Broadband Equity, Access, and Deployment (BEAD) Program - Round Two

Frequently Asked Questions

Round One Applicants

How do applicants from BEAD Round One participate in BEAD Round Two?

BEAD Round One applicants have the following options for BEAD Round Two:

• Option 1: Submit an Updated Application in Round Two (Recommended) Applicants are encouraged to submit updated applications in BEAD Round Two to align with the new policy and scoring criteria outlined in the guidelines. While PBDA recommends this Option, applicants from BEAD Round One are not required to submit updated applications in BEAD Round Two.

It is important to note that the first question in the application portal asks if you submitted an application in Round One. Upon replying "yes," you will have to provide your Round One application ID.

• Option 2: Stand on a BEAD Round One Application

Applicants may choose to continue and stand on their applications from Round One without any changes to those applications. However, if an applicant does not submit an updated application for Round Two, its Round One application will be evaluated based on PBDA's updated scoring criteria and the guidelines. Also, applicants will not be permitted to recover costs associated with federal regulatory requirements eliminated in NTIA's Policy Notice.

• Option 3: Withdraw Application(s) submitted in BEAD Round One If an applicant in Round One is no longer interested in having its applications considered in BEAD Round Two, the applicant should notify PBDA (via email to <u>ra-dcpbda_bead@pa.gov</u>) indicating which application(s) they wish to withdraw. Any application withdrawn by the applicant will not be considered further by PBDA.

Round Two Applicants

What application questions are required for new applicants in Round Two?

If you are a new applicant for Round Two you will be required to complete the application in its entirety.

All Round Two Applicants

Will PBDA provide an updated list of BEAD eligible locations (BSLs) and service areas (BSAs)? Yes. Updated BSLs and BSAs are now available on the BEAD Program page.

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Program Timelines

What is the program timeline?

Timeline information can be found on the PBDA BEAD Program webpage.

What is the deadline for completing projects funded through BEAD?

Projects funded through BEAD must be completed and the initiation of service undertaken within four years of the date of receipt of the grant award.

Eligibility

Who can apply for BEAD funds?

PBDA will consider all broadband internet provider types and other entities as eligible applicants for BEAD projects, including but not limited to:

- Cooperative organizations
- not-for-profit organizations
- public-private partnerships
- private companies
- public or private utility companies
- public utility districts
- municipalities or units of local government
- And internet service providers (ISPs) registered through the Federal Communications Commission (FCC)

Please provide detail on eligible projects and project costs:

- A) The following are eligible projects:
 - Deploying or upgrading broadband network facilities in connection with a Broadband Serviceable Area (BSA).
 - Data collection, broadband mapping, and planning to the extent necessary to facilitate the goals and deliverables of the BEAD program.
 - Applicants are permitted to exclude no more than 5% Broadband Serviceable Locations (BSLs) in a Broadband Serviceable Area (BSA) due to high cost.
- B) The following are a list of eligible project costs:
 - Physical Improvements: Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings.
 - Long-term Leases: Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.
 - Multi-Family Residential Deployment: Deployment of internet and Wi-Fi infrastructure within an eligible multifamily residential building.
 - Planning, Design, & Engineering: Engineering design, permitting, and work related to environmental, historical, and cultural reviews.
 - Personnel Costs: To include salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts).
 - Network Software Upgrades: To include but not limited to, cybersecurity solutions.
 - Customer premise equipment.
- C) Per BEAD requirements, any LEO receiving BEAD award funds must provide all necessary customer premise equipment (CPE) at no cost as part of the standard installation for each new subscriber, i.e., for each new resident or group of residents) throughout the period of performance.
- D) Eligible reimbursement expenses:

Selected grantees must provide sufficient documentation from their accounting system, invoices, paid checks or other proof the expenses were dedicated to the project. The PBDA may require additional documentation as well as a reasonable audit.



Are there preferred technologies for BEAD funding?

No. Per NTIA's BEAD Restructuring Policy Notice, all broadband technologies that meet the performance requirements of the IIJA and NOFO are eligible to apply for the BEAD program.

Can PBDA confirm what type of pre-award expenses are approved for the BEAD Program?

Pre-award costs are at the sole discretion of PBDA. Pre-award expenses, if made, are made at applicants' own risk. PBDA does not have a list of pre-award expenses by type.

