Michigan Department of Labor and Economic Opportunity (LEO)

High-Speed Internet Office (MIHI)



BEAD Program Project Application Guidance
January 9, 2025

Table of Contents

1	Key	Key Information		5
2	De	efinitions		
3	Pro	Program Background		10
	3.1 BEAD Program Overview		AD Program Overview	10
	3.2 BEA		AD Deployment Subprogram Application Structure	10
	3.2.1		Phase 1 – Preregistration Phase	10
	3.2.2		Phase 2 - Project Application Phase	11
	3.2.3		Project Application Summary	11
	3.2.4		Project Application Review Process	11
	3.2	2.5	Post-Project Application Review Process	11
	3.3	Pur	pose of this Guidance	13
4	Pro	oject I	nformation	14
	4.1	Pro	ject Executive Summary	14
	4.2	.2 Project Area		14
	4.2.1		Outlier Locations	15
	4.3	Net	work Design and Timeline	15
	4.3.1		Project Data	15
	4.3.2		Project Type	16
	4.3.3		Technology and Performance	17
	4.3	3.4	Network Design	17
	4.3.5		Scalability and Resiliency	19
	4.3	3.6	Timeline	19
	4.4	Nat	ional Environmental Policy Act (NEPA) & National Historic Preservation Act (NHPA)	20
4.6 Permitting Requirements		Pro	ject Preparedness	20
		Per	mitting Requirements	20
		rier Identification	21	
	4.8	Tec	hnical Support and Customer Service	21
	4.9	Оре	en Access Network Options	22
	4.10	Pro	ject Financials	22
	4.10.1		Project Application Submission Phase: Performance Security	22
	4.1	.0.2	Subgrantee Agreement Phase: Letter of Credit or Performance Bond	23
	4.1	.0.3	Project Match Details	23
	4.1	.0.4	Matching Funds Details	23

	4.10.5	Matching Waiver Request	25
	4.10.6	Project Financials Workbook (Detailed Information Intake)	25
	4.10.7	Additional Project Financials Analysis and Documents	26
	4.11 Proj	ect Workforce	26
	4.11.1	Equitable Workforce Development and Job Quality	26
	4.11.2	Workforce Arrangement	27
	4.11.3	Fair Labor Practices	27
	4.11.4	Appropriately Compensated Workforce	27
	4.11.5	Project Labor Agreements	28
	4.11.6	Local Hire Provisions	28
	4.11.7	Unionized Neutrality	28
	4.11.8	Labor Peace Agreements	29
	4.11.9	Appropriately Skilled Workforce	29
	4.11.10	Appropriately Credentialed Workforce	29
	4.11.11	Misclassification of Workers	29
	4.11.12	Unionized Workforce	29
	4.11.13	Workforce Plan	29
		ority & Women's Business Enterprises (MBEs, WBEs), Labor Surplus Firms (LSFs),	
		ged Business Enterprises (GDBEs)	
		al Support and Community Engagement	
		higan Business	
		ordability	
		-Cost Broadband Service Option	
	4.17 Cyb	ersecurity and Supply Chain Risk Management Compliance	
	4.17.1	Cybersecurity Risk Management Plan	34
	4.17.2	Supply Chain Risk Management Compliance	
		ifications	
5	• •	A: Deployment Scoring Criteria - Priority Projects	
		higan BEAD Deployment Project Scoring - Priority Project	
6	Appendi	R B: Deployment Scoring Criteria -Other Last-Mile Projects	50
	6.1 Mic	higan BEAD Deployment Project Scoring – Other Last-Mile Projects	50
7	Appendi	C: EGrAMs Portal Guidance	63
		king Items as Confidential	
		iewing a Project Application in the Portal	
8	Appendi	CD: Initial Proposal Volume II Amendments	64

8.1 MBE/WBE/LSF/SBE/GDBE	64
--------------------------	----

1 Key Information

Please read through the entire Project Application guidance package before you begin your Project Application. This will ensure you understand the full scope of the Project Application requirements as well as the details you will need to provide to successfully complete the Project Application.

General: The purpose of this Project Application guidance is to aid Applicants in completing the Project Application for Michigan's Broadband, Equity, Access, and Deployment (BEAD) funding Program. It assists Applicants in gathering the required information as outlined in the BEAD Notice of Funding Opportunity (NOFO) and Michigan's BEAD Initial Proposal Volume II.

Project Application Deadline: Project Application window opens at 9:00 am EST on January 9, 2025 and will end at 4:00 pm EST on April 9, 2025. MIHI will accept Project Applications throughout this 90-day period.

Submission Guidelines: Applicants for Michigan's BEAD Program must use the online application system to submit their Project Application. The application system can be accessed online at: EGrAMS: Home (egrams-mi.com).

No other submission method is allowed. Project Applications must be complete, and attachments clearly labeled. Completed Project Applications, attachments, and supporting documentation must be received by the Department of Labor and Economic Opportunity (LEO), Michigan High-Speed Internet (MIHI) Office by the date and time listed below:

Project Application Deadline:

April 9, 2025 at 4:00 pm EST

Demand on the online submission system immediately preceding the Project Application deadline can lead to extended processing times and Applicants are <u>strongly</u> encouraged to submit with sufficient time to avoid having a Project Application excluded from consideration due to such a technical delay. It is the Applicant's responsibility to plan sufficient time to prepare, complete, and submit their Project Application and to ensure the Project Application is received by the MIHI Office prior to the submission deadline. An Applicant that fails to submit a complete Project Application by the deadline may be excluded from consideration for a BEAD subgrant award. The official submission date and time will be determined by the time stamp accompanying the Project Application within the online submission system. No other time stamp or date stamp will be accepted. Applicants will receive an email confirmation acknowledging the receipt of their Project Application, which will be sent to the Primary Contact's email address. If a confirmation receipt is not received within two business days, Applicants must contact Jennifer Duffey, MIHI Grants Administration Manager, as noted below.

