



# WEST VIRGINIA

## Economic Development

[WestVirginia.gov](http://WestVirginia.gov)



An aerial photograph of the Idaho State Capitol building, featuring a prominent blue and gold dome. The building is situated on a hill overlooking a river and a valley. The entire image is overlaid with a semi-transparent orange filter. The text "Initial Proposal Volume I" is centered in the upper half of the image in a large, white, sans-serif font.

# Initial Proposal Volume I

Background and Summary

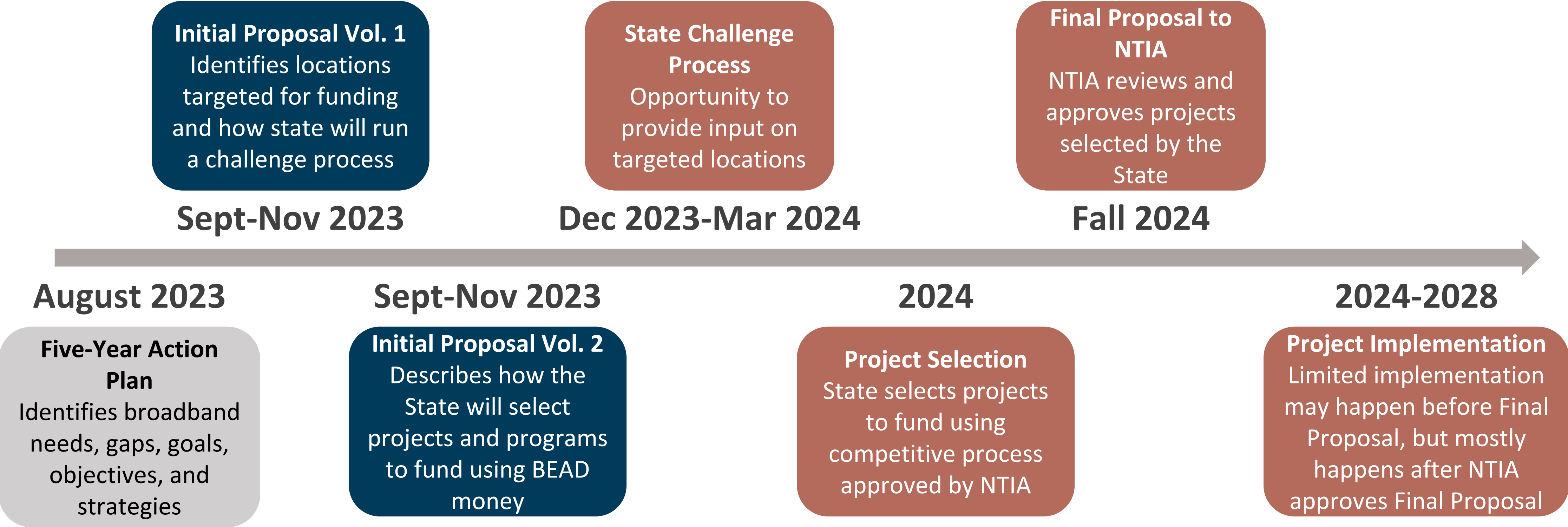


# Agenda

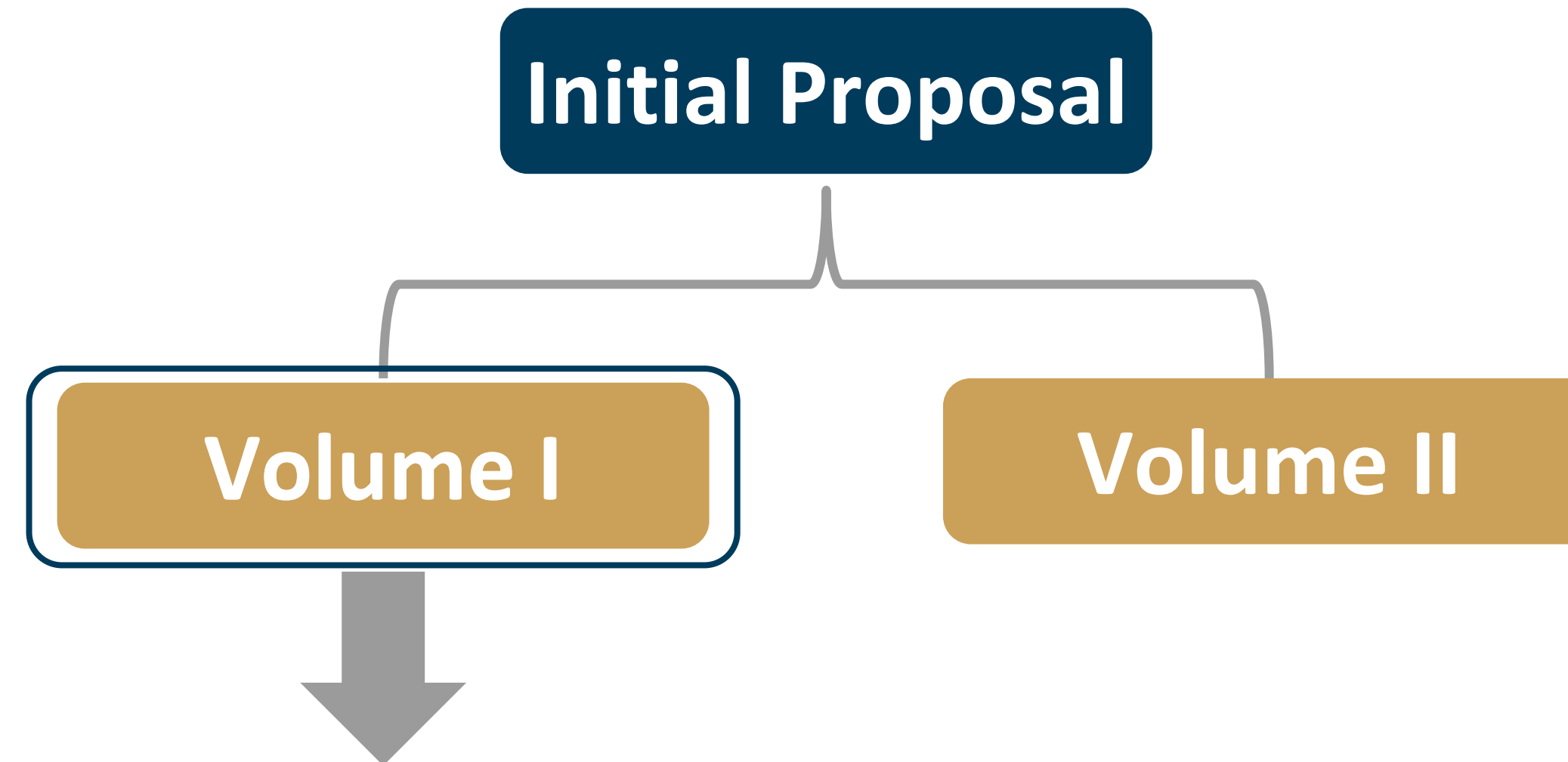
- ① Background and Timing
- ② Summary of Initial Proposal Volume I
  - Existing Broadband Funding
  - Unserved and Underserved Locations
  - Deduplication of Funding
  - Community Anchor Institutions
  - Challenge Process
- ③ Barriers & Challenges; Focus: Letter of Credit
- ④ Key Takeaways & Public Comment

