ARIZONA COMMERCE AUTHORITY

BEAD Project Application Guidance Webinar

February 2025





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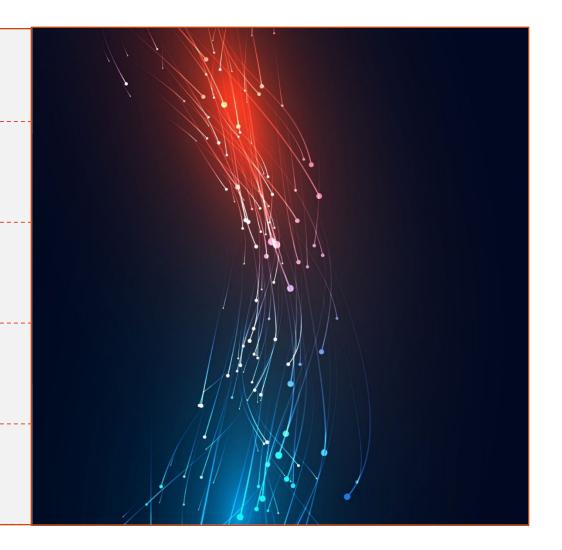
A. BEAD Program Overview and Timeline

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BEAD Program Overview

BEAD Program Overview

To connect all homes and businesses to high-speed internet, Arizona was awarded \$993.1 million in federal Broadband Equity, Access, and Deployment (BEAD) Program funds by the National Telecommunication and Information Administration (NTIA). This BEAD funding will primarily support the deployment of broadband service to Unserved and Underserved Broadband Serviceable Locations (BSLs) and eligible Community Anchor Institutions (CAIs).

Broadband Deployment

- Aims to expand high-speed internet access to Unserved, Underserved, and Community Anchor Institution (CAI) locations using reliable broadband technologies.
- Unserved Locations lack reliable broadband or have speeds below 25 Mbps download/3 Mbps upload, while Underserved Locations have speeds below 100 Mbps download/20 Mbps upload.
- CAIs include schools, libraries, health clinics, hospitals, public safety entities, higher education institutions, public housing organizations, and community support organizations.
- Additionally, State/local government facilities and non-profit organizations are considered CAIs, serving as digital access hubs for vulnerable populations.

Due to insufficient funds for universal coverage, Arizona won't allocate funding to non-deployment activities.

Eligible Project Areas Criteria

Criteria Related to Project Areas:

- Applicants must serve every eligible Unserved and Underserved BSL within the project area.
- Applications covering all eligible BSLs and serving the maximum number of CAIs will score higher.
- Partnerships are encouraged, with a lead Subgrantee responsible for project execution.
 An interactive mapping tool and geospatial files will be available on the ACA website for Applicants.



BEAD Subgrantee Selection Process Overview

BEAD Subgrantee Selection Overview

The Arizona Commerce Authority State Broadband Office has developed a comprehensive and transparent subgrantee selection process aimed at selecting the most qualified applicants for broadband infrastructure deployment in Arizona.

To promote efficiency and a streamlined the subgrantee selection process, the award of deployment subgrants will be completed in phases.

The below section describes the phases of the subgrantee selection process. With a focus on efficiency and timely decision-making, the State Broadband Office is confident that this phased selection process will result in the deployment of effective broadband infrastructure across the State of Arizona to achieve universal coverage.

Phase 1

Project area financial data will **NOT** be available for those without an approved pre-registration.

Phase 2

Market Sounding (completed)



To ensure an effective BEAD Program subgrantee selection process that meets the needs of Arizona communities, the State Broadband Office has gathered feedback from Potential Applicants and market participants through Market Sounding.

Pre-registration (In-progress)



Pre-registration is intended to streamline the application process, serving as a gating stage to ensure applicants meet the program's minimum and mandatory requirements. The SBO will review and evaluate the pre-registration documents and information provided by the Potential Applicants.

Project Applications (Round 1 and 2)



Pre-registered Applicants will use an interactive mapping tool to submit Round 1 and / or 2 project applications via the grant portal. Any Project Areas that are **not** tentatively awarded as part of the Round 1 will move to the Round 2 for further assessment.

Assessment of Submissions (Round 1 and 2)



ACA will evaluate applications based on criteria outlined in the BEAD NOFO and ACA's scoring rubric, ensuring alignment with state and federal regulations, and will notify Applicants of the review outcomes. The review process will assess the merit of each application and its alignment with program goals and objectives.



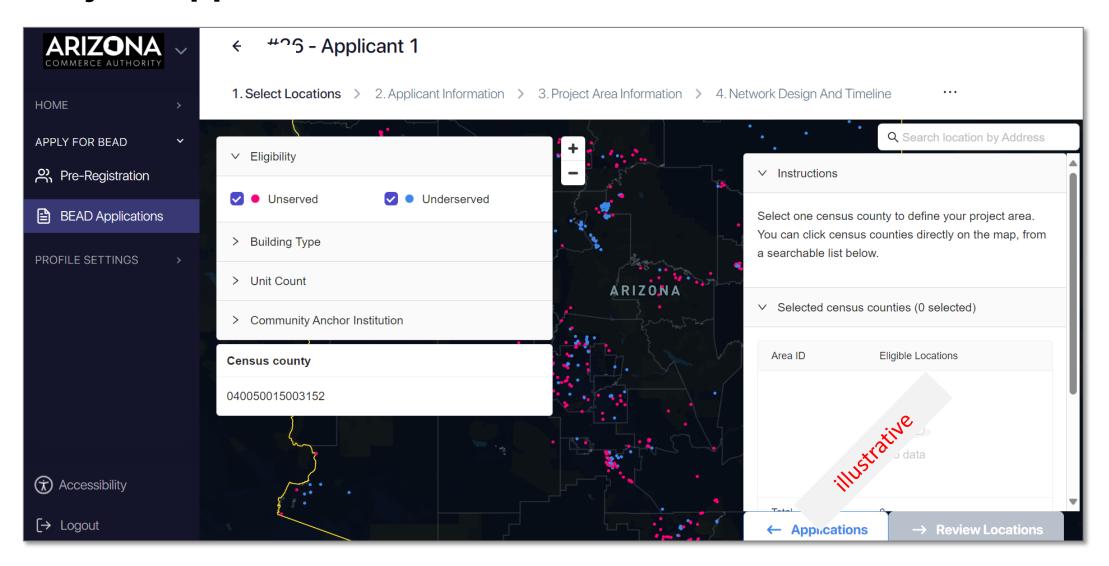
BEAD Subgrantee Selection Timeline

Round 1 will open on January 6th, 2025. The ACA highly encourages Potential Applicants to pre-register and apply during the Round 1, since as stated in the BEAD Initial Proposal Volume II, Round 2 is specifically designed for eligible BSLs that did not receive applications as part of Round 1.