Questions and Contact: If you have questions after reviewing the Project Application and supporting documentation, please refer to the Frequently Asked Questions (FAQs) document, which will be uploaded to the <u>EGrAMs portal</u> in the "User Document" tab. Questions and comments can also be submitted via email to Jennifer Duffey, Grants Administration Manager, at the below email address.

BEAD Program Contact Information:

Jennifer Duffey Grants Administration Manager Michigan High-Speed Internet Office duffeyj1@michigan.gov

2 Definitions

- <u>Alternative Technology:</u> Alternative technology refers to any broadband technology that does not qualify as reliable broadband service; including unlicensed fixed wireless (ULFW) and low-earth orbit satellites (LEOs). Alternative technologies must still meet the BEAD technical requirements if funded through the BEAD program. For more information, see the National Telecommunications and Information Administration's (NTIA) proposed <u>BEAD Alternative Technology Broadband Technology Guidance</u>. (Note that, once final guidance on this topic is released, it will supplant the proposed guidance as a source of information.)
- <u>Applicant:</u> Entities that have submitted preregistration information and are in the process of submitting or have submitted one or more Project Applications.
- <u>Assistant Secretary</u>: The term "Assistant Secretary" means the Assistant Secretary of Communications and Information or the individual who holds any successor position.
- <u>BEAD-eligible Location</u>: BEAD-eligible locations include broadband serviceable locations (refer to the definition of "Broadband Serviceable Location") that are unserved or underserved (refer to the definitions of "Unserved" and "Underserved") and BEAD-eligible Community Anchor Institutions (refer to the definition of "Community Anchor Institution"). All eligible CAIs will be included as BEAD eligible locations pending confirmation that sufficient funding is available to serve all unserved and underserved locations. MIHI will confirm if there are changes to this assumption.
- <u>BEAD Technical Requirements:</u> For the purposes of BEAD, the delivered minimum speed must be not less than 100 Mbps for downloads and 20 Mbps for uploads. Ninety-five, (95%), of latency measurements during testing windows must fall at or below 100 milliseconds round-trip time.
- <u>Broadband</u>: The term "broadband" or "broadband service" has the meaning given to the term "broadband internet access service" in Section 8.1(b) of title 47, Code of Federal Regulations, or any successor regulation, meaning it is a mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up internet access service. This term also encompasses any service that the Federal Communications Commission (FCC) determines to be offering a comparative level of functionality as the service described in the previous sentence or that is being utilized to circumvent the protections outlined in this part.
- <u>Broadband DATA Maps</u>: The term "Broadband DATA Maps" refers to the maps created by the Federal Communications Commission under Section 802(c)(1) of the Communications Act of 1934 (47 U.S.C. § 642(c)(1)).
- Broadband Service: Refer to "Broadband" definition.
- <u>Broadband Serviceable Location</u>: The term broadband serviceable location or "BSL" means "a business or residential location in the United States at which fixed broadband internet access service is, or can be, installed." Residential BSLs include all residential structures, including structures that are (or contain) housing units or group quarters (as those terms are defined by the United States Census Bureau). Business BSLs include all non-residential (business, government, non-profit, etc.) structures that are on property without residential locations and that would be expected to demand mass-market, non-enterprise-grade internet access service.
- <u>Community Anchor Institution (CAI)</u>: As defined in the State of Michigan's Initial Proposal Volume I, the term "Community Anchor Institution" means an entity such as a school, library, health clinic, health

center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, and aged individuals. A CAI is eligible for BEAD funding if it does not currently receive "qualifying broadband" service which is Reliable Broadband Service with (i) a speed of not less than 1 Gbps for downloads and uploads alike and (ii) latency less than or equal to 100 milliseconds.

Michigan has defined the following categories as CAIs:

- Schools
- Libraries
- Health clinic, health center, hospital, or other medical providers
- Public safety entity
- Institutions of higher education
- Public housing organizations
- Community support organizations, including senior centers; job training centers; Boys and Girls Clubs
 and YMCAs; community centers; homeless service agencies, food banks, and pantries; zoos,
 aquariums, museums and wildlife centers; childcare centers; and organizations offering digital
 inclusion services (not included in other CAI definitions).
- Public-facing and utilized government facilities
- Agricultural labor camps
- <u>Director/Officer Level Employee:</u> The term "Officer/Director-level employee" of an Applicant or Subgrantee may include roles such as President, Chief Executive Officer, Chief Financial Officer, Treasurer, or equivalent position.
- <u>Eligible Entity</u>: In the case of this guidance document, "Eligible Entity" means the Michigan High Speed Internet Office "MIHI".
- Geographically Disadvantaged Business Enterprise (GDBE): As defined in Executive Directive 2019-8,
 GDBEs are Michigan based businesses located in low-income communities and underutilized business areas throughout Michigan.
- <u>Hexbin</u>: Refers to Michigan's BEAD deployment Project Areas that divide the state into hexagonal geographic units, each with a diameter of 1.5 miles across opposing vertices. All hexbins that contain at least one BEAD eligible location will be available for inclusion in a BEAD Project Application for funding.
- <u>Labor Surplus Firm (LSF)</u>: A LSF is a business that together with its first-tier subcontractors will perform substantially in labor surplus areas (as identified by the Department of Labor in accordance with <u>20 CFR</u> <u>part 654</u>). Performance is substantially in labor surplus areas if the costs incurred under the contract on account of manufacturing, production or performance of appropriate services in labor surplus areas exceed 50 percent of the contract price.
- <u>Local Government:</u> Local units of government in Michigan are counties, townships, cities, and villages. For purposes of Michigan's BEAD program, the term "local government" could also include a consortium, partnership, etc., between a combination of counties, townships, cities, and villages.
- Location: Refer to the definition of "Broadband Serviceable Location".