Pre-award costs incurred by the grantee may be eligible expenses, provided that grantee submits documentation to PBDA demonstrating that: (a) The costs were necessary to and directly arising from deployment readiness for the project; and (b) The costs were not billed or incurred due to delay in the BEAD program (i.e., billed or incurred during the time period between the end of BEAD Round One and the release of NTIA's Policy Notice on June 6, 2025).

Can a government agency be the applicant and have multiple last-mile provider sub-grantees?

A government agency can be an eligible applicant and may partner with a provider(s). However, applicants who are awarded through the PBDA BEAD Program are not permitted to sub-grant out to other entities.

What is PBDA's definition of a project area?

Generally, a project area is defined as one or more Broadband Serviceable Areas (BSAs). More specific information regarding eligible project areas, please review PBDA's updated BEAD guidelines. More detailed information about project areas can be found in PBDA's updated BEAD guidelines.

How can an applicant obtain information to incorporate state owned assets into their application?

The PA Office of Enterprise Wireless Management oversees state owned assets. You can find more information on the following <u>website</u>.

Pre-Application Preparation

What can applicants do to prepare for BEAD projects?

- A) All applicants:
 - Any applicant that has not previously applied for funding through the Commonwealth must complete and submit a <u>Federal Funding Accountability and Transparency Act form</u>. A copy of this form will be provided through the application system.
 - Review the Pennsylvania Broadband Map to view Broadband Serviceable Areas (BSAs) and BEAD eligible locations.
 - Review all guidance posted on the PBDA BEAD Program page
 - Additionally, all applicants are required to register with the <u>System for Award Management (SAM.gov</u>). There is no cost to use SAM.gov. This system allows you to bid on government contracts and apply for federal assistance. As part of the registration, you will be assigned a Unique Entity ID.*

*Please note: this process could take several weeks to complete, so those that are not already registered should do so immediately.

Do I need to register to use the DCED Electronic Single Application (ESA) system to apply for BEAD funding? Yes, you must register to use the <u>DCED ESA system</u>. Once you have registered, you should have immediate access to the application system.



Grant Application

Where can I find the program guidelines and other resources related to grant application?

Resources for this funding opportunity can be found on the **BEAD Program Page**

Where can I attach supplemental information to the application?

Additional supplemental information must be attached electronically to the application as directed on the "Addenda" tab within the <u>Single Application for Assistance website</u>. This could include any form, certification, financial statement, or data file mentioned in the program guidelines.

How can I receive assistance for submitting my online application?

- Questions related to the submission of the online application should be directed to DCED's Customer Service Center by calling 800.379.7448 or by emailing <u>ra-dcedcs@pa.gov</u>, Monday through Friday from 8:30AM to 5:00PM.
- Questions related to the grant program should be directed to the PBDA by emailing <u>ra-dcpbda_bead@pa.gov</u> with "BEAD Program Application Inquiry" listed in the subject line.

Please provide detail on matching requirements:

- A) Minimum requirement: 25% of the total project cost in matching funds.
- B) The following are eligible and in-eligible assets that can be used for match:
 - 1. Available cash:

Applicants should work with a third-party vendor (e.g., an accounting firm) to incorporate a funding availability matrix that demonstrates cash on hand to meet the minimum match requirement, as well as what will be required to complete the project at its estimated cost.

2. Funds from other federal programs:

While funds from federal programs generally may not be used as matching funds, the Infrastructure Act expressly provides that matching funds for the BEAD Program may come from a federal regional commission or authority and from funds that were provided to the Commonwealth of Pennsylvania or a subgrantee for the purpose of deploying broadband service under the following legislation, to the extent. Specifically, under Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281), the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan Act of 2021.

3. In-Kind contributions:

In-kind contributions, which may include third-party in-kind contributions, are non-cash donations of property, goods or services, which benefit a federally assisted project, and which may count toward satisfying the non-federal matching requirement of a project's total budgeted costs when such contributions meet certain criteria.

In-kind contributions must be allowable and allocable project expenses. The rules governing allowable in-kind contributions are detailed and encompass a wide range of properties and services. These could include employee or volunteer services; equipment; supplies; indirect costs; computer hardware and software; and use of facilities. In the broadband context this could include, consistent with federal cost principles, waiver of fees associated with access to rights of way, pole attachments, conduits, easements, or access to other types of infrastructure.

If there are multiple partners on an application, must one entity apply as the "lead" applicant?

Partnerships are encouraged; however, one entity must be designated the lead applicant. The lead should be the entity responsible for commercializing and managing the network and the entity submitting financial documents.