	2024			2				2025			
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Preregistration											
Launch Pre-registration Portal (11/04/24)	*										
Webinars and Q&A Sessions (11/04/24 – 12/17/24)											
Pre-registration Intake and Review (11/04/24 – 06/30/25)											
Round 1											
Launch Round 1 (01/06/25)			*								
Application Intake (01/06/25 - 03/07/25)											
Application Review and Negotiations (03/08/25 – 05/13/25)											
Round 2											
Launch Round 2 (06/03/25)								*			
Application Intake (06/03/25 – 07/03/25)											
Application Review and Negotiations (07/04/25 – 09/05/25)											



Project Application Portal Demo





Project Application Overview

Overview

- Applicants are required to complete the BEAD pre-registration response to submit their BEAD project application.
- Applicants are required to submit an Application separately for each project area they propose to serve. Applicants can submit multiple applications.
- Each project area will be evaluated individually and scored accordingly. Tentative selection of applications will be followed by tentative awards.
 - Applicants planning to apply for adjoining project areas are required to apply for these project areas separately in individual Applications. These
 Applications will be scored independently and may not be awarded together.
 - Any efficiencies that the Applicants are expecting to apply for adjoining project areas should be incorporated in the Application separately for each
 proposed project area. Each Application will be considered valid for each project area, irrespective of their location.
- ACA will assess applications against criteria outlined in the BEAD NOFO and ACA's scoring rubric, ensuring alignment with state and federal regulations.
 - For the application to be considered for the BEAD Program funding, it must receive minimum of 250 points or higher.
- Applications will be evaluated for conditional award, and any project areas that are not tentatively in Round 1 will move to the Round 2 for assessment

Proposed Technology Type

- Applicants are required to select and outline their technology solutions (all or any of the solutions) for each project area from the list below:
- Part A: 100% fiber
 - Part A1: 100% Fiber based deployment, including CAIs and Outliers
 - Part A2: 100% Fiber based deployment, Including CAIs but excluding Outliers
- Part B: Fiber, reliable and alternative technologies deployment.
 - Fiber
 - Reliable HFC technology and Licensed Fixed Wireless
 - Alternative Technologies Unlicensed Fixed Wireless and LEO
- Applicants are required to provide project cost information per each proposed technology type
- Outliers: If the cost to serve a location using an end-to-end fiber solution is higher than 1.5x multiple of the average cost to serve for the rest of the BSLs in the selected project area, the Applicant shall identify these locations as Outliers.



Project Application

Project Application Information

Applicants are required to provide the Project Application information outlined in the 18 Project Application Sections listed below.

- Applicant Information: In their first submitted Application, Applicants will need to provide the information requested in Section 1 (Applicant Information)
 and Section 17 (Cybersecurity Compliance and Supply Chain Risk Management Compliance) only once. If Applicants submit additional applications, the
 information provided under Section 1 and Section 17 from the first application will be auto-populated in the following applications.
- **Project area level**: For the remaining sections (except Section 1 and Section 17), Applicants will need to provide **individual project area-specific information separately under each Application.**
- **Proposed technology level**: Within Section 4 (Project Infrastructure) and Section 12 (Project Financials), Applicants will be required to provide the requested information for **each proposed technology type per project area.**

Project Application Section			
1. Applicant Information	7. Scalability and Resiliency	13. Project Workforce	
2. Project Executive Summary	8. National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA)	14. Local Support and Community Engagement	
3. Project Area(s)	9. Make Ready / Project Preparedness	15. Affordability	
4. Project Infrastructure	10. Timeline	16. Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms Inclusion	
5. Open Access Network Options	11. Barrier and Permitting Requirements	17. Cybersecurity Compliance and Supply Chain Risk Management Compliance	
6. Network Design	12. Project Financials	18. Certifications	

^{*}ACA has developed comprehensive guidelines and documents to assist Applicants. Please refer the application guidelines for further details. All relevant information will be shared on the ACA's website.



1.1 Applicant Information and 1.2 Project Executive Summary

Application Questionnaire: Sections 1.1 & 1.2 | Application Guide: Sections 4.1 & 5.1

Applicant Information

Applicants are required to provide the following information that includes but not limited to:

- Applicant Legal Name/Entity Name and Mailing Address
- Applicant Contact Details (Signatory Authority Director/Officer)
- Applicant Entity-Level Details including:
 - Applicant's Unique Entity Identifier; State Tax ID Number
 - Broadband Provider and Service Provider Types
- Details on consortium/partnership entities (if applicable)
- Contractor / Subcontractor Involvement
 - If an applicant plans to use specific contractors or subcontractors, the applicant is required to provide details of at least one example of each contractor and subcontractor's past performance in the context of a similar project.

Project Executive Summary

Project Executive Summary

- Applicants must provide a high-level summary of each project area, including:
 - BEAD eligible locations to be served
 - Proposed Technology Including the % breakdown
 - · Delivery approach & Timeline
 - Budget summary & Match request
- ACA encourages Applicants to provide details for any or all of the following technology solutions they propose to use for each project area (as applicable):
 - Part A1 100% Fiber (Incl. CAIs and Outliers)
 - Part A2 100% Fiber (Incl. CAIs but excl. Outliers)
 - Part B Fiber, reliable and alternative technologies

This information will help ACA evaluate and prioritize project applications that offer the most technically feasible and cost-effective solutions.

^{*}ACA has developed comprehensive guidelines and documents to assist Applicants. Please refer the application guidelines for further details. All relevant information will be shared on the ACA's website.



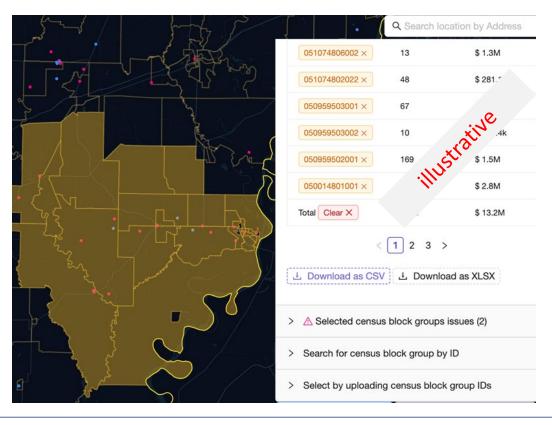
1.3 Project Area(s)

<u>Application Questionnaire</u>: Section 1.3 | <u>Application Guide</u>: Section 5.2

Project Area(s)

- ACA pre-defined draft project areas for Arizona's BEAD program deployment projects throughout the state.
- The application portal provides a dropdown list of project areas along with the cost estimation for each area
- Based on the Applicants' selection of the project area(s), the application portal will automatically reflect the following:
 - Total number of BEAD Eligible BSLs included in the Project Area
 - Total number of Unserved Locations
 - Total number of Underserved Locations
 - Total number of eligible CAIs Locations
 - From the list of eligible CAI locations included based on the selected project area, Applicants must provide the number of eligible CAIs proposed to be served in the selected Project Areas.