# Background and Timing

- WVDED submitted the Five-Year Action Plan on August 11, 2023 and this plan is approved by NTIA.
- WVDED received feedback on its Draft Digital Equity Plan and is making revisions ahead of submission to NTIA
- Initial Proposal Volume 1 is out for public comment through September 30, 2023



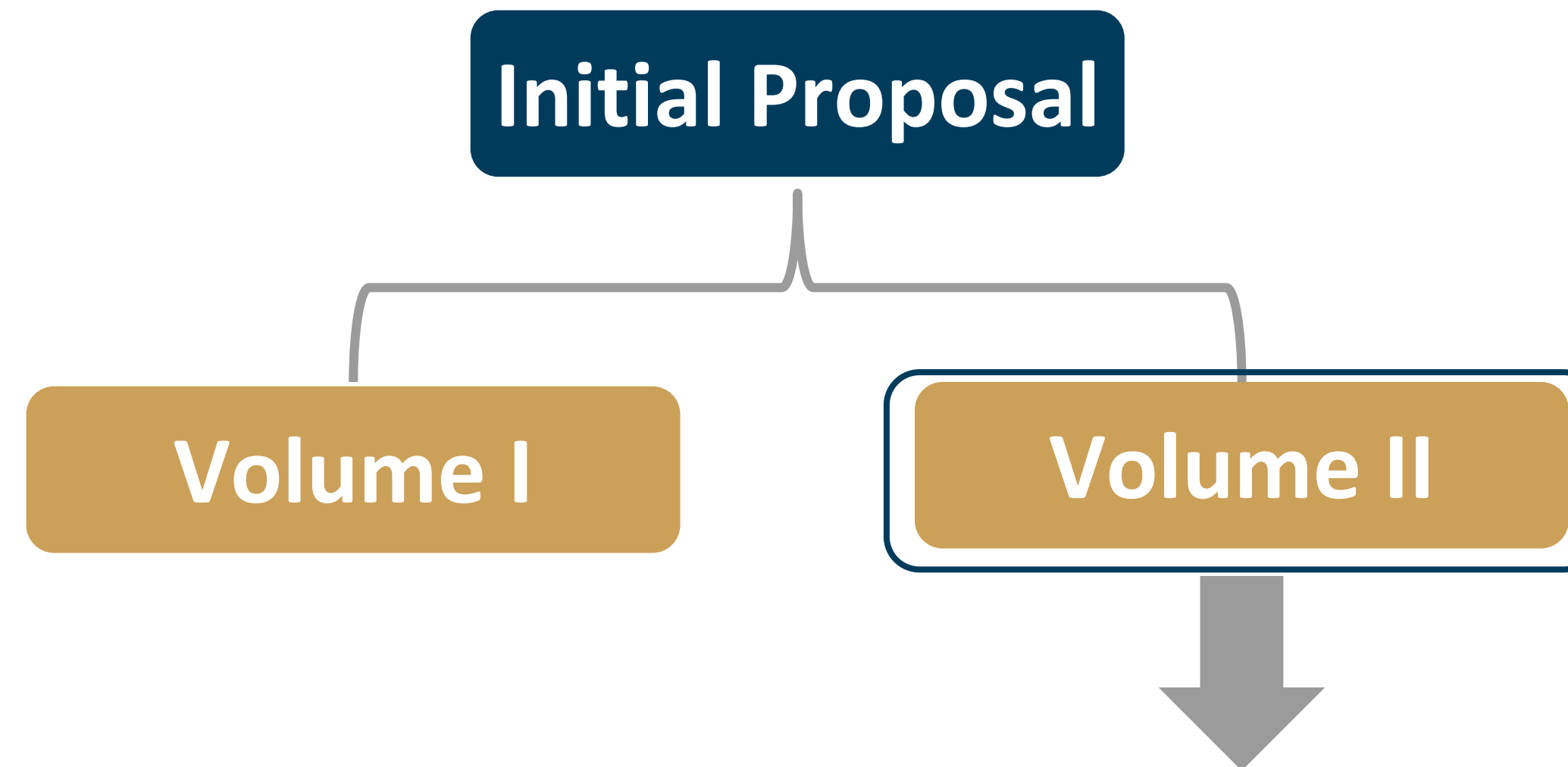
# Background and Timing



## Volume I Contents:

1. Existing broadband funding available to WVDED
2. Unserved and underserved locations eligible for BEAD funding
3. The process to deduplicate funding in West Virginia
4. Definitions and locations of Community Anchor Institutions in West Virginia
5. Plans for an evidence-based, transparent, fair, and expeditious BEAD challenge process

# Background and Timing



## Volume II Contents:

- Local coordination and planning processes
- Plans related to deployment and non-deployment subgrantee selection
- Low-cost and middle-income broadband service options
- Cost and barrier reduction, workforce readiness, and regulatory approach
- Details on labor standards and protections, climate assessment standards, and compliance with other BEAD requirements/standards

# Initial Proposal Requirements

Volume I

Volume II

- |                |  |                |                                     |
|----------------|--|----------------|-------------------------------------|
| <b>Req. 1</b>  | Objectives                                     | <b>Req. 11</b> | Labor Standards and Protection      |
| <b>Req. 2</b>  | Local, Tribal, and Regional Broadband Planning | <b>Req. 12</b> | Workforce Readiness                 |
| <b>Req. 3</b>  | Existing Broadband Funding                     | <b>Req. 13</b> | MBE's/WBE's/LSA's                   |
| <b>Req. 4</b>  | Local Coordination                             | <b>Req. 14</b> | Cost and Barrier Reduction          |
| <b>Req. 5</b>  | Unserved and Underserved Locations             | <b>Req. 15</b> | Climate Assessment                  |
| <b>Req. 6</b>  | Community Anchor Institutions                  | <b>Req. 16</b> | Low-Cost Broadband Service Option   |
| <b>Req. 7</b>  | Challenge Process                              | <b>Req. 17</b> | Use of 20% of Funding               |
| <b>Req. 8</b>  | Deployment Subgrantee Selection                | <b>Req. 18</b> | Eligible Entity Regulatory Approach |
| <b>Req. 9</b>  | Non-Deployment Subgrantee Selection            | <b>Req. 19</b> | Cert. of Compliance with BEAD Req.  |
| <b>Req. 10</b> | Eligible Entity Implementation Activities      | <b>Req. 20</b> | Middle Class Affordability Plans    |



