Public Meeting:

ConnectMaine's Infrastructure Grant Program

Monday, December 14, 2020

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Intro to your attendee controls

Agenda

- ❑ Opening & Welcome
- ❑ Grant objectives and goals for this process
- ❑ Opportunities for further clarity in grant criteria
- ❑ Presentation of infrastructure grants program framework
- ❑ Clarifying questions
- ❑ Discussion
- ❑ Closing & Next Steps

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Proposed Objectives for Infrastructure Grants

- **Leverage Investment**: Maximize investment in broadband infrastructure and maximize opportunities to leverage resources and funding from other sources to support deployment of broadband infrastructure; aim to correct market failures due to low premise density.

- **Seek Regional Equity**: Balance awards in consideration of investment incentives and regional equity; create a geographically equitable distribution of projects around the State.

- **Recognize Community Visions**: Align with community visions and goals for economic development, education, civic engagement and healthcare.

- **Favor Future-Proof Networks**: Fund forward-looking, scalable infrastructure that provides ubiquitous, universally available broadband service, with sufficient capacity for future growth for the greatest number of years, giving preference to projects providing symmetrical service.

- **Advance Digital Equity and Inclusion**: Consider projects that propose the lowest price for the highest quality of service of the lowest service level offering; no grant will be awarded for proposed projects that allow data caps on service provided; all projects funded must result in providing standardized tiers of service, including one for income-eligible individuals.

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

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Our Goals for This Process

- Adapt the application process for infrastructure grants to reflect our objectives. Establish grant review criteria to address the following:
  - help us "leverage investments" while balancing various technology options
  - create two tracks for project applications to help align investment with "community visions"
  - align with state goals to advance "future-looking infrastructure"
  - develop affordability criteria to improve "digital equity and inclusion"
- Lay the groundwork to advance longer-term goals, including
  - improving regional equity and addressing needs of underserved areas
  - opportunity for grants to act as seed funding to qualify for other sources of funding

What We've Heard From You

Opportunities for further clarity

- Clearly separate eligibility criteria from scoring criteria

- Provide better definitions or explanations for scoring categories:

  - Project scope

  - Project value

  - Cost-benefit

  - Community support

- Be clearer about what evidence results in a concrete score and what evidence is reviewed more holistically

Two Proposed Tracks of Projects & Criteria

- **Tracks would be evaluated separately** (to avoid apples to oranges comparison)

- **How should we balance awards between tracks?**

  - What should we aim for (e.g., a balance of roughly 60% Community-Driven and 40% Provider Expansion)?

  - Should we take top scorers for each category (perhaps with minimum score)?

- Track 1 would recognize that **some Mainers can only be reached by line extensions**

- **For lowest-density areas, should we consider a set-aside or point "subsidy" for good projects that are more costly?**

Two Proposed Tracks of Projects & Criteria: Major Themes

Tracks	Delineate tracks	Eligibility & Accountability (for this round)	Potential Scoring Criteria (for this round)
1. Provider Expansion Projects (line extensions)	• Extends existing infrastructure to fill gaps • Support from potential customers	• Unserved areas only (<25/3) • Financial commitments secured • Build standard is 10/10	• Max grant amount per project? • Heavy emphasis on % potential customers support • Financial commitment at least 45%; should target higher? • Consider estimated take rate in the project area
2. Community-Driven Broadband Projects (universal service)	• Substantial expansions that aim for universal service; doesn't create gaps or holes in coverage • Local community financial commitment &/or broadband committee		• Max grant amount per customer? • Heavy emphasis on % served • Financial commitment at least 35%; should target 50%? • Consider estimated take rate within the affected community

PollEverywhere:

What questions do you have about the (still emerging) two-track structure?

Where We Need Your Perspective

- **Project Value: What evidence should we review and how would this be weighed?**

  - Project benefits to students, remote workers, telehealth patients and support facilities, and small businesses

  - For evaluating project's contributions to 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

- **Community Support: "Community engagement in planning process" or "full & active broadband committee" are still subjective; what evidence should be reviewed and how should this be weighed?**

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Next Steps

- ❑ Online survey coming soon: www.maine.gov/connectme/grants/engagement

- ❑ Email input: Connect.ME@maine.gov

- ❑ Drafting application form, scoring guide and any other materials

- ❑ Presentation at January 6 meeting

- ❑ Workshop for potential applicants in January

- ❑ Refining grant materials in January, aiming to open next application window at January 27 meeting