Based on the proposed technology solutions in the selected project area, Applicants will be required to submit the Project Area file with the proposed technology breakdown for each BSL for Part A-100% fiber-based deployment and/or Part-B – Fiber, reliable, and alternative technologies.



1.4 Project Infrastructure Application Questionnaire: Section 1.4 | Application Guide: Section 5.3

Applicants can provide the following details and select all options as applicable for evaluating Part A1, A2 and/or Part B for proposing the most technically feasible and cost-effective option for broadband deployment in the selected project area.

1.4.1 Project Type

- <u>Priority Broadband Projects</u>: provide services via end-to-end fiber-optic facilities to reach all end users.
- <u>Non-Priority Broadband Projects</u>: All other lastmile deployment projects providing a minimum speed of 100/20 Mbps.
- ACA has a strong preference towards end-toend fiber solutions i.e., "Priority Broadband Projects" where it is financially feasible.
- However, ACA encourages Applicants to provide all or any of the above listed technology solutions (any or all for Part A1/A2/B, as applicable)
- Priority and Non-Priority Projects have different scoring rubrics.

1.4.2 Infrastructure and Technology

- Applicants will provide infrastructure and technology details including but not limited to:
 - Total estimated miles of conduit to be deployed
 - Total estimated miles of buried fiber plant to be deployed
 - Total estimated miles of buried coaxial cable plant to be deployed
 - Total estimated miles of aerial fiber (if fiber proposed) to be deployed
 - Number of proposed towers
- In proposing Middle-Mile Infrastructure, they will provide the details including but not limited to:
 - Total estimated miles of buried fiber plant to be deployed
 - Total estimated miles of aerial fiber plant to be deployed

1.4.3 Technology and Performance

Priority Broadband Projects

- Technology: Applicants will select all applicable network technologies and associated speeds that are proposed for fiber-based deployment
- Split Ratio for Deployment: Applicants will select the split ratio that will be used for deployment

Non-Priority Broadband Projects

- Technology: Applicants who intend to deploy mixed technologies will select all proposed network technologies types
- For each network technology type, Applicants are required to provide
 - Max download/upload speeds per sector
 - Max number of subscribers planned per sector
 - Spectrum band(s) (wireless based)



1.5 Open Access Network Options & 1.6 Network Design

Application Questionnaire: Sections 1.5 & 1.6 | Application Guide: Sections 5.4 & 5.5

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Open Access Network Options

- Applicants must confirm if their organization intends to offer an open access network for the entire useful life of the network asset, for each project area included in the Application.
- If an Applicant intends to offer an open access network, the Applicant is required to provide a narrative that details its open access policy, including the provision of wholesale last-mile broadband service for the life of the subsidized network, on fair, equal, and neutral terms to all retail providers.

Network Design

- Applicants must submit a high-level network design, showing a proposed network that will deliver broadband service meeting or exceeding the performance requirements to all locations served by the project.
- Network design must be certified by a Professional Engineer prior to Grant execution.
 - If the Professional Engineer is **not** licensed in the State of Arizona, applicants should indicate if they plan to utilize the BEAD Waiver for PE certification.
- Outliers: If the cost to serve a location using an end-to-end fiber solution is higher than 1.5x multiple of the average cost to serve for the rest of the BSLs in the selected project area, the applicant shall identify these locations as Outliers.
 - Applicants are required provide details on the proposed technology and cost to serve each Outlier as part of the financial workbook. (Refer to the Attachment 8A and 8B)

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1.7 Scalability and Resiliency Application Questionnaire: Section 1.7 | Application Guide: Section 5.6

Network Scalability and Resiliency

- Applicants are required to furnish detailed information regarding the scalability and resilience of their networks for each Project Area included in the Application.
- Applicants will explain how the proposed network design guarantees scalability to accommodate the connectivity needs of the Project Area over the network's entire lifespan.
- Additionally, applicants must outline their organization's strategy for retrofitting and/or hardening the current broadband infrastructure to resist potential damage and degradation due to climate threat.

Network Outages

- Applicants must confirm that appropriate measures will be taken to ensure that the network's outages do not exceed, on average, 48 hours over any 365-day period except in the case of natural disasters or other force majeure occurrences.
- Applicants will describe the network design and measures that organization is planning to take to address the requirement stated above.

Climate Assessment

- Applicants will provide an initial assessment of potential climate risks impacting the proposed project, for each project area included in the Application.
- Resilient Design: Applicants will describe how the proposed network design will withstand, respond to, and recover rapidly from disruptions caused by climate conditions.
- · Network Infrastructure Resiliency and Climate Readiness Measures: Applicants will provide details on measures regarding network infrastructure resiliency and climate readiness.



1.8 National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA); 1.9 Make

Ready and 1.10 Timeline Application Questionnaire: Sections 1.8 – 1.10 | Application Guide: Sections 5.7 – 5.9

NEPA and NHPA

- Applicants will need to provide a high-level description of the site and the surrounding area and any natural or manmade geographic, physical, or other factors that may pose a risk to the development of the project.
- Applicants will provide detailed plans on how the project will be implemented including outlining their approach to remaining compliant with the State Historical Preservation Act (SHPA), National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA) and any other environmental or national historic preservation requirements.
- Additionally, Applicants will recommend feasible plans to minimize adverse environmental and historical preservation impacts.

Make Ready

 Applicants must describe the make-ready activities that their organization has already completed or has planned for the proposed project.

Timeline

- Applicants to provide an overview of the timeline highlighting key milestones, and the number
 of months needed between the execution of the grant agreement and the delivery of service to
 the last eligible BSL included in the Project Area for part A and/or B
- Applicants to provide a detailed project schedule with key implementation phases and milestones for Part A and/or B.
- Applicants are required to confirm that if successful, they will deploy the planned broadband network and begin providing services to each customer that desires broadband service within the project area not later than four (4) years after the date on which the subgrantee receives the subgrant from ACA.