# Summary of Initial Proposal Vol. I



# 1. Existing Broadband Funding

Goal: Identify existing broadband deployment programs & funding

These include both federally and State-administered

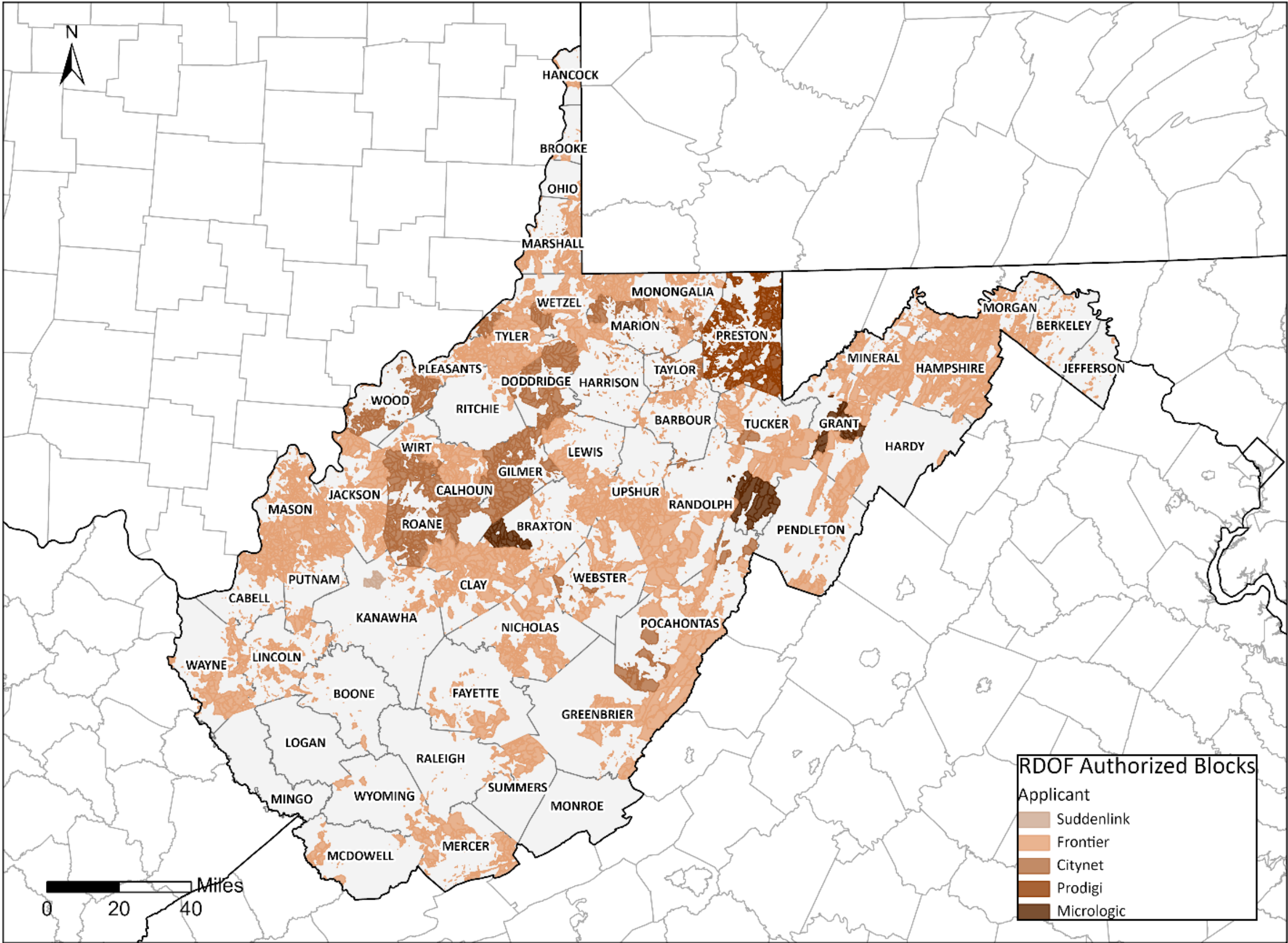
Program name	Administered by	Total funding awarded (\$)
Rural Digital Opportunity Fund (RDOF)	FCC	362 million
Connect America Fund II Auction	FCC	12 million
USDA ReConnect	USDA	34 million
USDA Community Connect	USDA	10.9 million
Community Development Block Grant	HUD/WVDED	6.3 million
Appalachian Regional Commission-POWER	ARC or subgrantees	11 million
Appalachian Regional Commission-North Central Appalachian Broadband	ARC or subgrantees	21 million
Appalachian Regional Commission-Central Appalachian Broadband	ARC or subgrantees	5.3 million
U.S. Treasury ARPA SLFRF/WVBIP: GigReady	WVDED	25.25 million
U.S. Treasury ARPA CPF/WVBIP: GigReady	WVDED	40 million
U.S. Treasury ARPA SLFRF/WVBIP: Line Extension Advancement and Development	WVDED	35 million
U.S. Treasury ARPA CPF/WVBIP: Line Extension Advancement and Development	WVDED	25 million
U.S. Treasury ARPA SLFRF/WVBIP: MBPS	WVDED	25.25 million
U.S. Treasury ARPA CPF/WVBIP: MBPS	WVDED	45 million
WVBIP Wireless Internet Networks	WVDED	20 million



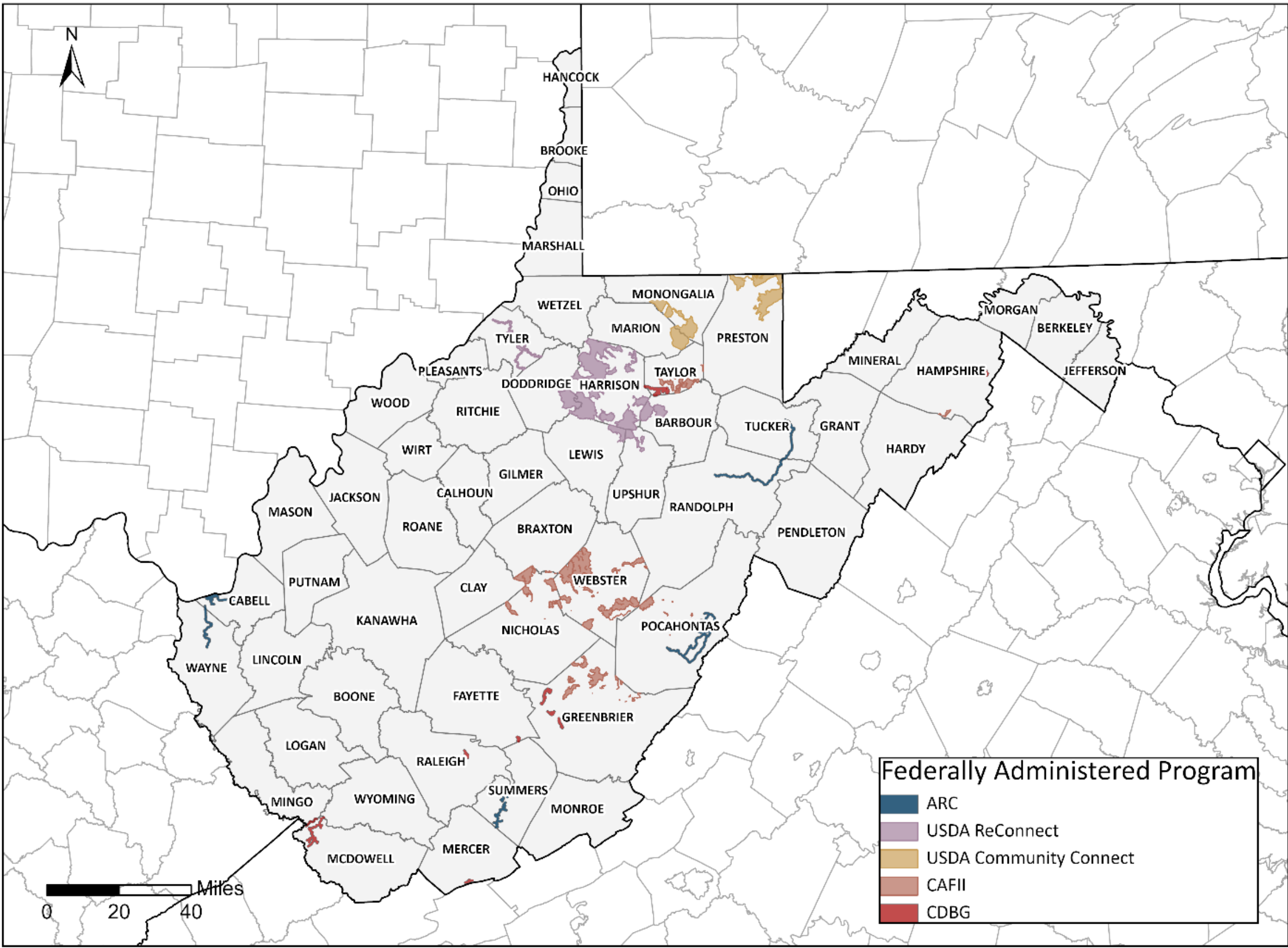
# 1. Existing Broadband Funding – Federally Administered