- Minority Business Enterprise (MBE): A MBE is defined as "a business enterprise of which more than 50% of the voting shares or interest in the business is owned, controlled, and operated by individuals who are members of a minority and with respect to which more than 50% of the net profit or loss attributable to the business accrues to shareholders who are members of a minority" by Michigan law MCL 450.771(f).
- Mischaracterized Locations: BEAD eligible locations identified by MIHI that may not require BEAD funding due to 1) possible mischaracterization as a BSL and/or 2) serviceability does not align with the final eligibility list. For more information, please refer to page 89 of the NTIA Final Proposal Guidance v1.2.
- Open Access: Open access refers to a network policy where the network owner allows multiple service
 providers to use the network on fair, equal, and neutral terms. This ensures that the network is accessible
 to any retail provider who wishes to offer services utilizing the existing infrastructure, promoting
 competition and potentially lowering costs for consumers.
- Other Last-Mile Broadband Project: This refers to a project where one or more BSLs will not receive services via end-to-end fiber-optic facilities. For example, if a project has 100 locations with 99 BSLs receiving services via end-to-end fiber and has one BSL that does not receive broadband service via-end-to-end fiber, the project will be classified as an Other Last-Mile Broadband Project.
- <u>Outlier</u>: The term "Outlier" is used to describe BSLs for which the cost to provide service through an end-to-end fiber solution for one or more locations within a specific Project Area hexbin is deemed unreasonable compared to such a solution for the remaining BSLs in the chosen Project Area. Applicants may identify "Outliers" as a part of their Project Application; MIHI will use "Outliers" to aid in determining the extremely high-cost per location threshold and will have the right to determine whether "Outliers" identified by an applicant will be retained in the Project Area, served with an Alternative Technology, removed from the Project Area (either the Outlier itself or the entire hexbin in which it is located) to be served by another provider via an award in Round 1, or removed from the Project Area (either the Outlier itself or the entire hexbin in which it is located) to be served by another project to be made available in Round 2.
- <u>Potential Applicant:</u> Entities that may be interested in applying for BEAD broadband deployment projects in Michigan and are submitting preregistration information.
- <u>Priority Broadband Project:</u> The term "Priority Broadband Project" refers to a project that will provide service via end-to-end fiber-optic facilities to each end-user premises. A project that will rely entirely on fiber-optic technology to each end-user premises will ensure that the network built by the project 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. See Infrastructure Act § 60102(a)(2)(I).
- Program: The term "Program" means the Broadband Equity, Access, and Deployment Program.
- <u>Project Application</u>: The Project Application will include details of the infrastructure deployment plan and demonstrate a clear understanding of, and adherence to, all compliance and reporting obligations. Each Project Application will be limited to one Project Area. Applicants must submit a Project Application in accordance with MIHI's guidelines and requirements for the BEAD program.
- Project Area: For purposes of Michigan's BEAD Program, the state is divided into equal hexagonal geographic units referred to as hexbins (see hexbin definition). Hexbins contain BEAD-eligible Broadband Serviceable Locations (BSLs) and BEAD-eligible Community Anchor Institutions (CAIs). Applicants will select one or more hexbins to define their Project Areas. A Project Application (refer to the definition above) represents a commitment to serve every eligible BSL and CAI within the hexbins selected as the

Project Area. Applicants may choose the number of hexbins needed to form a Project Area which is subject to certain criteria as defined in Michigan BEAD Initial proposal Volume II Section 5.1 (also refer to the definition of hexbin above).

- Qualifying Broadband Service: "Qualifying broadband service" to a location that is not a CAI is Reliable
 Broadband Service with (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less
 than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds; "qualifying broadband
 service" to a CAI is Reliable Broadband Service with a speed of not less than 1 Gbps for downloads and
 uploads alike and latency less than or equal to 100 milliseconds.
- Reliable Broadband Service: In Michigan, the term "Reliable Broadband Service" refers to broadband service that is accessible to a location via: i) fiber-optic technology (BDC technology code 50) ii) cable modem/hybrid fiber-coaxial (HFC) technology (technology code 40) iii) terrestrial fixed wireless technology utilizing entirely licensed spectrum (including spectrum licensed by rule) or using a hybrid of licensed and unlicensed spectrum (technology codes 71 and 72).
- State: In the case of this guidance document, "State" means the State of Michigan.
- <u>Subgrantee/Subrecipient</u>: The term "subgrantee" or "subrecipient" means an entity that receives grant funds from an Eligible Entity to carry out eligible activities.
- <u>Underserved Location</u>: The term "underserved location" means a broadband-serviceable location that is; (a) not an unserved location, and (b) that the Michigan BEAD program eligible locations map show as lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.
- Unserved Location: The term "unserved location" means a broadband-serviceable location that the Michigan BEAD program eligible locations map show as (a) having no access to broadband service, or (b) lacking access to Reliable Broadband Service offered with—(i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.
- Women Business Enterprise (WBE): A WBE is defined as "a business of which more than 50% of the voting shares or interest in the business is owned, controlled, and operated by women and with respect to which more than 50% of the net profit or loss attributable to the business accrues to the women shareholders" by Michigan law MCL 450.771.