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Poll Questions	Answers		
How would you describe your affiliation?	Response options	Count	Percent
	Provider/industry	9	17
	Community member/resident/user with broadband connection sᴇᴘ	13	24
	Community member/resident/user without broadband sᴇᴘ	9	17
	Nonprofit/advocate sᴇᴘ	10	19
	Consultant	4	7
	Other? (please write in the Zoom chat) sᴇᴘ	9	17
What clarifying questions do you have about this emerging two-track structure?	Responses	Votes	
	Providers have created unfilled holes in communities that communities can't necessarily fill and the provider may have no intent on filling.	6	
	Cable TV providers typically do not focus on "future proof" solutions - how can a community get funding to support overbuilding cable TV areas with FTTH?	4	
	As a provider, we often hear directly from the unserved areas... aka, deadzones. It's been established that the numbers (such as 90 household in 9 miles) doesn't usually score well when applying for an infrastructure grant. So please create a bucket for small deadzones.	4	
	Is the new build 10/10 threshold and 25/3 a settled matter or could those go up as part of the program design?	4	
	This current track structure appears to enable Maine's wealthiest communities to still access grant funding regardless of financial need (or lack thereof). Is that correct?	4	
	What evidence of local financial commitment do you need?	4	
	How would you consider financing for a Community-driven project that includes provider funding? - would the provider funding be included in the 35% to 50%?	4	
	How do we insure that the digital divide does not mirror income disparity?	3	
	How can data from community planning process get captured and shared?	3	
	With a need of $600MM to complete the build-out statewide, it would be helpful to understand when extra funding will be available after the current $15MM	2	
	Are there any affordability criteria contemplated in the grant requirements? Can providers charge unlimited fees for broadband in grant subsidized projects?	2	

Regarding Track 2, would communities with existing broadband providers be eligible? Or would those communities need to consider working with existing providers BEFORE they would be eligible for funds enabling them to build their own universal broadband infrastructure?	2
Can the community funding be a combination of provider and community/citizen?	2
What is the overall objective of the broadband grant? Connect the most users or bridge the rural-urban digital divide?	2
Can a government entity be eligible for a Community-Driven broadband project grant if they will be owning and managing the network?	1
How is support by the community collected and verified as accurate?	1
Definition of 'served' being fiber or copper based only?	1
Are these just fiber builds or providing service as well?	1
Essentially, the two track approach is based on on project scale? Are there representative samples/metrics that define the relative scales?	1
How is 'time-to-market' for projects being evaluated?	1
Have you allocated budgets to tracks yet?	1
10/10 seems to be outdated already. Why can't we agree to at least 25/3?	0
The Maine Broadband Coalition speedtest survey still has less than 8,000 unique testers. What can we do to increase participation to get more complete results?	0
Will there be a universal or two-track method of determining community support for the grant?	0
Scoring of matching private investment part of larger track?	0
Does the community have any input into the provider grant applications? ie, does the grant process take into consideration community feedback about service from the existing provider applying?	0
What if the local community's consultant identified a % underserved that is different from the census data	0
do both tracks address the broadband need in rural areas-is the differentiation only project scope	0
Will there be a stronger challenge provision applied for these two tracks?	0
Will there be only one track chosen?	0

Please share your input on these key questions and proposed options. You may "upvote" comments made by others as well.	Responses	Votes
	It would be helpful to have examples of ideal applications/responses or better written explanations of what is need	11
	I think how you measure economic benefits and impact are important ... in a town of 300 people, the relative impact of broadband could be tremendous locally, but a drop in the bucket in absolute numbers — creating the same ROI challenge we've historically faced	10
	ConnectMaine's scoring criteria is setup to always award funds for projects that deliver the biggest "bang for the buck". But the low-hanging fruit is gone... Future grants will need to fund smaller projects that are more expensive per household... usually these are the unserved... truly.	7
	I would award bonus points where multi-town sub-regions are working together.	7
	Please no satellite service. RDOF funded many deadzones with Starlink (ugh). CCI, Pioneer and Redzone were awarded support for the next 10 years.	7
	Project Value: I think communities under a certain population should fall into a separate set of criteria that use community value metrics incorporated into the BCA or in lieu of the traditional BCA that considers numbers and project cost.	5
	I am concerned about rural Maine's ability to compete. Our children are falling behind because they cannot access cell service or broadband, our businesses are not able to participate in a vibrant modern economy, access to health care is already limited, and without broadband remains so.	5
	For town-wide projects, I would say a town-wide vote/ survey should be shown that demonstrates that there is wide support for such a huge investment. For expansions, a list for each E911 address that could benefit should sign a document stating their support and intention to connect.	5
	Why not have speed test results serve as a proxy for community involvement? If there were a community survey it would be good if it were through a common portal to ensure ease of review, analysis and sharing.	4
	Cost per premise passed works against rural communities, having more poles per address served due to lower density. Shouldn't we factor density into this calculation?	3