## RDOF

Represents the largest program in West Virginia



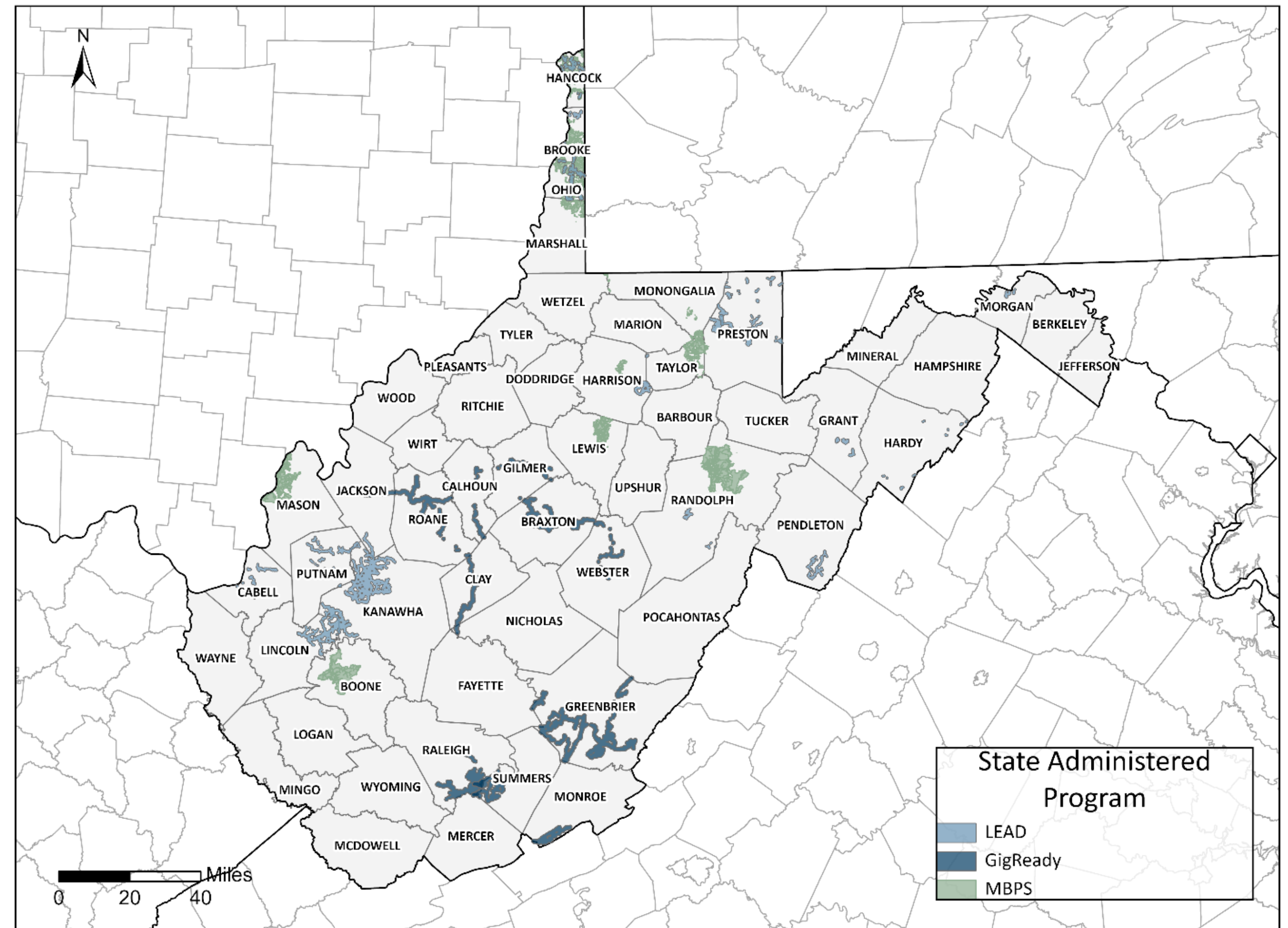
## ARC, USDA ReConnect, CAF II, & CDBG





# 1. Existing Broadband Funding – State Administered

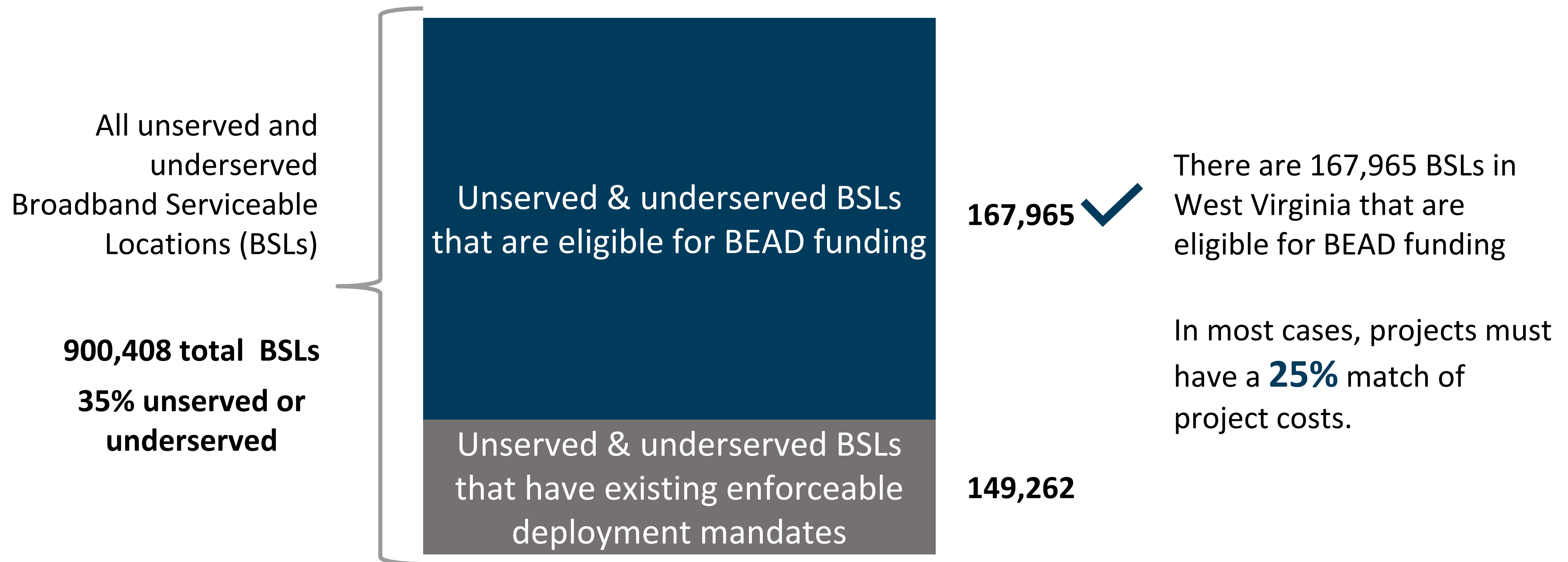
- The Line Extension Advancement and Development (**LEAD**), **GigReady**, and Major Broadband Projects Strategies (**MBPS**) programs
- These represent the primary State-administered programs relevant to BEAD
- Funding comes from **the Capital Projects Fund (\$136 million)** and **America Rescue Plan Act State Local Fiscal Recovery Fund (\$90 million)**





## 2. Unserved and Underserved Locations

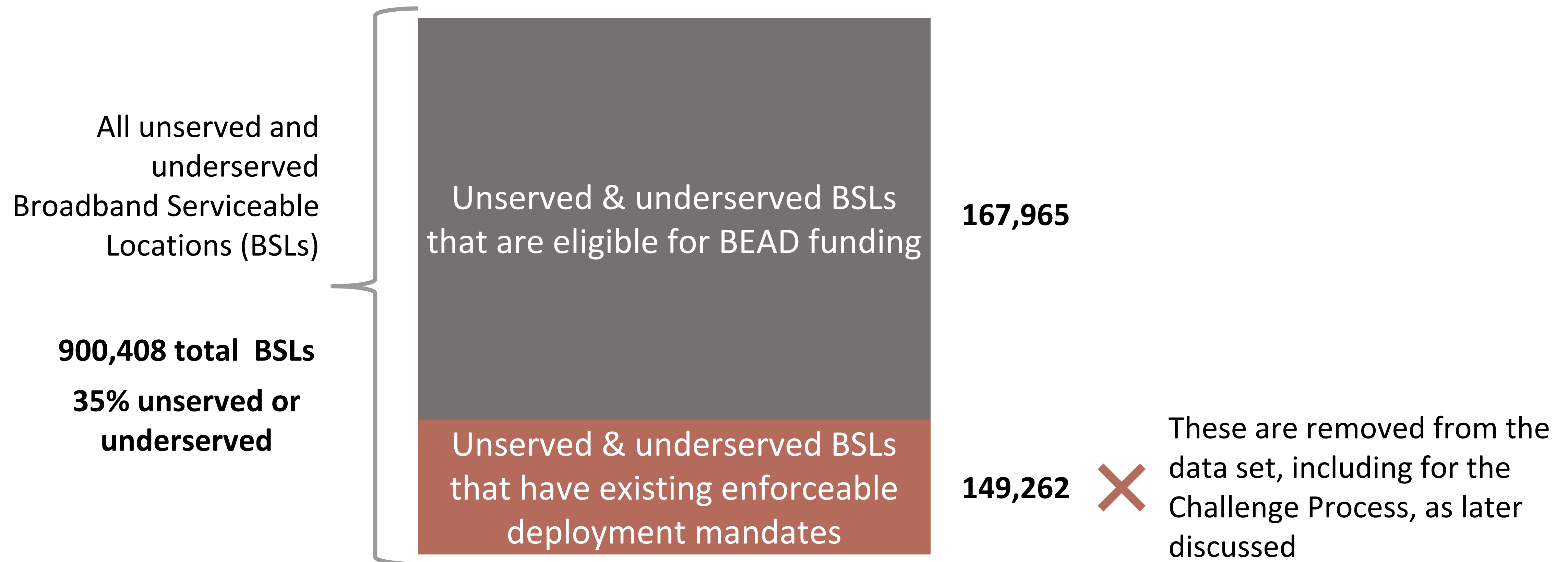
Goal: Identify the Broadband Serviceable Locations (BSLs) that are eligible for BEAD funding