3 Program Background

3.1 BEAD Program Overview

The Broadband Equity, Access, and Deployment (BEAD) program is authorized by the Infrastructure Investment and Jobs Act (IIJA) and provides funding of \$42.45 billion, of which Michigan has been allocated \$1.559 billion. The main objective of the BEAD program is to achieve universal connectivity by establishing the necessary groundwork for widespread access, affordability, equity, and adoption of broadband. Additionally, the program aims to create well-paying job opportunities and address long-standing equity gaps. BEAD's primary focus is on deploying broadband services, prioritizing the provision of infrastructure to unserved¹ locations, followed by underserved² locations, and then serving community anchor institutions (CAIs). Funding may also be used for non-deployment activities such as outreach, education, training, and remote learning or telehealth services/facilities.

The Michigan High-Speed Internet (MIHI) Office was created in June 2021 within the Michigan Department of Labor and Economic Opportunity (LEO) to drive Michigan's broadband mission to close the digital divide. MIHI is the administering entity for the BEAD Program in Michigan.

3.2 BEAD Deployment Subprogram Application Structure

Michigan's BEAD subgrantee selection process consists of two distinct phases, as outlined below. After completing Phase 2 – Project Application Phase, there will be an Project Application Summary, Project Application Review, and Post Project Application Review.

3.2.1 Phase 1 – Preregistration Phase

Preregistration is the first of two steps required in order to apply for funding through the BEAD Program in Michigan. The preregistration phase opened on June 28th, 2024, and will end on March 10th, 2025. The final 60 days of the preregistration phase and the first 60 days of the Project Application phase will run concurrently, which is to say that preregistration will remain available for 60 days after the Project Application window opens. However, each Potential Applicant must complete preregistration and receive MIHI's approval of their preregistration submission before submitting a Project Application.

During the preregistration phase, Potential Applicants must submit the organizational information necessary to assess their organization's financial, technical, managerial, operational, and other capabilities. The purpose of preregistration is to ensure that Potential Applicants meet the BEAD program's minimum and mandatory requirements, as well as to streamline the application process. The information collected during preregistration will be applied to all Project Applications submitted by the Potential Applicant. Only the Applicant responsible for the delivery of the project is required to submit preregistration in order to move forward with an Project Application on behalf of a partnership, consortium, etc.

Preregistration applications submitted after the opening of the Project Application submission window will no longer receive curing. MIHI will make a determination as to whether a preregistration application is accepted or denied. Applicants whose preregistration application was denied can resubmit a new preregistration application.

¹ Unserved locations are those without any broadband service at all or with broadband service offering speeds below 25 megabits per second (Mbps) download and 3 Mbps upload.

² Underserved locations are those without broadband service offering speeds of 100 Mbps download and 20 Mbps upload.

During the review process of a submitted preregistration application, Applicants can still access the Project Application but will not be able to submit it.

3.2.2 Phase 2 - Project Application Phase

After receiving MIHI's approval of their preregistration submission, Potential Applicants may proceed to submit one or more Project Applications. Potential Applicants who have not completed and received approval of their preregistration submission can still view and complete a Project Application but will not be able to submit it.

Each Project Application covers a single Project Area selected by the Applicant; as defined earlier in this document, a single Project Area may include multiple hexbins (in fact, it is expected that the vast majority of Project Areas will include multiple hexbins). Applicants have the option to submit multiple Project Applications. Project Applications will be scored to determine the BEAD subgrant awards.

3.2.3 Project Application Summary

MIHI will publish a summary of the Project Applications received within 30 days of the subgrantee Project Application window closing. Only high-level Project Application summary information will be posted publicly. Such information may include applicant's name, Project Area, locations served, grant amount requested, match, etc. Proprietary and confidential information that Michigan's Freedom of Information Act protects from disclosure will not be posted publicly.

3.2.4 Project Application Review Process

MIHI will assess Project Applications against criteria outlined in the BEAD NOFO and MIHI's scoring rubric as defined in Michigan's approved Initial Proposal Volume II and will ensure that the Project Applications are consistent with state and federal regulations. The review process will assess the merit of each Project Application and its alignment with program goals and objectives.

Each Project Application will be reviewed to ensure that the Project Application is complete and meets the minimum scoring threshold. If a Project Application does not meet the mandatory minimum requirements of MIHI's BEAD Program, the Project Application may be deemed ineligible and removed from consideration. In the event that MIHI determines that an Project Application that was substantially complete when submitted has a gross error in a Project Application element, MIHI will carry out a soft curing to remediate these Project Applications. MIHI expects gross errors in an Project Application element to be extremely rare and infrequent. Applicants will be notified via email and the grant portal of Project Applications that are deemed ineligible or of Project Applications that require soft curing. Project Applications that are not deemed ineligible will be moved forward in the review process. Assessment and deconfliction will take place as outlined in Michigan's approved Initial Proposal Volume II. Further discussions and negotiations may take place as necessary. The conclusion of this review process will be a list of tentative awards. Following the development of the list of tentative awards, MIHI will determine whether a Round 2 is necessary.