Will this include private roads? In 2018, Berwick Community TV negotiated with Comcast to wire the remaining public roads in Berwick. However, private roads did not get wired.	3
I think that solid community support in writing is the best way to gauge value. If the community is surveyed properly, telelhealth, e-learning, and telecommuting information will be forthcoming.	3
What is the community involvement in the planning process?	3
Hard to know take rate before you have service. Survey work is useful but until costs are known for consumers, accuracy can be a challenge. Where should take rates come from?	3
Has anyone looked at creating a community WISP?	2
There can be a huge difference between the financial means of small communities based on factors such as not having commercial businesses included in property tax base (without broadband), having high percentage of residents that cannot afford to rent or buy a home, low density, existing debt, etc.	2
Maybe ConnectMAINE develops a survey that every applicant administers to citizens in a project area. response rate and data gathered could then be formulated into a score that would relate to the population size of the community.	2
To build from a prior conversation - how can multi-community efforts be incentivized and bolstered?	2
Spectrum is focused on last century tech, and they are not a good actor in general. Ridiculous amounts of trees killed for their cold mailings sent indiscriminately to both existing and potential customers. Dishonest bait and switch intro agreements and bundle upsells.	1
If we are working on an extension project with Spectrum into unorganized (and completely unserved) territory would this be eligible for funding?	1
The tax based of a small community and the capacity of residents to bear higher property taxes (income in relation to cost of mortgage or rent). So shouldn't these factors be part of the formula for the percentage match expected by a community to achieve a specific score?	1

ConnectMaine's scoring criteria is setup to always award funds for projects that deliver the biggest	1
My understanding is that the commercial providers have been working against the municipal utility districts.	1
How is a Broadband Committee chosen and does their responsibility continue beyond the grant process through completion of a project? How is success, customer satisfaction, measured post installation?	1
Are there examples from previous years//other similar organizations?	1
I would encourage consideration of 100% of funding to extensions only. Market forces should be able to handle regional capacity expansion. Ironically grant funding regional projects in wealthy areas potentially slows down privately funded service improvements.	0
what percentage of Maine's locations fall into each track? That might help provide a basis for distro of funds.	0
Spectrum won't go where they don't have franchise agreements.	0
Take rate is less of a problem if an area is a deadzone. Most of the time households will take service particularly if there is no other provider. Some of our connectmaine projects now have a take rate of 60 to 100%.	0
I think considering take rate is a criteria that would hurt disadvantaged communities and ignores the long term development benefits from improved property values and access to service.	0

Is this making sense so far?	Response options	Count	Percent
	No, I'm totally lost	0	0
	A little - I'm still confused about some elements	5	17
	I think I've got the gist	13	43
	Yes, I've got it	12	40

What of the proposed changes discussed are you most excited about?	Responses	Votes
	Serve the unserved. Fund the deadzones.	10
	The two-tier system. While the balance seems to be ironed out. It is great that community-wide projects and simple expansions are judged separately.	7

	two-track approach and other changes to recognize the challenges faced by small towns partially served with broadband but with significant gaps	5
	Gaining a clearer understanding which track // approach is most important for our town to pursue (dont have it yet)	4
	Separate consideration for areas with dark gaps	3
	The understanding of the importance of this too small communities.	3
	Everything! I'm the newest newbie	3
	The desire to develop more quantifiable and representative scoring criteria.	2
	I support two-track approach, especially if the goal for the second track is to fill rural and low income dead zones	2
	Disappointed that the process is becoming more subjective rather than more objective.	2
	We will benefit from a very succinct RFP with sample responses.	2
	Consideration of the dead zones in largely served communities. I think that is a problem in many rural towns.	1
	Splitting the pools	1
	Encouraged by the number of towns that are getting involved to improve broadband. We are not alone!	1
	Equity – creating more equitable application criteria (BCA for rural communities that have higher build-out costs and lower density)	0
	The two tracks -	0
	the tracking for bigger projects and the ones to fill holes	0
	Nothing specific - just that the possibilities are out there.	-1
What of the proposed changes are you most concerned about?	**Responses**	**Votes**
	How to develop a fair and equitable way to administer fnds. There are SO many variables to consider as not 2 communities are alike.	2
	There is a significant amount of conversation that has been called for; extremely valuable. Concurrently, it will create an enormous burden on ConnectME to collate and make decisions.	2
	Municipal dark fiber options not clearly addressed	2
	Subjectivity in the scoring process. Keep it simple, objective and transparent.	2

$15MM is a drop in the bucket when the need has been determined to be $600MM - only 2.5% of need will be funded. It is also taking too long for many who are unserved	1
Wireless communication towers and satellite still being accepting. Our community had a tower (with ConnectME money) decommission leaving dozens without internet	0
how to allocate funds between tracks	0
Town Government Involvement - lack of it. Can't do it without...	0
There seem to be some substantial issues with a desire by weqltheir communities to steer the process in the direction of	0
Our situation is typical, some households have OK service, but not most. Legacy providers are moving slowly perhaps to avoid fiber.	-1
Points for regional projects – I like this idea, but what if it's not an option?	-1
With satellite on the way, why necessary to fund anyone?	-1
using $15m to fill a $600M hole	-1
Diluting the funds to such an extent that as a small unserved community, we can't compete, and if we can, we can't access nearly enough funds to close the build gap.	-1