# 3. Deduplication of Funding

Goal: Identify the locations that are eligible for BEAD funding

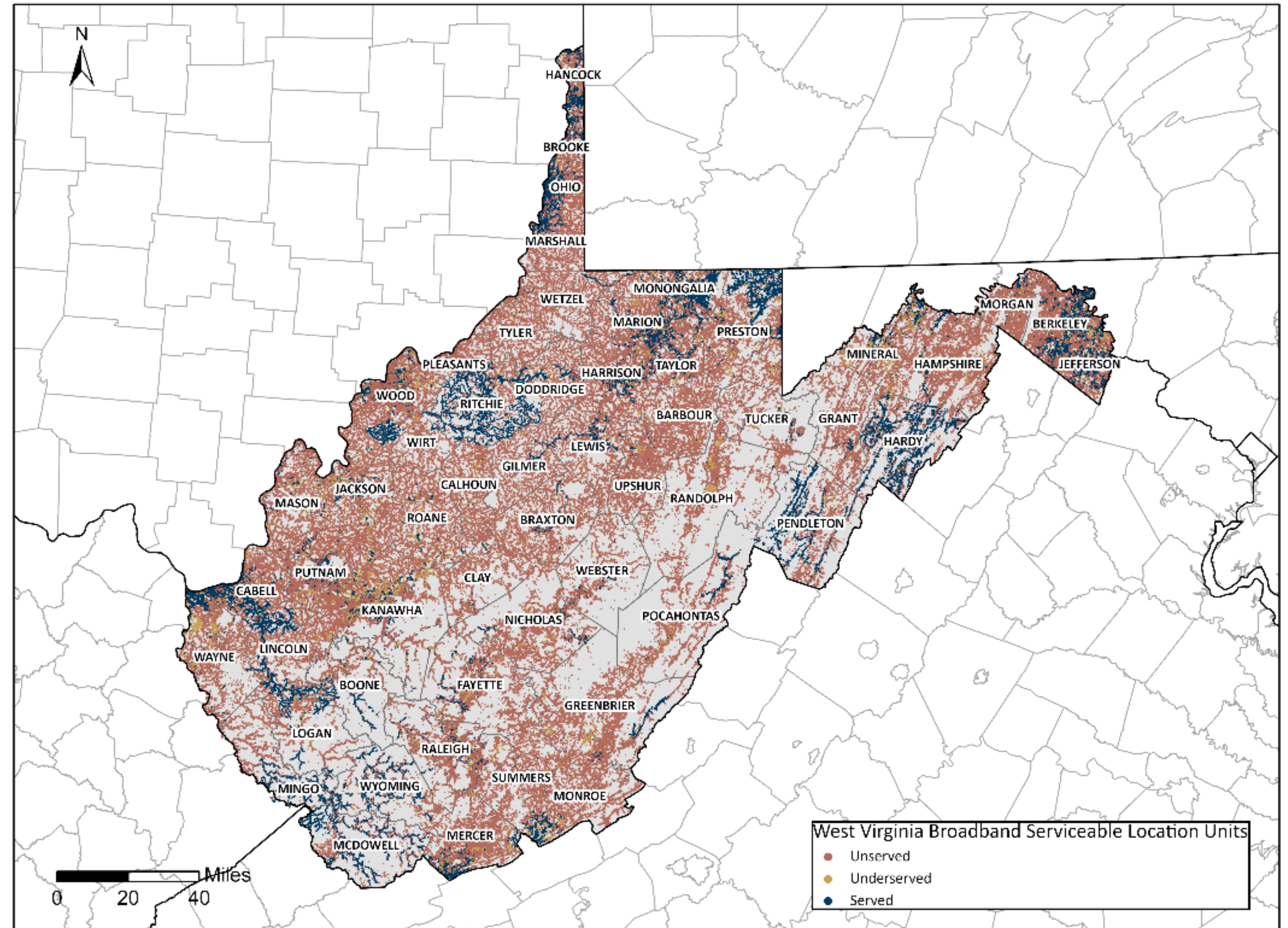




# 3. Deduplication of Funding

Goal: Identify the locations that are eligible for BEAD funding

- Locations of all BSLs
- “Served” category includes both those with what NTIA considers full service and those with existing enforceable broadband deployment mandates





# 4. Community Anchor Institutions

Goal: Define and identify locations of Community Anchor Institutions

Recommended by  
NTIA



**Schools**



**Healthcare Facilities**



**Libraries**



**Higher Education**



**Public Housing**



**Public Safety Entity**

Added by WVDED



**Community Support Organizations**



**WEST  
VIRGINIA**  
Economic Development



# 4. Community Anchor Institutions

Throughout the development of this list, WVDED engaged with nonprofits, umbrella organizations, and government agencies

Engaged Government Agencies	
Housing and Urban Development Charleston Field Office	West Virginia Office of Technology
Randolph County Housing Authority	West Virginia Department of Rehabilitation
West Virginia Bureau of Senior Services	West Virginia Department of Tourism
West Virginia Department of Education	West Virginia Department of Transportation
West Virginia Department of Environmental Protection	West Virginia Department of Veterans Assistance
West Virginia Department of Health and Human Resources	West Virginia Division of Corrections and Rehabilitation
West Virginia Department of Homeland Security	West Virginia Human Rights Commission
West Virginia Housing Development Fund	West Virginia Schools of Diversion and Transition
West Virginia Library Commission	West Virginia Veterans Home