3.2.5 Post-Project Application Review Process

After the completion of the deployment subgrantee selection process and a list of tentative awards that includes each BEAD-eligible location in Michigan has been established, MIHI will meet with NTIA to review its deployment subgrantee selection outcomes. Meeting with NTIA, will take place no later than 14 days prior to MIHI's notifying any provisionally selected or not selected subgrantees. Once the Final Proposal is developed, MIHI will announce on its website (LEO - Broadband Equity, Access, and Deployment (BEAD) Program (michigan.gov)) which Project Applications were selected to receive BEAD funding and will also post the Final Proposal for public feedback which will be open for a period of 14 days.

Please refer to the <u>EGrAMS portal website</u> for the high-level process flowchart of the Project Application process. The high-level process flowchart can be found in the "User Documents" tab. The narrative for this process flow is described above in Section 3.2.

3.3 Purpose of this Guidance

This document serves as a guide to assist those who are interested in applying for Michigan's BEAD Program. It includes guidelines regarding Project Application requirements and compliance measures mandated by the NTIA and the state of Michigan for participation in any state's BEAD Program,.

Following the Program Background, the Project Information section is organized into the following sections:

- Section 4.1: Project Executive Summary
- Section 4.2: Project Area
- Section 4.3: Network Design and Timeline
- Section 4.4: National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA)
- Section 4.5: Project Preparedness
- Section 4.6: Permitting Requirements
- Section 4.7: Barrier Identification
- Section 4.8: Technical Support and Customer Service
- Section 4.9: Open Access Network Options
- Section 4.10: Project Financials
- Section 4.11: Project Workforce
- Section 4.12: Minority Business Enterprises (MBEs)/Women's Business Enterprises (WBEs)/Labor Surplus Firm Inclusion (LSFs)/Geographically Disadvantaged Business Enterprises (GDBEs)
- Section 4.13: Local Support and Community Engagement
- Section 4.14: Michigan Business
- Section 4.15: Affordability
- Section 4.16: Low-Cost Broadband Service Option
- Section 4.17: Cybersecurity and Supply Chain Risk Management Compliance
- Section 4.18: Certifications

4 Project Information

Applicants are encouraged to submit their best and final Project Applications for deploying qualifying broadband service to all BEAD-eligible locations in the Project Areas they have selected, which should include, but is not limited to, number of BEAD-eligible BSLs and CAIs served, affordability, financial sustainability, cost estimates, network designs, diagrams, build-out timelines, local coordination efforts, climate resilience, performance data, technology, and compliance with all regulations, etc.

4.1 Project Executive Summary

Applicants should provide a high-level summary of their proposed project. The summary should include information such as the reason for developing the project, description of the proposed Project Area, technology, delivery approach, timeline, and any additional details or information the Applicant deems relevant to the project.

4.2 Project Area

Applicants will identify and describe their chosen Project Area based on selected hexbins, (refer to the definition of "Hexbin" in Section 2 above). Applicants will upload the list of hexbins (proposed Project Area) from the Mapping Tool download. Each Project Application will be limited to one Project Area, which (as defined in "Project Area" in Section 2 above) may include multiple hexbins subject to the limitations identified in the following paragraphs. Applicants wishing to apply for multiple Project Areas must submit multiple Project Applications, although their preregistration information will be carried forward to all of their Project Applications. By selecting a Project Area, Applicants must be prepared to serve every BEAD-eligible location, (i.e. unserved BSL, underserved BSL, and BEAD-eligible CAI) within the Project Area unless agreed otherwise with MIHI.

Applicants may choose the number of hexbins desired to form a Project Area, subject to the following limitations:

- Hexbins in a single Project Area should be contiguous. If it is not possible for all hexbins in a proposed Project Area to be contiguous, hexbins must be reasonably and logically close in proximity. Hexbins do not need to share immediate borders but must be located within the near vicinity of each other. A Project Area should demonstrate geographic and operational coherence. For example, reasonably adjacent hexbins may be within 10 miles of another hexbin.
- The selection of hexbins for a single Project Area cannot create an "island" of one or more hexbins that
 are no longer contiguous with any other available hexbins. Hexbins are required to form a geographically
 continuous and/or connected area.
- Some hexbins may be grouped by MIHI into larger, predefined Project Area based on a clustering analysis, remoteness, financial viability, number of BSLs, proximity to adjacent cluster/grouping, and deduplication of existing federal, state, and local commitments. Applicants will be required to propose a project for the entire hexbin grouping in these instances.

Due to existing broadband infrastructure deployment projects being implemented in conjunction with BEAD, such as the Rural Digital Opportunity Fund (RDOF), MIHI acknowledges there may be Project Applications for sporadic, standalone hexes due to RDOF and other similarly funded areas. Applicants are encouraged to identify partners as needed to ensure that all BEAD-eligible locations, (i.e., homes, businesses, multi dwelling units (MDUs), and CAIs) within their Project Areas can be served. For example, every unit of an MDU needs to have the proposed service available to it and to do so might require a partnership with a managed service provider.