1.11 Barrier and Permitting Requirements

Application Questionnaire: Section 1.11 | Application Guide: Section 5.10

Permits/Critical Crossings

- Applicants will need to identify any known critical crossings/permits related to the project, for each project area included in the Application. Permits/Critical crossings may include, but are not limited to, the following:
 - State of Arizona Managed Lands: Arizona Department of Water Resources; Arizona State Land Department, etc.
 - Federal Government Managed Lands: US Army Corps of Engineers Managed Properties; US Forest Service Managed Lands, etc.
 - Tribal Nations Managed Lands: Tribal Nations Managed Rights of Way; Bridge Crossings; Drain Crossings and Other Crossings
 - Local Government Managed Lands: Local Government Managed Rights of Way; Bridge Crossings; Drain Crossings, etc.
- Applicants will need to provide a description of the critical crossings/permits related to this project. Additionally, any steps or plans that their organization has undertaken with regards to the permitting processes for the identified critical crossings and/or permits must be described.

Barrier Identification

Applicants will also need to identify potential obstacles and challenges associated with the project. Information includes but not limited to:

- Detailed description of any concerns or issues encountered related to critical crossings or permits for the project.
- Narrative of any supply chain issues and a plan to overcome them.
- Narrative on any workforce related issues that could potentially delay the project deployment and describe plan to overcome them.



1.12 Project Financials (1/2)

Application Questionnaire: Section 1.12 | Application Guide: Section 5.11

Letter of Credit (LOC)

- Applicants must confirm that they will obtain and submit a Letter of Credit from a bank on a per project basis in the amount of 25% of the subaward prior to singing of the grant agreement
- If confirmed, Applicants must submit a letter from a bank meeting committing to issue an irrevocable standby letter of credit in a value of no less than 25% of subaward amount
- Applicants must confirm that they will also submit an opinion letter from legal counsel along with the Letter of Credit.

If not opting for a bank LOC, Applicants can choose from the following three options from NTIA's Programmatic Waiver:

- # 1: Subgrantee may obtain the Letter of Credit from a credit union to be provided prior to singing of the grant agreement: If choosing this option, Applicants must submit a commitment letter from a credit union for issuing an LOC no less than 25% of the subaward amount
- # 2: Subgrantee may obtain a qualified performance bond instead of obtaining a Letter of Credit from an acceptable surety for 100% of the subaward amount prior to singing of the grant agreement: If choosing this option, Applicants must submit a letter from an acceptable surety company committing to issue a performance bond equal to the subaward amount
- # 4: Subgrantee may obtain a Letter of Credit or performance bond for only 10% of the subaward amount prior to singing of the grant agreement: If choosing this option, Applicants will have to submit either a commitment letter from a bank issuing for 10% LOC or a surety letter from an acceptable surety company for issuing 10% performance bond

Project Match and Match Funding Details

 Applicants must provide summary information about project funding sources and details of matching funds based on their selected project type for Part A1,A2 and/or B, if applicable

Category	
Total Project Cost	\$
Total Grant Amount Requested	
Total Match Amount	
Total Match Percentage (Must be Min. of 25% w/o waiver)	%

Applicants must submit evidence of the committed matching funds.

Note: Arizona will regard all cash, loans, federal grants, and state grants as cash match.

Matching Waiver Request (Conditional)

- If Applicants are intending to apply for a match waiver they must describe the special circumstances underlying the reason for not providing the minimum match requirement of 25%.
- Additionally, they must document any efforts made to obtain matching fund commitments for the project from capital funding sources and explain how a waiver would serve the public interest and advance the goals of the BEAD Program.



1.12 Project Financials (2/2)

Application Questionnaire: Section 1.12 | Application Guide: Section 5.11

ACA encourages Applicants to provide estimations for both parts A and B to evaluate and prioritize all Project Applications for proposing the most technically feasible and cost-effective solution for effective broadband deployment through the BEAD program.

Project Cost Estimation

Applicants are required to provide project cost details to serve each eligible BSL in the project area for the technology solution(s) they are proposing for Part A and/or Part B:

- Part A: 100% Fiber based deployment
 - Part A1 100% Fiber based deployment (Including CAIs and Outliers)
 - Part A2 100% Fiber based deployment (Including CAIs but excluding Outliers)
- Part B Fiber, reliable and alternative technologies

Project Cost For 100% Fiber Based Deployment (Part A)

- Average cost to serve per location using fiber technology for all unserved and underserved BSLs
- Average cost to serve per location per proposed CAI using fiber technology.
- Average cost to serve Outliers using fiber technology in the Project Area.

The total project cost for A1 and A2 will be auto calculated based on the estimations provided by the Applicant.

Fiber & Reliable and Alternative Technologies (Part B)

- Average cost to serve per location for select fiber only BSLs and CAIs
- Average cost to serve select BSLs with a reliable or alternative technology.
- If applicable, average cost to serve per location High-Cost BSLs / Outliers with a reliable/ alternative technology

The total project cost for fiber, reliable, and alternative technologies for the project area will be auto calculated based on the estimations provided by the Applicant

Project Financial Workbook

- Applicants will be required to populate and upload the Project Financials excel workbook available on ACA's website and will include detailed information including but not limited to:
 - High-level project budget information
 - Capital costs
 - Operating costs
 - · Capital investment schedule
 - Project cost estimation
 - Matching funds
 - Project pro forma financials & cashflow
- Applicants will also provide budget narrative that explains the assumptions used in the pro forma and any expected financial challenges.
- Additionally, Applicants will provide any additional related analyses that establish the sustainability of the proposed project.



1.13 Project Workforce (1/2) Application Questionnaire: Section 1.13 | Application Guide: Section 5.12

Equitable Workforce Development and Job Quality	Applicants must provide a narrative demonstrating their commitment to investing appropriately in cultivating a skilled and diverse workforce to fulfill job requirements and meet the infrastructure buildout timelines submitted in the application.
Fair Labor and Employment Laws	Applicants must describe their organization's plan, along with plans from affiliated contractors or subcontractors, on monitoring and ensuring adherence to labor and employment laws.
Workforce Arrangement	Applicants must confirm and provide narrative outlining the nature of the workforce arrangement if Applicant plans to use a directly employed workforce or/and subcontracted workforce; projected wage structures for employees, etc.
Appropriately Compensated Workforce	Applicants are required to either certify their adherence to the Davis-Bacon Act or state prevailing wage laws or certify to submit a Project Employment and Local Impact Report during execution of the grant agreement and describe their plan for complying with applicable wage laws.
Project Labor Agreements	Applicants must confirm whether the project will include a project labor agreement that outlines their dedication to employing project labor agreements.
Local Hire Provisions	Applicants are required to specify whether the project will prioritize local hires and provide a narrative on Applicant's organization's approach to prioritizing local hires for the proposed project.
Unionized Neutrality	Applicants are required to submit a written policy on union neutrality. Furthermore, they must confirm that their organization refrains from using intimidation, retaliation, or coercion against employees who intend to organize/join union.