Engaged Nonprofits and Umbrella Organizations	
AARP West Virginia	Mary H. Weir Public Library
Appalachian Prison Book Project	Morgantown Public Library System
Appalachian Regional Commission	Mountain State Digital Literacy Project
Black by God	Multiple Senior Centers
Career Tech West Virginia	National Skills Coalition
Catalyst Ministries	Other Public Libraries
Communication Service for the Deaf	Putnam County Library System
ConnecTrain Corp and U.S. Economic Development Administration	Rural Local Initiatives Support Corporation (LISC)
CyberGenerations	Summers County Adult Education
Digitunity	Tech for Troops
EducationSuperHighway and 50 State	The Partnership for African American Churches
Food banks	The Restore Empower & Attain Connections with Hope (REACH) Initiative and West Virginia Reentry Councils
Gassaway Public Library	The West Virginian
Generation West Virginia	West Virginia Alliance of Recovery Residences
Grow with Google Initiative West Virginia Participants	West Virginia Community Health Worker Workforce Advisory Consortium
Herbert Henderson Office of Minority Affairs	West Virginia Economic Justice Project
Highland Community Builders	West Virginia NAACP Chapters
Innovative Community Solutions	West Virginia State University
Jobs and Hope West Virginia	West Virginia University Center for Excellence in Disabilities
Learning.com	West Virginia Veterans Upward Bound
Literacy Volunteers of Monogalia and Preston Counties	West Virginia's 11 Regional Planning and Development Councils
Marshall University	Workforce West Virginia



# 4. Community Anchor Institutions

## CAIs Identified

4,988 Community Anchor Institutions

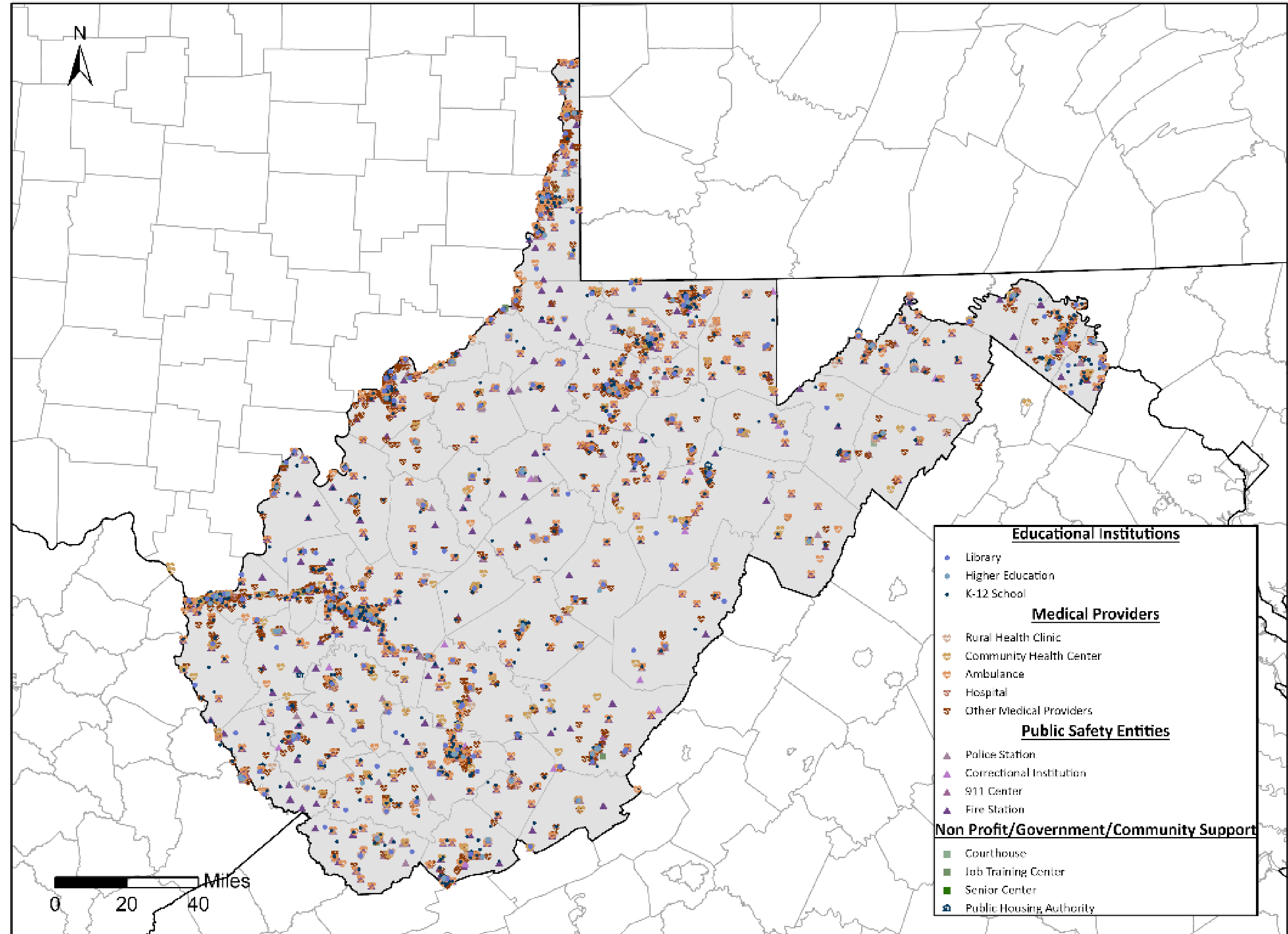
1,154 educational institutions and libraries