Where should additional application partners be listed?

The narrative section should be used to identify additional project partners.

Is a letter of credit required for the application?

No, a letter of credit is not required at the time of application submission, but rather a commitment to obtain a letter of credit must be provided with the application.

If the applicant is a Low Earth Orbit (LEO) company, a reduction of 50% of their letter of credit amount may be implemented once certification that service is available to each location within the project area. An additional 25% reduction of their letter of credit may be applied once at least 25% of all locations within the project area have subscribed and a full close out of the letter of credit may be implemented once the subscription rate reaches 50% of all locations within the project area. The letter of credit may be terminated four years after the LEO Capacity Subgrantee certifies that it can initiate broadband service within 10 business days of a request to any covered BSL in the project area.

Will the PBDA accept an insurance company's bond commitment in lieu of a bank's Letter of Commitment? Yes.

What information is the PBDA requiring applicants to provide to meet the risk assessment needs within the application?

For the financial risk assessment, PBDA is requiring an analysis that there is adequate capital to invest into the project, to meet the match requirements, to pay for all project expenses, and provide ongoing management of the network. A third party is not required to evaluate the pro forma. The risk assessment will be analyzed in the proforma and historical financial statements.

What are the prevailing wage rate requirements for BEAD?

BEAD projects must adhere to Pennsylvania Prevailing Wage (PW) laws. The PA Dept. of Labor and Industry (L&I) is the agency that makes the final determinations on PW, and applicants are encouraged to contact L&I with specific questions about Prevailing Wages by phone 1.800.932.0665 or email <u>pwquestions@pa.gov</u>

How can applicants obtain Pennsylvania Prevailing Wage Rates?

Applicants can obtain prevailing wage rates pertinent to their project using the following methods.

- 1. Utilizing the wage rates available on the PBDA's website.
- 2. Following the traditional process of requesting wage rates via the <u>Pennsylvania Department of Labor and Industry</u> <u>website</u>.



Does PBDA have an Application Template Checklist?

Yes. In the below table you will find the order of templates as requested within the BEAD application on ESA as well as the name of the document associated with template to be used.

Addenda Question and Corresponding Template	Template Document Name
Overbuild Affidavit	BEAD Affidavit_Overbuild
Key Project Management Individuals List	Key Project Management template
Engineers Certification Statement Affidavit	BEAD Affidavit_Engineer Certification
PBDA Project Proforma Template	PBDA Project Proforma Template
Letter of Credit Commitment	Letter of Credit Commitment Sample
Matching Funds Commitment Template	Matching Funds Commitment Sample
Plans and Permits Affidavit	BEAD Affidavit_Plans and Permits
PA Prevailing Wage Adherence Affidavit	BEAD Affidavit_Pennsylvania Prevailing Wage
Project Timeline Gantt Chart	Gantt_Chart_Template
Planned Provisions Affidavit	BEAD Affidavit_Provision of Service
Umbrella Affidavit	BEAD Umbrella Affidavit
Capital Investments	Capital Investment Schedule Sample
Funding Sources	BEAD Funding Sources
BEAD Project BSA/BSL/CAI Worksheet	BEAD Project BSA_BSL_CAI Worksheet

Where can engineers find the list of "all applicable laws, regulations, and codes" they are certifying?

All local regulations, state, and federal laws for network construction projects apply. PBDA encourages you to discuss with your counsel for additional guidance.

Is the Engineers Certificate still required during the full application phase of the network design, diagram, project costs, build-out timeline, and milestones for project implementation?

Yes, this is a requirement of the application for BEAD grant funds.

Do you have a draft BEAD grant agreement?

The PBDA is in process of drafting a template BEAD agreement and anticipates sharing the draft template agreement in advance of the Final Proposal.

How are materials such as portions of the application or audited financials and proformas treated from a confidentiality standpoint? Is there a way to designate certain files as confidential? What if the content is not an upload but is provided directly into the application system itself?

Applicants are encouraged to review the Pennsylvania Right to Know Law (RTKL), available at: <u>Act of Feb. 14, 2008, P.L. 6,</u> <u>No. 3 Cl. 02 - RIGHT-TO-KNOW LAW - ENACTMENT</u>, and submit in writing the justification(s) to support why the document should be exempt from disclosure under the RTKL. As to the application, you must specify which portion of the application – in whole or in part – are sought to be exempt from the PA RTKL. The justification must accompany the document sought to be exempt from the PA RTKL or must specifically reference which documents or portions of documents are sought to be exempt from the PA RTKL if submitted via email t to the designated BEAD resource account. To ensure proper handling, the email subject line should read "Confidential BEAD Application Material" and include the application ID number.