1.13 Project Workforce (2/2) Application Questionnaire: Section 1.13 | Application Guide: Section 5.12

Labor Peace Agreements	Applicants must confirm that their organization commits to the use of labor peace agreements to ensure the BEAD deployment project schedule remains on-track.
Appropriately Skilled Workforce	Applicants must provide plans regarding the use of appropriately skilled workforce, including plans to prioritize the employment of workers through training programs such as joint labor-management training programs or Registered Apprenticeships.
Appropriately Credentialed Workforce	Applicants must provide narrative outlining the Credential Verification Process, Credential Passport System and Recognition of Prior Learning.
Misclassification of Workers	Applicants must provide a description of the steps that are taken to prevent the misclassification of workers, including detailed information about organization's workforce classification methodologies.
Unionized Workforce	Applicants must confirm if their organization's or contractor's, or subcontractor's workforce is unionized. If an Applicant confirms that the organization's or contractor's, or subcontractor's workforce is not unionized, they must provide the details that are required in Workforce Plan and Project Workforce Continuity Plan sections.
Workforce Plan	If an Applicant's workforce is not unionized, the Applicant must provide a clear breakdown of job roles, and the corresponding full-time equivalent positions required for the project. This requirement includes roles within any contractor or subcontractor that their organization employs.
Project Continuity Plan	If an Applicant's project will not include a project labor agreement and the workforce is not unionized, the Applicant must upload a Project Workforce Continuity Plan consistent with the requirements provided in the BEAD NOFO.



1.14 Local Support and Community Engagement

Application Questionnaire: Section 1.14 | Application Guide: Section 5.13

Local Support and Community Engagement

- Applicants must engage in consultations with local units of governments and/or Tribal nations that intersect the proposed Project Area.
- If the Applicant has met with local and/or tribal governments, they should indicate if their organization has received letters of support from them
 - Applicants will provide the letters of support received and provide confirmation that it includes any financial commitments
 from the relevant Local or Tribal Government, diversity, any commitments made by the relevant Local or Tribal
 Government(s) (including direct or in-kind commitments like right of way access or permitting assistance), and recognition
 of the potential applicant's coordination efforts in the community through the letter(s) of support.
 - Additionally, Applicants will provide their engagement plan to support coordination with Local and Tribal Communities in the BEAD Program. This plan should include awareness campaigns, integration with the Digital Navigator program, organization of meetings, development of outreach materials, and facilitation of community workshops, among other coordination activities.



1.15 Affordability Application Questionnaire: Section 1.15 | Application Guide: Sections 5.14 & 5.15

Affordability

- Priority Broadband Project: Applicants will provide details of the most affordable total price for 1 Gbps symmetrical service in the Project Area for five years after the project completion.
- The price must include all recurring charges to subscribers, including all taxes, fees and charges imposed on the subscriber, and detail all nonrecurring fees.
- Non-Priority Project: Applicants will provide details of the most affordable total price for the 100/20 Mbps service for five years after project completion.
- The price must include all recurring charges to subscribers, including all taxes, fees, and charges imposed on the subscriber, and detail all nonrecurring fees.

Low-Cost Broadband Service Option

- Applicants must confirm participation in any successor broadband subsidy programs or any future programs; confirm that it will need to provide at least one low-cost broadband service option for the entire service territory of the proposed project; confirm end users will be allowed to apply the Lifeline subsidy to the service price and confirm that prospective consumers will be informed of the existence of the Lifeline program benefits and the process of enrollment and application for the subsidies.
- Applicants will describe or upload details of an existing or proposed low-cost broadband service plan explaining subscriber qualifications, speed, latency, cost, and any available subsidies for subscribers.
- Applicants will provide the details of their organization's approach to notifying each address in the proposed Project Area that a low-cost plan and federal subsidies will be available upon project completion.
- Regarding Service Characteristics Requirements, Applicants must confirm that service will consistently and reliably provide download speeds of at least 100 Mbps and upload speeds of at least 20 Mbps and others.
- Waiver: If applicants are applying for a waiver to increase their low-cost service above \$30/month but not to exceed \$50/per month, Applicants must clearly provide the specific reasons for requesting a waiver and provide evidence of a need for the waiver. Additionally, Applicants must describe how granting the waiver will serve the public interest or benefit the community and explain how it aligns with broader policy goals or societal needs.



1.16 Minority Business Enterprises (MBEs)/Women's Business Enterprises (WBEs)/Labor Surplus Firms (LSF) Inclusion

Application Questionnaire: Section 1.16 | Application Guide: Section 5.16

Applicants must provide a narrative for each project area in their application, detailing their plan to address six key requirements for contracting with Minority/Women-Owned Business Enterprises (M/WBEs) and Labor Surplus Area Firms (LSFs), including placing qualified small and minority-owned businesses and women-owned business enterprises on solicitation lists, and ensuring they are solicited whenever they are potential sources. Additionally, applicants must commit to adhering to these six affirmative steps for contracting with MBE, WBE, and LSFs as provided in 2 CFR Part 321

Program Development and Implementation

- Applicants must provide details of their plan to develop curriculum and training programs.
- Outline plans to prioritize the creation of flexible, accessible, and responsive programs that can adapt to changing demands.
- Details on the development of apprenticeship programs.

Outreach and Partnerships

 Applicants must provide plans to engage with MBEs/WBEs stakeholders, including businesses, associations, and local communities, to communicate the benefits of available training programs and apprenticeships for different phases of broadband deployment.

Monitoring and Evaluation

 Applicants must provide plan to establish Key Performance Indicators (KPIs) for measuring the success of training programs, apprenticeships, and workforce initiatives during each phase of broadband deployment and others, focusing specifically on MWBE suppliers.

Reporting and Documentation

 Applicants must describe the plan to maintain comprehensive records that document program implementation, outcomes, and lessons learned during each phase of broadband deployment to to showcase the impact on MWBE suppliers.



