Leverage existing infrastructure
- State commitment may act as seed funding to encourage and assist project in qualifying for other sources of funding
- Cost-benefit—proposed projects aren't penalized due to low premise density
- Project Scope—proposed project costs are reasonable and grant funds are spent efficaciously
- Potential expansion of infrastructure grant funding to underserved areas as well as unserved
- Designation of unserved that recognizes long-term investment

⁸ www.maine.gov/connectme/grants/engagement

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- Project Scope—proposed projects aren't penalized based on low financial commitments due to location in unorganized areas of the state
- Economic opportunity of broadband in Maine, including economic development, remote work, education and distance education, civic engagement and meaningful community connections, and healthcare and telehealth: determine appropriate evidence
- Community Support—chosen technology or type of service isn't penalized when supported by the community broadband plan
- Increase subscription rates or take rates: determine target or preference for funded projects
- Greatest relative improvement in existing internet service—revised or refined to recognize forward-looking infrastructure and to be inclusive of underserved areas as well as unserved areas
- Acceptable latency, symmetrical speeds and fixed broadband
- Secure, reliable, competitive and sustainable infrastructure
- Funded projects implement digital equity and inclusion plans that include commitments and strategies to increase subscription rate and maximize the use of broadband infrastructure, by addressing affordability and access to broadband service, computers, mobile devices and expanded digital literacy training for historically underserved individuals and communities
- Internet service tiers and affordability offerings