For the professional Engineers Certificate, does the PE need to be licensed in Pennsylvania, or can they be licensed elsewhere and still provide the certification?

No, the Professional Engineer does not have to be licensed in Pennsylvania to certify the project.

In the application, does PBDA prefer an applicant identify Project Site, if there are multiple locations? An applicant should list their corporate office address for the Project Site.

What does PBDA consider "long-term" as it relates to Long-Term Fiber Lease?

A long-term fiber lease would need to be a minimum of 10 years.

Is an awarded grantee required to do competitive bids in procurement?

No. Awarded grantees are not required to conduct competitive bids for procurement. Federal guidance allows flexibility in certain cases, such as grants structured around sub-awards tied to pre-determined deliverables. Because the PBDA reimburses project expenses based on fixed milestone sub-awards, this removes the need for competitive bidding.

Does the Build America, Buy America Act apply to BEAD?

Yes. Applicants must comply with all applicable federal laws through the BEAD grant process. This includes the <u>Build</u> <u>America</u>, <u>Buy America</u> Act.

Data, Mapping, Eligible BSLs

Where can I find a map and/or data about the Commonwealths BSLs?

Please see the <u>BEAD Program Page</u>.

Where can I find the "Project Identification Number" that is required on the Prevailing Wage Affidavit?

If an applicant received a wage determination from the Pennsylvania Department of Labor and Industry's Prevailing Wage search system, the Project Identification number (Serial Number) is available in the email response with generated wage rates. Additionally, it's available on the wage rate determination at the link provided in the email.

If the applicant is using <u>wage rates available on the PBDA's website</u>, please use the "Serial Number" available after accessing the wage rate determinations for the specific county where the project is located.

Please provide detail on Overbuilds:

- A) **Overbuild Definition -** The deployment of high-speed broadband service infrastructure in an area that is not unserved or underserved.
- B) **Calculation process -** PBDA will calculate overbuild threshold by proposed project which is defined as one or more contiguous BSAs as proposed by an applicant.
- C) Wireless Providers PBDA is required to cap overbuild to 20% in a given project area. For wireless applications, list the locations you intend to serve and utilize the overbuild affidavit to affirm you will not overbuild to more than 20% in that area.

Should an applicant serve all CAIs in their project area?

Broadband Serviceable Locations (BSLs) eligible for BEAD funding must be unserved or underserved locations. However, Community Anchor Institutions (CAIs) are also eligible for BEAD funding if they do not have access to 1 Gig symmetrical service. An applicant must provide the proposed cost to serve each eligible location (BSLs and CAIs) and total cost for their project.



Application Evaluation

What is defined as Priority Broadband Project?

The term "Priority Broadband Project" means a project that will provide broadband service at speeds of no less than 100 megabits per second for downloads and 20 megabits per second for uploads, has a latency less than or equal to 100 milliseconds, and can easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services.

What is a Broadband Serviceable Area and how does that differ from a Broadband Serviceable Location?

Broadband Serviceable Areas are PBDA-defined areas that are made up of Census Block Groups or an aggregation of Census Block Groups which eligible applicants will use for the BEAD application. BSAs contain eligible Broadband Serviceable Locations (BSLs) for BEAD funding.

Broadband Serviceable Locations (BSLs) are locations that can receive mass-market broadband service. These are individual locations that are within a Broadband Serviceable Area.

What is low-cost service option (LCSO)?

BEAD grant recipients must offer at least one low-cost broadband service option (LCSO) for eligible subscribers, with the LCSO set by the BEAD grant recipient. The LCSO must offer speeds of at least 100/20 Mbps and latency performance of no more than 100 milliseconds. The BEAD grant recipient must offer the LCSO throughout the 10-year federal period of interest, or in the case of a LEO, the 10-year period of performance. Each applicant for BEAD grants must propose its LCSO as part of the application. If an applicant for BEAD grants seeks flexibility to change the LCSO rate over time, then it must state in its application the methodology that it will use to change the LCSO in the future. More information about LCSO can be found in PBDA's updated BEAD guidelines.

The PBDA reserves the right to update this document on a regular basis. Continue to check back for new information.