1.17 Cybersecurity and Supply Chain Risk Mgmt Compliance

Application Questionnaire: Section 1.17 | Application Guide: Section 5.17

Cybersecurity Risk Management Plan

Supply Chain Risk Management Compliance

Applicants will be required to submit a cybersecurity management plan that includes the following criteria during the project application stage, if not submitted during pre-registration:

- Operational status: The applicant must have a cybersecurity risk
 management plan in place before the grant is awarded if the applicant is
 already providing services at the time of the grant. If not providing
 services, applicant will be required to demonstrate readiness to
 operationalize the plan upon providing service after the grant award.
- <u>NIST Framework and Executive Order Compliance</u>: The cybersecurity risk management plan must be based on the latest available version of the National Institute of Standards and Technology (NIST) Framework.
- <u>Security and Privacy Controls:</u> The plan must also adhere to the standards and controls outlined in Executive Order 14028 and must specify the particular security and privacy controls being implemented.
- <u>Evaluation and Updates</u>: Establish a process for periodic evaluation and assessment of the cybersecurity risk management plan. Ensure that the plan will be regularly reviewed and updated.

Applicants will be required to submit a Supply Chain Management Plan (SCRM) that includes the following criteria during the project application stage, if not submitted during pre-registration:

- Operational status: The applicant must have a SCRM in place before the grant is awarded if the applicant is already providing services at the time of the grant. If not providing services, applicant will be required to demonstrate readiness to operationalize the plan upon providing service after the grant award.
- Key Practices and Guidance: The SCRM must be based on the key practices described in the NIST publication NISTIR 8276, "Key Practices in Cyber Supply Chain Risk Management: Observations from Industry." The plan must also incorporate relevant supply chain risk management guidance from NIST, including NIST 800-161, "Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations." The plan should clearly specify the supply chain risk management controls that will be implemented.
- <u>Evaluation and Updates</u>: The SCRM must be reevaluated and updated on a periodic basis. The plan should be regularly reviewed and updated as events warrant to address evolving supply chain risks and challenges/significant events.

Please note, if significant changes are made to the plan, a new version should be promptly submitted to ACA within 30 days (applicable until the end of the period of performance).



1.18 Certifications Application Questionnaire: Section 1.18 | Application Guide: Section 5.18

For each project area included in the Application, Applicants need to confirm compliance with certifications that includes but not limited to:

- ☑ Submitting a grant application to ACA signifies a binding commitment until the BEAD award process ends.
- ☑ Organizations must follow through with their grant application promises or face funding claw-back by ACA.
- ☑ Organizations must adhere to FCC's communications rules until BEAD final awards are announced.
- Applicants must independently determine pricing and certify no collusion in their BEAD application.
- ☑ Organizations must practice fairness and avoid biases and conflicts of interest in their grant application process.
- ☑ Grants operate on a cost reimbursement basis with no more than six-month reimbursement periods, as per NOFO.
- ☑ Organizations must provide quarterly progress reports, adhere to application details, and undergo audits if awarded.
- ✓ Projects must aim to serve all unserved and underserved areas specified in the application.
- ☑ Organizations must follow NEPA and NHPA environmental and historic preservation laws.
- ☑ NEPA analysis is required for all BEAD-funded projects, with detailed project descriptions provided.
- Projects should minimize environmental and historic preservation impacts.
- Organizations will coordinate with state offices and subcontractors for environmental assessments.
- ✓ Applicants agree to adhere to ACA's procurement, grant compliance policies, and uniform terms.
- ☑ BEAD funds cannot be used for telecommunications or video surveillance from prohibited companies, aligning with federal regulations and national security concerns.
- ☑ Signing the application confirms it's truthful and acknowledges the legal consequences of fraudulent information.







Scoring Criteria for Priority and Non-Priority Broadband Projects



Prioritization and Scoring Process

The Arizona Commerce Authority uses a NTIA-aligned rubric to assess BEAD projects, with a 500-point maximum split between primary (375 points) and secondary (125 points) categories. Applications need a minimum of 250 points to qualify for funding, details on subcategories and weightings are provided.

Arizona BEAD Deployment Project Scoring

Priority Broadband Projects

- The term "Priority Project" means a project that will provide service via end-to-end fiber-optic facilities to each end-user premises.
- Scoring criteria for Priority Broadband Projects is as follows:
 - Primary Scoring Criteria 75% (Total 375 points)
 - Minimal BEAD Program Outlay 250 Maximum Points
 - Affordability 75 Maximum Points
 - Fair Labor Practices 50 Maximum Points
 - Secondary Selection Criteria for Priority Projects
 - Speed to Deployment 10 Maximum Points
 - Technological Requirements 45 Maximum Points
 - Local and Tribal Coordination 25 Maximum Points
 - Community Anchor Institutions 20 Maximum Points
 - Equitable Workforce Development and Job Quality 25
 Maximum Points

Non - Priority Broadband Projects

- The term "Non-Priority The term "Priority Project" means that all other last-mile deployment projects providing a minimum speed of 100/20 Mbps which are not considered priority projects.
- Scoring criteria for Non-Priority Broadband Projects is as follows:
 - Primary Scoring Criteria 75% (Total 375 points)
 - Minimal BEAD Program Outlay 250 Maximum Points
 - Affordability 75 Maximum Points
 - Fair Labor Practices 50 Maximum Points
 - Secondary Selection Criteria for Priority Projects
 - Speed to Deployment 10 Maximum Points
 - Speed of Network and Other Capabilities- 45
 Maximum Points
 - Local and Tribal Coordination 25 Maximum Points
 - · Community Anchor Institutions 20 Maximum Points
 - Equitable Workforce Development and Job Quality 25
 Maximum Points



Application Scoring - Priority Projects (1/6)

1. Minimal BEAD Outlay evaluation based on the following criteria. 250 points

Three elements will be evaluated:

- a. Grant to Project Cost 150 points
- Applications will be scored based on the ratio of the requested grant fund compared to the total project cost as shown in table below.

b. Cost Reasonableness - 50 points

 Scoring based on the overall project cost against a benchmark estimate developed from a cost model as mentioned below.

c. Resiliency - 50 points

 Scoring for this criteria will be cumulative, in that each one of the resiliency criteria listed below addressed will be awarded points.