1,022 public safety locations

2,672 healthcare facilities

31 Public Housing Organizations

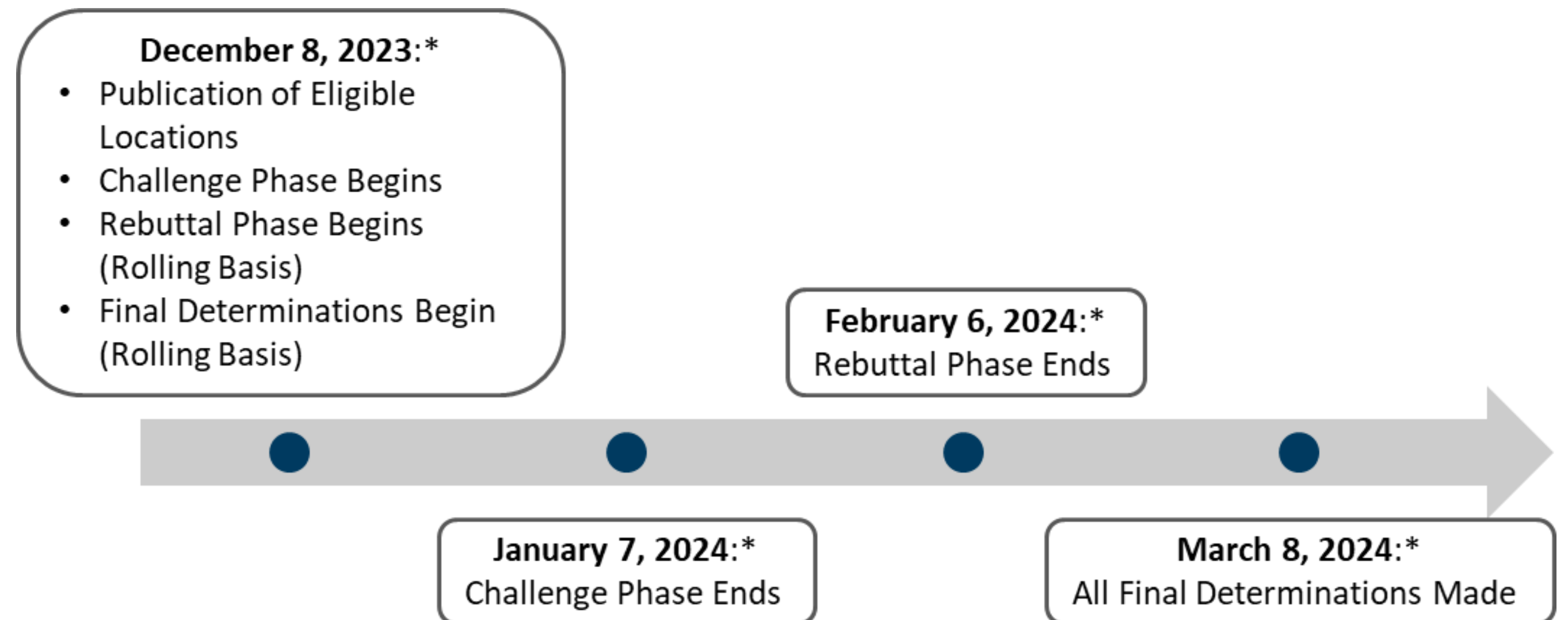
109 other community support organizations



# 5. Challenge Process

Goal: Define the BEAD Challenge Process

1. **Pre-Challenge Modifications.** If approved by NTIA, WVDED will adjust the list of locations eligible for BEAD funding
2. **Publication of Eligible Locations.** WVDED will announce locations suitable for BEAD funding, including those open to challenges.
3. **Challenge Phase.** Challenges can be submitted via a portal, and the provider will be notified
4. **Rebuttal Phase.** Service providers have 30 days to respond to challenges
5. **Final Determination Phase.** Within 30 days of receiving rebuttals, WVDED will finalize the classification of the challenged locations





# 5. Challenge Process

Underlying data

Initial Proposal Volume I

Current list of unserved and underserved locations

Current list of Community Anchor Institutions

Rely on the December 31, 2022, version of the FCC's Broadband Data Collection data set and Version 2 of the Broadband Serviceable Location Fabric

# 5. Challenge Process

## Pre-Challenge Modifications process

In order to better reflect the locations eligible for BEAD funding, West Virginia will treat locations listed as “**served**” via DSL on the National Broadband Map as “**underserved**” ahead of the Challenge Process.

- ① Prior to the start of the challenge process, WVDED will make available a speed-test-based analysis of service availability.

WVDED will treat “served” locations as “underserved” in cases where the former are shown to have materially less than 100/20 Mbps using the rigorously-performed speed tests
- ② WVDED will accept challenges from units of local government, nonprofit organizations, and broadband service providers. Challenges must include, at a minimum:

  - Location ID;
  - Reading of the physical line speed by the residential gateway;
  - Name and street address of the entity submitting the challenge; and
  - Certification of the validity of the evidence.
- ③ WVDED will adjudicate challenges on a preponderance of evidence.

Inclusion of modifications is contingent on approval by NTIA.



# 5. Challenge Process

## Speed tests used to form the base of the challenge process

As noted on the previous slide, prior to the start of the challenge process, WVDED will make available a speed-test-based analysis of service availability. At the time of this presentation, WVDED intends on using Ookla's speed test data set and applying the following steps.

### 1. Filter data set to exclude non-relevant tests

- Remove speed tests without GPS-defined location
- Exclude measurements from corporate campuses or business-only location
- Exclude locations with GPS precision less than 300 meters in rural areas and 100 meters in urban

### 2. Use census blocks as evaluation areas

- Overlay the speed test points on the map containing the BSL data and the 2020 US census blocks.
- Calculate the 75th percentile speed as well as maximum and median speeds for comparison that are captured within each census block.