4.2.1 Outlier Locations

While MIHI encourages Applicants to submit their most competitive fiber Project Applications, it also invites Applicants to offer recommendations on how to reduce the cost to serve Outlier locations with non-fiber technology.

Applicants can identify "Outlier" locations within their chosen Project Area that are relatively expensive to serve (refer to the definition of "Outlier" locations in Section 2 above). If a Project Area includes "Outliers," Applicants shall provide the following information:

- Identify Outlier location(s) (BSL ID and address).
- Specify the fiber cost per location for the Outlier location(s).

Additionally, Applicants will be asked if they are willing to propose an alternative non-fiber technology solution to serve Outlier locations. If so, Applicants shall provide the following information:

- Identify recommended non-fiber technology per location.
- Provide the cost of non-fiber technologies per location.
- Identify potential partnerships with ISPs that specialize in alternative technologies to serve those location(s) if the proposed service is not to be delivered by the Applicant.

The following information must be included in the "Outlier Locations" tab as part of the Project Financials Workbook file. The Project Financials Workbook is available for download, completion, and subsequent upload as part of Question G.5 of the Project Application. Moreover, Applicants must provide narrative responses on the identified "Outlier" locations and describe what makes the locations identified "Outlier" locations (i.e., geography, topography, remoteness, cost, etc.).

The identification of "Outliers" should only occur based on the extreme impracticability and unreasonableness of end-to-end fiber deployment because of geography, topography, or excessive cost. MIHI will evaluate any designation of a location as an "Outlier" and determine whether the location should be:

- Retained in the project to be served with fiber
- Retained in the project and served using an alternative technology
- Removed from the project (either the specific location or the entire hexbin in which it is located) to be served by another Project Application submitted in Round 1.
- Removed from the project (either the specific location or the entire hexbin in which it is located) to be carried forward into Round 2.

4.3 Network Design and Timeline

4.3.1 Project Data

Applicants will provide the total number of BSLs and CAIs included in the Project Area they select, including the total number of Mischaracterized Location(s) (if any) and the total number of eligible BSLs and CAIs. If a Project Area has Mischaracterized Location(s), Applicants should provide evidence for each Mischaracterized Location.

Acceptable evidence types include parcel data, water features, transport features (roads, railways), building footprint data, satellite imagery, street view. Applicants should also provide the total number of unserved locations, the total number of underserved locations, and the total number of CAIs to be served.

MIHI is required to certify that all unserved and underserved locations included in the approved challenge process results are covered by a provisional award as part of the Final Proposal. MIHI reserves the right to de-obligate a location from receiving funding by utilizing documentation and information proving that a BSL does not need to be served because it is a Mischaracterized Location. Permitted reason codes for Mischaracterized Locations as outlined by the NTIA are as follows³:

- 1. Location should not have broadband service
- 2. Location does not need mass-market broadband service
- 3. Location has been removed from the Fabric by the FCC, or is listed as BSL = FALSE
- 4. Location is already served by an enforceable commitment
- 5. Location is already served by a non-subsidized service
- 6. Other

Additionally, Applicants should provide an estimate of the infrastructure to be deployed in the Project Area, such as the total estimated miles of buried fiber/cable plant, total estimated miles of aerial fiber (if fiber proposed), the total estimated mileage of middle-mile fiber infrastructure, and the number of towers (if wireless proposed).

Applicants should provide a detailed breakdown of the Project Area technology mix by listing the percentage of miles covered by each technology type.

4.3.2 Project Type

Applicants will select the project type, Priority Broadband Project or Other Last-Mile Broadband Project, they intend to develop in their Project Application. Please note that Project Applications will be scored differently based on their project type; Priority Broadband Projects and Other Last-Mile Broadband Projects have separate scoring criteria.

A **Priority Broadband Project** is characterized as a project that provides internet services via end-to-end fiber-optic facilities to reach end users. For example, if a project has 100 locations and all 100 BSLs will be receiving services via end-to end-fiber, the project will be classified as Priority Broadband Project.

An **Other Last-Mile Broadband Project** is characterized as a project where one or more BSLs will not receive services via end-to-end fiber-optic facilities. For example, if a project has 100 locations with 99 BSLs receiving services via end-to-end fiber and has one BSL that does not receive broadband service via-end-to-end fiber, the project will be classified as an Other Last-Mile Broadband Project.

As noted in Section 4.2.1, MIHI has a strong preference for Priority Broadband Projects. It is anticipated that all projects submitted during Round 1 of BEAD funding to be projects deploying end-to-end fiber. MIHI acknowledges the potential challenges and costs associated with fiber deployment in certain regions and areas and that alternative technologies may be deemed necessary. In instances where an end-to-end fiber solution is impractical, Applicants are required to designate these locations as "Outliers" and provide the cost to serve each location in

³ National Telecommunications and Information Administration, Broadband Equity, Access, and Deployment (BEAD) Program Final Proposal Guidance for Eligible Entities," November 2024.

their Project Application. MIHI expects "Outliers" to be extremely rare and occur only due to extreme impracticability and unreasonableness caused by geographical, topographical, or excessive financial costs.