Scoring	Priority Projects Points
> 75% of Total Project Cost	0
> 65% to ≤ 75% of Total Project Cost	40
> 55% to ≤ 65% of Total Project Cost	80
> 45% to ≤ 55% of Total Project Cost	120
≤ 45% of Total Project Cost	150

Scoring	Priority Projects Points
> 25% of Reference Benchmark Cost Estimate	0
> 15% to ≤ 25% of Reference Benchmark Cost Estimate	5
> 5% to ≤ 15% of Reference Benchmark Cost Estimate	15
> 0% to ≤ 5% of Reference Benchmark Cost Estimate	25
> -10% to ≤ 0% of Reference Benchmark Cost Estimate	35
≤ 10% of Reference Benchmark Cost Estimate	50

Scoring	Priority Projects Points
Applicant demonstrates network or power source redundancies for minimum of 50% of locations within the project areas	10
Applicant demonstrates scalability in the network design	10
Applicant commits to retrofitting and/or hardening its existing broadband infrastructure assets	10
Applicant commits to burying at least 75% of fiber cables within the project area	10
Applicant demonstrates other network resiliency measures	10



Application Scoring - Priority Projects (2/6)

2. Affordability evaluation based on the following criteria. 75 points

- This section evaluates the Applicant's commitment to providing 1Gbps/1Gbps symmetrical services within the specified Project Areas at an affordable price, using 80% of the FCC urban benchmark rate as the standard.
- Scoring will incentivize affordability, and Applicants must commit to this pricing for at least five years after project completion.

Scoring	Priority Projects Points
>\$114.07	0
\$114.07 - \$99.81	50
\$99.80 - \$85.55	65
<\$85.55	75

3. Fair Labor Practices evaluation based on the following criteria. 50 points

• Points will be awarded based on the information provided for each aspect of the fair labor category.

Scoring	Priority Projects Points
 Applicant has provided: Certification from an Officer/Director-level employee (or equivalent) evidencing past compliance with federal labor and employment laws by the Applicant as well as all contractors and subcontractors; and/or Only applicable to new entrants without a record of Federal labor and employment law compliance: Written confirmation that applicant is a new entrant without a record of past compliance and that the prospective subgrantee has provided specific, forward-looking commitments to compliance with Federal labor and employment laws with respect to BEAD-funded projects 	15
Written confirmation of disclosing any instances in which the Applicant or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.	



Application Scoring - Priority Projects (3/6)

3. Fair Labor Practices evaluation based on the following criteria. 50 points (contd.)

Scoring	Priority Projects Points
Applicant has provided a plan along with plans from affiliated contractors or subcontractors, on monitoring and ensuring adherence to labor and employment	nt laws including:
Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network	5
Plan for ensuring the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects	3
Plan for using a directly employed workforce, as opposed to a subcontracted workforce	3
Plan for paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, and collecting the required certified payrolls;	5
Plan for using project labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project)	3
Plans for including local hiring	3
Commitments to union neutrality	2
Use of labor peace agreements	2
Use of an appropriately skilled workforce, e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded)	4
Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure)	3
Steps to prevent the misclassification of workers	2



Application Scoring - Priority Projects (4/6)

4. Speed to Deployment evaluation based on the following criteria. 10 points

ACA will assess applications based on their pledged speed of deployment using a sliding scale system as shown below.

Deployment Schedule	Priority Projects Points
< 24 months	10
24 - 36 months	8
36 - 42 months	6
42 – 47 months	4
48 months	0

5. Technological Requirements evaluation based on the following criteria. 45 points

a. Technology - 35 points

For Applications suggesting the adoption of technologies that offer enhanced scalability with reduced future expenditure for priority projects,
 ACA will evaluate long-lasting capital assets using a sliding scale system.

Technology	Priority Projects Points
Up to 10 Gbps download and 10 Gbps upload or greater	35
Up to 10 Gbps download and 2.5 Gbps upload	25
Up to 2.5 Gbps download and 1 Gbps upload	20
Up to 1 Gbps symmetrical	5

b. Open Access - 10 points

The BEAD program awards points for open access wholesale opportunities on fair and unbiased terms.

Open Access Details	Priority Projects Points
Details regarding open access policy	10



Application Scoring - Priority Projects (5/6)

6. Local and Tribal Coordination evaluation based on the following criteria. 25 points

• The BEAD Program emphasizes Applicants' coordination with local and tribal governments to address connectivity gaps in Project Areas

Local and Tribal Coordination Details	Priority Projects Points
Letter of Support Provided	5
Letters of support include financial commitments/ any other commitments made by the relevant Local or Tribal Government(s)	5
Letters of support include recognition of the potential subgrantee's coordination efforts in the community through the letter(s) of support.	5
Local and/or Tribal Coordination Engagement Plan	10

7. Community Anchor Institutions evaluation based on the following criteria. 20 points

Applications including eligible CAIs in the Project Area will be scored.

Community Anchor Institutions Details	Priority Projects Points
Highest number of CAIs proposed to be served out of (X) number of applications	= 20
Second highest CAIs proposed to be served	= 20 * ((X-1) / x)
Third highest CAIs proposed to be served	= 20 * ((X-2) / x)
Fourth highest CAIs proposed to be served and so on	= 20 * ((X-3) / x)
No eligible CAIs proposed to be served	0



Application Scoring - Priority Projects (6/6)

8. Equitable Workforce Development and Job Quality evaluation based on the following criteria. 25 points

• Applicants are required to present a narrative demonstrating their dedication to making appropriate investments in cultivating a skilled and diverse workforce to fulfill the job requirements and meet the infrastructure development deadlines outlined in their application.

Equitable workforce development	Priority Projects Points
Applicants provided plans regarding the use of an appropriately skilled workforce by providing or supporting employees' attainment of occupational training, certification, and licensure.	5
Applicant provided details of training partnerships with local providers to establish in-house training programs that give your employees industry-specific knowledge and skills.	5
Applicant described plans on creating equitable on-ramps to broadband-related jobs, as demonstrated by partnership with workforce boards, training partners, labor and community organizations, or participation in employer led collaboratives.	5
Applicant described an approach to providing diverse job opportunities and hiring from underrepresented groups through activities such as participating in diversity job fairs, offering internships to students from diverse backgrounds, creating training programs to prepare these individuals for roles in the broadband industry, and/or publicly reporting workforce demographic data.	5
Applicant provided a plan on union neutrality	2
Applicant described an approach to prioritizing local hires for the proposed project.	3



Application Scoring - Non-Priority Projects (1/6)

1. Minimal BEAD Outlay evaluation based on the following criteria. 250 points

Three elements will be evaluated:

- a. Grant to Project Cost 150 points
- Applications will be scored based on the ratio of the requested grant fund compared to the total project cost as shown in table below.

b. Cost Reasonableness - 50 points

- Scoring based on the overall project cost against a benchmark estimate developed from a cost model as mentioned below.
- c. Resiliency 50 points
- Scoring for this criteria will be cumulative, in that each one of the resiliency criteria listed below addressed will be awarded points.