# 5. Challenge Process

Speed tests used to form the base of the challenge process





# 5. Challenge Process

Speed tests used to form the base of the challenge process

## 3. Evaluate the defined areas

- If the highest speed in the defined area is below 100/20 Mbps, then it is unlikely that the area meets the minimum speed requirements
- Compare the findings with known funded areas and funding decisions

## 4. Import BSLs and apply new data

- Apply the new speed data as a new attribute to the BSLs contained within each analysis area
- The service category of each BSL can then be updated based on this new information





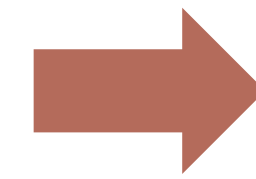
# **Barriers & Challenges to Deployment**

## **Focus: Letter of Credit**



# Barriers & Challenges to Deployment

 Letter of credit



Focus of this section

 Legislative and regulatory

 Pole attachment

 Sufficient & skilled workforce

 Middle-mile infrastructure

 And more

WVDED has worked with private, public, and nonprofit entities to better understand the barriers to broadband deployment and find ways of addressing them

# Letter of Credit

## Overview

### NTIA requirements represent a concern for many ISPs, particularly small/medium

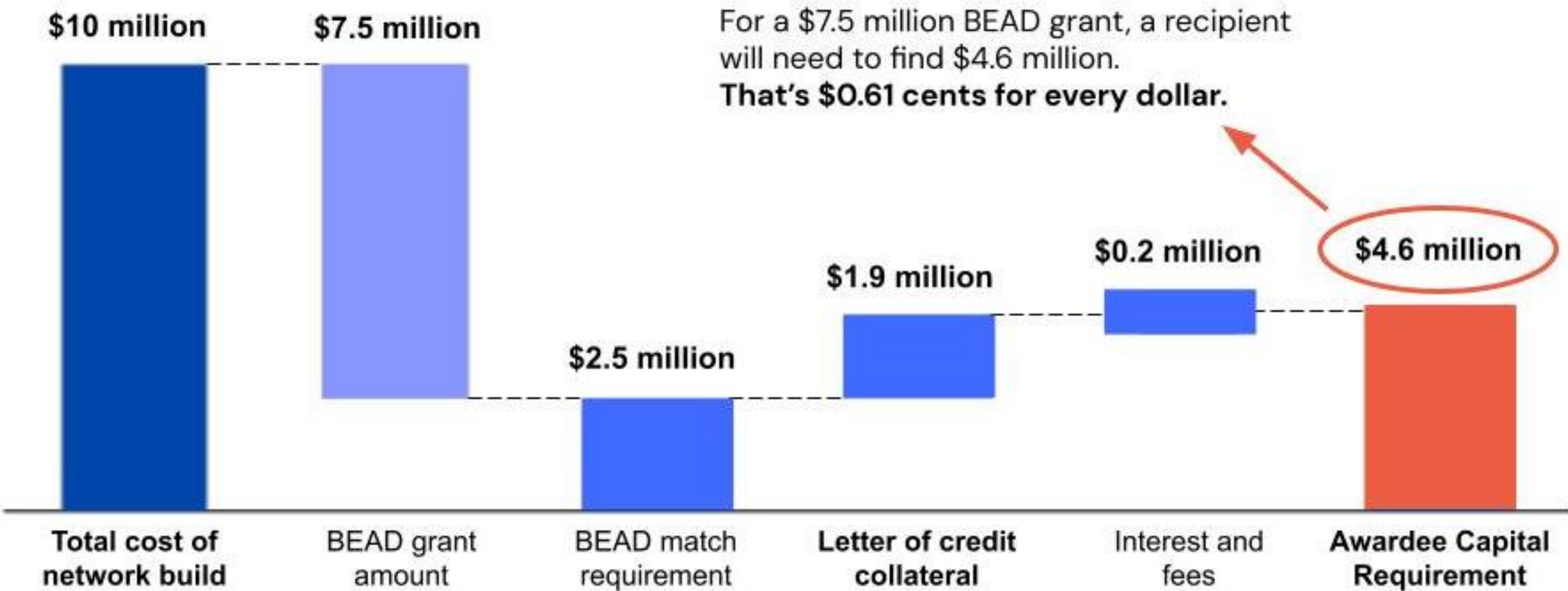
**During the application process**, applicants must provide a letter from a bank committing to issue a standby letter of credit.

**Prior to entering into an agreement**, the subgrantee must obtain a letter of credit equal to no less than 25% of the subaward amount. The subgrantee must also provide an opinion letter from counsel clearly stating that a bankruptcy court would not treat the letter of credit or proceeds of the letter of credit as property of the winning subgrantee's bankruptcy estate in the event of a bankruptcy.

This is in addition to the 25% match requirement.



# Letter of Credit – Potential Impacts



Source: Connect Humanity

# Letter of Credit – Concerns Raised

- Many stakeholders have raised this concern to state offices, including WVDED, and directly to NTIA
- Recently, Connect Humanity and 300+ entities sent an open letter to NTIA expressing their concerns about the requirement and offered alternatives

## Examples of alternatives suggested by stakeholders

**Performance Bonds**

**Delayed Reimbursement**

**WVDED is exploring more options**



# Summary & Public Comment

An aerial photograph of the Indiana State Capitol building, featuring its prominent blue and gold dome. The building is situated on a hill, with a river and surrounding residential areas visible in the background. The entire image is overlaid with a semi-transparent orange filter.



# Key Takeaways



WVDED is coordinating the deployment of BEAD funding with nine existing broadband infrastructure programs in the State

**65%**

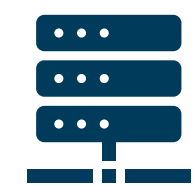
Only 65% of broadband serviceable locations in West Virginia are served, according to NTIA's definitions

**167,965**

BEAD funding will support deployment to the 167,965 unserved and underserved locations that do not have existing enforceable commitments



In addition to NTIA's community anchor institution categories, WVDED will consider adding correctional and rehabilitation facilities, courthouses, job training centers, and senior centers because they facilitate greater use of broadband service by vulnerable populations



To ensure "future-proof" broadband service, any location served through DSL will be considered "underserved" for the purposes of the BEAD program



Using NTIA's model, WVDED will launch its own challenge process in December to give nonprofit organizations, units of local governments, and broadband service providers the opportunity to confirm which locations will be eligible for BEAD funding



WVDED is planning modifications to NTIA's model to support efficient speed testing





# Public Comments

**Public comments accepted through September 30, 2023**

## Comment topics:

Comments can address either or both of the plan in general or the Community Anchor Institution list

## Methods to submit comments:

- Online at [broadband.wv.gov](https://broadband.wv.gov)
- By mail – postmarked by September 30 - or delivery to a Regional Planning and Development Council

# Public Meeting

**Public comments accepted through September 30, 2023**

Monday, September 25, 2023

4:00 – 6:00 pm

Randolph County Development Authority

10 11<sup>th</sup> Street

Elkins, West Virginia





West Virginia Office of Broadband  
State Capitol Complex  
1900 Kanawha Boulevard East  
Building 3, Suite 600  
Charleston, WV 25303

(304) 558-2234

[broadband.wv.gov](http://broadband.wv.gov)