

Winncom Technologies Corp.



How to apply for Broadband Funding
under the American Recovery and
Reinvestment Act of 2009



Overview

Under the American Recovery and Reinvestment Act of 2009, \$7.2 billion were directed to Department of Agriculture's Rural Utilities Service (RUS) and the Department of Commerce's National Telecommunications Information Administration (NTIA) to expand broadband access in rural areas.

The result is the RUS Broadband Initiatives Program (BIP) and the NTIA Broadband Technology Opportunities Program (BTOP).

BIP will provide loans and grants for broadband infrastructure projects in rural areas. BTOP will provide grants to fund broadband infrastructure, public computer centers and sustainable broadband adoption project



Broadband Initiatives Program

Under BIP \$2.4 billion will be awarded for broadband infrastructure in the first wave thru grants, loans or combination of both:

\$1.2 billion for Last-Mile projects

\$800 million for Middle-Mile projects (loans and loan/grant combinations only)

\$325 million set aside for “national reserve”

Grants may be used only to provide broadband infrastructure in *remote rural areas*, while loans and loan & grant combinations may be used to provide broadband infrastructure in *non-remote and underserved rural areas*

The only limitation for the size of the grant portion of any loan/grant combination will be the fact that it not exceed the loan amount.



Broadband Technology Opportunity Program

NTIA will distribute \$1.6 billion in the first wave , all of which will be grants:

- \$1.2 billion for broadband infrastructure projects focused on *unserved* and *underserved* areas;
- \$50 million for Public Computer Center Projects ;
- Up to \$150 million for sustainable broadband adoption projects;
- Up to \$200 million for a national reserve.



Time frame – Electronic submission

Applications will be accepted between July 14, 2009, at 8 a.m. Eastern Time (ET) until August 14, 2009, at 5 p.m. ET.

Application Submission:

The application packages for electronic and paper submissions will be available at <http://www.broadbandusa.gov>

Electronic submissions:

Electronic submissions of applications will allow for the expeditious review of an applicant's proposal consistent with the goals of the Recovery Act. As a result, all applicants requesting more than \$1 million in assistance (in the form of grants, loans, or a combination of grants and loans) must file their application electronically. Applicants whose authorized representatives are individuals with disabilities, however, may submit a paper application irrespective of the funding size of their request. In addition, applicants who are requesting less than \$1 million in assistance may forego the electronic filing requirement if filing electronically would impose a hardship on the applicant. *Electronic applications must be submitted by 5 p.m. ET on August 14, 2009.* The government electronic application system will provide a date and time stamped confirmation number that will serve as proof of submission.



Time Frame – Paper Submission

Paper submissions:

Applicants requesting less than \$1 million in assistance (in the form of grants, loans, or a combination of grants and loans) may file their applications in a paper format if filing electronically would impose a hardship on the applicants. Applicants whose authorized representatives are individuals with disabilities may file their applications in a paper format irrespective of the funding size of their request. To the extent that applicants use electronic word processing software to create paper submissions, they should include in their filing, to the extent possible, an electronic copy of the paper application on an appropriate media such as a CD. This will assist the agencies in processing paper applications. Paper submissions must be postmarked no later than August 14, 2009, or hand-delivered no later than 5 p.m. ET on August 14, 2009, to the addresses listed in the **SUPPLEMENTARY INFORMATION in this NOFA**



Definitions.

Unserved :

A proposed funded service area, composed of one or more contiguous census blocks, where at least 90 percent of households in the proposed funded service area lack access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband transmission speed (as set forth in the “broadband” definition). A household has access to broadband service if the household can readily subscribe to that service upon request.

Underserved :

- For a *Middle Mile project*, a proposed funded service area may qualify as underserved if one interconnection point terminates in a proposed funded service area that qualifies as unserved or underserved for Last Mile projects.
- For a *Last Mile project*, a proposed funded service area may qualify as underserved if at least one of the following factors is met:
 - no more than 50 percent of the households in the proposed funded service area have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed;
 - no fixed or mobile broadband service provider advertises broadband transmission speeds of at least 3 mbps downstream in the proposed funded service area or the rate of broadband subscribership for the proposed funded service area is 40 percent of households or less.



Definitions.

Last Mile project:

An infrastructure project that predominantly provides broadband service to end users or end-user devices (including households, businesses, public safety entities, and community institutions and facilities)

Middle Mile project:

A broadband infrastructure project that does not predominantly provide broadband service to end users or to end-user devices, which may include interoffice transport, backhaul, Internet connectivity, or special access

Remote area:

An unserved, rural area 50 miles from the limits of a non-rural area

Rural area:

Any area, as confirmed by the latest census, which is not located within: a city, town, or incorporated area that has a population of greater than 20,000 inhabitants; or an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants. For purposes of the definition of rural area, an urbanized area means a densely populated territory as defined in the latest decennial census of the U.S. Census Bureau



Application details

- Application packages will be available at www.broadbandusa.gov
- Applicants must obtain:
 - a Dun and Bradstreet Universal Numbering System Number, and
 - a Central Contractor Registration database number

Application Structure:

- Identity of the applicant, general information, estimated dollar amount of request, and Congressional districts affected;
- Description of the proposed funded service area including, but not limited to, a map, geographic and demographic data, whether the area is unserved or underserved, identification of census-designated communities and whether they are unserved/underserved/rural/non-rural or remote;
- Description of the proposed service offerings and pricing plan, the advertised pricing plan by competitors in the same area, description of network management plans, and explanation of why affordable;
- Technological information about the project and whether it allows more than one provider to serve end-users
- Timeline including key milestones for implementation of the project, including a construction schedule
- Resumes of key management personnel and information about the organization
- Legal opinion concerning ability of applicant to enter into award documents
- Information about any partnerships with public, non-profit and private sector groups
- Itemized budget
- Pro forma financial analysis related to project sustainability
- Historical financial statements and CPA audits if applicable for previous two calendar years



Additional Resources

For more information and details regarding BTOP and BIP programs, requirements terms and conditions please visit :

<http://broadbandusa.sc.egov.usda.gov/>

More information about efforts regarding the Recovery Act is available at:

www.usda.gov/recovery, www.commerce.gov/recovery and www.recovery.gov