Scoring	Non-Priority Projects Points
> 75% of Total Project Cost	0
> 65% to ≤ 75% of Total Project Cost	40
> 55% to ≤ 65% of Total Project Cost	80
> 45% to ≤ 55% of Total Project Cost	120
≤ 45% of Total Project Cost	150

Scoring	Non-Priority Projects Points
> 25% of Reference Benchmark Cost Estimate	0
> 15% to ≤ 25% of Reference Benchmark Cost Estimate	5
> 5% to ≤ 15% of Reference Benchmark Cost Estimate	15
> 0% to ≤ 5% of Reference Benchmark Cost Estimate	25
> -10% to ≤ 0% of Reference Benchmark Cost Estimate	35
≤ 10% of Reference Benchmark Cost Estimate	50

Scoring	Non-Priority Projects Points
Applicant demonstrates network or power source redundancies for minimum of 50% of locations within the project areas	10
Applicant demonstrates scalability in the network design	10
Applicant commits to retrofitting and/or hardening its existing broadband infrastructure assets	10
Applicant commits to burying at least 50% of fiber cables within the project area	10
Applicant demonstrates other network resiliency measures	10



Application Scoring - Non-Priority Projects (2/6)

2. Affordability evaluation based on the following criteria. 75 points

- This section assess the Applicant's commitment to delivering 100/20 Mbps services within the specified Project Areas at an affordable price, using 80% of the FCC urban benchmark rate as the standard.
- Scoring will incentivize affordability, and Applicants must commit to this pricing for at least five years after project completion.

Scoring	Non-Priority Projects Points
>\$84.02	0
\$84.02 - \$73.52	50
\$73.52 - \$63.02	65
<\$63.02	75

3. Fair Labor Practices evaluation based on the following criteria. 50 points

• Points will be awarded based on the information provided for each aspect of the fair labor category.

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Scoring	Non-Priority Projects Points
 Applicant has provided: Certification from an Officer/Director-level employee (or equivalent) evidencing past compliance with federal labor and employment laws by the Applicant as well as all contractors and subcontractors; and/or Only applicable to new entrants without a record of Federal labor and employment law compliance: Written confirmation that applicant is a new without a record of past compliance and that the prospective subgrantee has provided specific, forward-looking commitments to compliance with Federal labor and employment laws with respect to BEAD-funded projects 	<i>y</i> entrant
Written confirmation of disclosing any instances in which the Applicant or its contractors or subcontractors have been found to have violated large as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding years.	



Application Scoring - Non-Priority Projects (3/6)

3. Fair Labor Practices evaluation based on the following criteria. 50 points (contd.)

Scoring	Non-Priority Projects Points
Applicant has provided a plan along with plans from affiliated contractors or subcontractors, on monitoring and ensuring adherence to labor and employment laws including:	
Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network	5
Plan for ensuring the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects	3
Plan for using a directly employed workforce, as opposed to a subcontracted workforce	3
Plan for paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, and collecting the required certified payrolls;	5
Plan for using project labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project)	3
Plans for including local hiring	3
Commitments to union neutrality	2
Use of labor peace agreements	2
Use of an appropriately skilled workforce, e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded)	4
Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure)	3
Steps to prevent the misclassification of workers	2



Application Scoring - Non-Priority Projects (4/6)

4. Speed to Deployment evaluation based on the following criteria. 10 points

Applications will be assessed on their deployment speed using a sliding scale.

Deployment Schedule	Non-Priority Projects Points
< 24 months	10
24 - 36 months	8
36 - 42 months	6
42 – 47 months	4
48 months	0

5. Speed of Network and Other Capabilities based on the following criteria. 45 points

a. Technology - 35 points

• For Applications suggesting the adoption of technologies that offer enhanced scalability with reduced future expenditure for non-priority projects, ACA will evaluate long-lasting capital assets using a sliding scale system.

Technology	Non-Priority Projects Points
Hybrid fiber coaxial (HFC) DOCSIS 4.0	35
Hybrid fiber coaxial (HFC) DOCSIS 3.1	25
Wireless using licensed spectrum 4	20
Wireless using unlicensed spectrum 2	10
Low Earth (LEO) satellite	5

b. Open Access - 10 points

The BEAD program awards points for open access wholesale opportunities on fair and unbiased terms.

Open Access Details	Non-Priority Projects Points
Details regarding open access policy	10



Application Scoring - Non-Priority Projects (5/6)

6. Local and Tribal Coordination evaluation based on the following criteria. 25 points

• The BEAD Program emphasizes Applicants' coordination with local and tribal governments to address connectivity gaps in Project Areas

Local and Tribal Coordination Details	Non-Priority Projects Points
Letter of Support Provided	5
Letters of support include financial commitments/ any other commitments made by the relevant Local or Tribal Government(s)	5
Letters of support include recognition of the potential subgrantee's coordination efforts in the community through the letter(s) of support.	5
Local and/or Tribal Coordination Engagement Plan	10

7. Community Anchor Institutions evaluation based on the following criteria. 20 points

Applications including eligible CAIs in the Project Area will be scored.

Community Anchor Institutions Details	Non-Priority Projects Points
Highest number of CAIs proposed to be served out of (X) number of applications	= 20
Second highest CAIs proposed to be served	= 20 * ((X-1) / x)
Third highest CAIs proposed to be served	= 20 * ((X-2) / x)
Fourth highest CAIs proposed to be served and so on	= 20 * ((X-3) / x)
No eligible CAIs proposed to be served	0



Application Scoring - Non-Priority Projects (6/6)

8. Equitable Workforce Development and Job Quality evaluation based on the following criteria. 25 points

Applicants are required to present a narrative demonstrating their dedication to making appropriate investments in cultivating a skilled and diverse
workforce to fulfill the job requirements and meet the infrastructure development deadlines outlined in their application.

Equitable workforce development	Non-Priority Projects Points
Applicants provided plans regarding the use of an appropriately skilled workforce by providing or supporting employees' attainment of occupational training, certification, and licensure.	5
Applicant provided details of training partnerships with local providers to establish in-house training programs that give your employees industry-specific knowledge and skills.	5
Applicant described plans on creating equitable on-ramps to broadband-related jobs, as demonstrated by partnership with workforce boards, training partners, labor and community organizations, or participation in employer led collaboratives.	5
Applicant described an approach to providing diverse job opportunities and hiring from underrepresented groups through activities such as participating in diversity job fairs, offering internships to students from diverse backgrounds, creating training programs to prepare these individuals for roles in the broadband industry, and/or publicly reporting workforce demographic data.	5
Applicant provided a plan on union neutrality	2
Applicant described an approach to prioritizing local hires for the proposed project.	3