4.3.3 Technology and Performance

4.3.3.1 Priority Broadband Project

Applicants will select all applicable network technologies and associated speeds that are proposed to be used for the delivery of internet connectivity to the end user premises. This includes the technology used for the actual connection to each individual premise for the project. The list of applicable network technologies and associated speeds include:

- XGS-PON: Up to 10 Gbps download and 10 Gbps upload or greater
- XG-PON: Up to 10 Gbps download and 2.5 Gbps upload
- G-PON: Up to 1 Gbps download and 2.5 Gbps upload
- E-PON: Up to 1 Gbps download and 1 Gbps upload
- Other Fiber Technology (please describe)

4.3.4 Network Design

Applicants must submit GIS files of the Project Area's network design, showing a proposed network that will deliver broadband service meeting or exceeding the performance requirements to all locations served by the Project.

The path layer should distinguish between aerial and underground to the extent possible. Acceptable file types for maps include SHP, KMZ/KML, or GDB. Location points, points containing network electronics and splitters, and polygons outlining all proposed service areas and the identification of backhaul infrastructure and point(s) of internet connectivity can be submitted as well.

Applicants should submit files showing their existing fiber or cable network routes within and in close proximity to the defined Project Area and include any applicable information of these existing assets such as fiber density, available capacity, year of deployment, etc. Applicants should also indicate the location of assets proposed for interconnection whether those assets are owned by the Applicant or not. All submitted network designs, maps, and/or diagrams should include clearly and simply defined labels and legends.

For fixed wireless projects, Applicants should submit fixed wireless access (FWA) tower geolocations and for each tower, include a signal propagation model confirming that the Applicant can offer minimum speeds of 100Mbps downstream and 20Mbps upstream per subscriber at all the times.

For projects that include underground network deployments, Applicants must demonstrate inclusion of excess conduit capacity and regular conduit access points for interconnection by others. Additionally, Applicants must include a proposed plan for the placement and interval of conduit access points to ensure capacity for future expansion and access. For projects in urban areas, conduit access points should be located every 300 meters. Highway fiber installation projects should include conduits access points placed at regular intervals and locations with a high probability to provide future services such as rest areas.

Applicants must certify that their network design includes preliminary interspersed conduit access points at regular and short intervals for interconnection by unaffiliated entities. Conduit access points and interconnections can be finalized once the grant is executed.

Note: Subgrantees will be required to submit final detailed network designs after award, but prior to MIHI's approval to proceed to construction. Final detailed network designs must be certified by a Professional Engineer

(PE). Additionally, upon completion, the project must obtain certification by a PE licensed in one of the 56 Eligible Entities to confirm the deployed network was constructed and is operating as designed.⁴

Applicants should provide a narrative of the cost of a "non-standard" customer installation and how it will be ensured that this cost is not fully passed on to the customer as a one-time installation fee.

Note: Non-standard customer installation is defined as the broadband infrastructure service (aerial or conduit) running from a backbone or lateral fiber optic cable to an unserved or underserved BSL that is farther than the applicant's standard installation distance.

4.3.4.1 Other Last Mile Technology

Applicants who intend to deploy an Other Last-Mile Project must select all applicable network technology types they are proposing to use. The list of applicable network technologies include:

- Licensed Fixed Wireless
- Hybrid Fiber Coax
- Fiber
- Other including Copper (DSL) and Low-Earth Orbit Satellite

Applicants should provide and confirm the maximum performance commitments they propose for the delivery of internet connectivity to the end user premises. This includes the technology used for the actual connection to each individual premise for this Project. By selecting a performance commitment, the Applicant affirms they will deliver minimum Download/Upload Speeds (Mbps) of 100 by 20 within the Project Area specified in the Project Application and a maximum allowable latency, across all performance bands, of 100 Milliseconds. Per the BEAD NOFO ((Section IV.B.7.b.iI), MIHI has included "Speed of Network and Other Technical Capacities" in its secondary scoring criteria for Other Last Mile Projects. For additional information please see <u>Appendix B.</u> The performance commitments include:

- 100/20 Mbps, maximum latency 100ms
- 250/100 Mbps, maximum latency 100ms
- 500/500 Mbps, maximum latency 100ms
- 1G/1G, maximum latency 100ms
- Up to 2.5 Gbps and 1 Gbps, maximum latency 100ms
- Up to 10 Gbps and 2.5 Gbps, maximum latency 100ms

⁴ Updated guidance clarifies that the professional engineer providing certifications may be licensed in any of the 56 Eligible Entities. National Telecommunications and Information Administration, "BEAD Program – Conditional Limited Programmatic Waiver and Clarification of Professional Engineer Certification," March 7, 2024.

4.3.5 Scalability and Resiliency

Applicants should provide comprehensive information pertaining to the scalability and resiliency of their network. This includes offering a detailed account of the redundancies in the network or power source(s). Specifically, Applicants should outline any alternative power sources that are being used, included, or planned for implementation. Applicants should also demonstrate whether 50% or more of locations are serviced by multiple routes that are geographically diverse and provide service to the same customer.

Additionally, Applicants should describe how the proposed network design ensures scalability to meet the connectivity needs of the Project Area both currently and throughout the life of the network, including outlining whether the network design incorporates XGS-PON technology or 10 Gbps bandwidth.

As part of their Project Application, Applicants should also present their commitment to retrofitting and/or hardening its existing broadband infrastructure assets if such measures are necessary to support the proposed project. This plan should be accompanied by a clearly outlined timeline, highlighting when the process is expected to commence and reach completion. If the Applicant's existing infrastructure does not need retrofitting and/or hardening to support the proposed project, provide the network's build date and anticipated date for replacement and/or hardening.

If the proposed Project Area includes hexbins that lack 4G services, Applicants may provide an overview of the plans to address areas currently lacking 4G coverage by deploying mobile coverage. Applicants may consider partnering with mobile carriers to expand mobile coverage through methods such as infrastructure sharing and joint deployment of infrastructure. MIHI strongly encourages deploying mobile coverage alongside project deployment and will award additional points for Project Applications that demonstrate a plan to deploy 4G to locations currently identified as not having 4G coverage. Hexbins that lack 4G coverage can be found using the mapping tool. For more information on the scoring incentive for the expansion of mobile coverage, refer to Appendix A and Appendix B.

As noted in Section 4.3.1, Applicants should estimate the miles of buried cables. Applicants should detail their fiber cable installation plans, specifying the use of buried cables. MIHI strongly encourages the burying of cables and will provide an additional 2 points for Applicants that commit to burying at least 75% of fiber cables. For more information, refer to Appendix A and Appendix B.

Furthermore, to encourage network scalability, Applicants that provide evidence of facilities for expanded growth based on number of fibers, placement of structures to accommodate future growth (handholds, fiber huts, interconnection points), and local sparing polices for all needed equipment for the Project Area will receive one point. Partial points may be awarded based on the information provided. Additional information can be found in Appendix A and Appendix B.

"Scalability and Resiliency" has been included in MIHI's scoring criteria. This Priority Project and Other Last Mile Projects primary scoring criteria category scores whether the proposed network design is more scalable or resilient than what may be considered to be industry standard. Applicants may receive up to seven points in this category. Applicants should refer to Appendix A and Appendix B for additional information about this scoring criteria.

4.3.6 Timeline

Applicants will be requested to provide a timeline highlighting the number of months needed between grant agreement execution and delivery of service to the last eligible BSL or CAI included in the project. The timeline should be detailed and include key implementation phases and milestones for 25%, 50%, 75%, and 100% completion (e.g., contracting, engineering, pole licensing, make-ready, permitting, construction, connections, etc.). Each milestone represents a specific stage of the project's completion and the availability of service to the percentage of eligible BSLs and CAIs in the Project Area. The timeline should include the start date and expected

end date for all phases. The timeline should include phases such as pre-engineering, final engineering, regulatory approvals and/or permits, construction, and testing and project close out. Applicants will be asked to certify that the construction timeline, from grant agreement signature to construction completion, will be substantially completed and operational within 4 years.

Per the BEAD NOFO requirements (Section IV.B.7.b.i), MIHI has included "Speed to Deployment" in its secondary scoring criteria for Priority Projects and Other Last Mile Projects. Applicants may receive up to three points for this category for Priority Projects and up to one point for Other Last Mile Projects. For additional details please see <u>Appendix A</u> and <u>Appendix B</u>.

4.4 National Environmental Policy Act (NEPA) & National Historic Preservation Act (NHPA)

Applicants should provide a description of the site and the surrounding area and identify whether the Project Area is on developed land or open space and any adjacent natural resources, such as rivers, wetlands, forests, and any protected or managed land. Additionally, any environmental concerns related to the project should be identified, along with a description of any steps or plans that have been undertaken to address the concerns.

Applicant will also be asked to describe the activities the Applicant has already completed or has planned for the proposed project related to NEPA and EHP requirements (e.g., surveyed site, signed agreements with environmental consultants, coordination with any regulatory agencies). Applicants should include all prior activities, a complete description of next steps planned to prepare for the proposed project, and how costs were estimated. All descriptions must be written using laymen terms.

4.5 Project Preparedness

Applicants should describe the activities that their organization has already completed or has planned for the proposed project. These include activities such as surveyed sites, signed agreements, obtaining necessary costs, prepared engineering designs, access to right of way, coordination with any regulatory agencies, etc. Applicants should include all prior activities, a complete description of next steps planned to prepare for the proposed project and how costs were estimated.

4.6 Permitting Requirements

Applicants should identify any known critical crossings (federal lands, water bodies) and permits related to the project. Critical crossings and permits may include, but are not limited to, the following:

- State of Michigan Managed Lands
 - o Michigan Department of Transportation Managed Rights of Way longitudinal installation
 - Michigan Department of Natural Resources Managed Lands
 - Bridge Crossings
 - Drainage Crossings
- Federal Government Managed Lands
 - US Army Corps of Engineers Managed Properties
 - US Forest Service Managed Lands
 - Department of the Interior Managed Lands
 - o Tribal Lands
- Other Crossings/Permitting Not Listed
 - o Examples may include railroad crossings, significant water crossings and wetland crossings

Applicants should outline the steps and plans their organization has undertaken in relation to the permitting processes for the identified critical crossings or permits. This description may include various aspects, such as the assessment conducted to identify the critical crossings or permits, the establishment of an Project Application plan with clear timelines and assigned responsibilities, the collection of supporting documentation as required, engagement with regulatory agencies, and the effective tracking and monitoring of the Project Application status. Prospective subgrantees will be required to show that the permitting process has been launched prior to the execution of the grant agreement.

4.7 Barrier Identification

Applicants should provide a detailed description of any concerns related to:

- Critical crossings or permitting.
- Any supply chain issues and a plan to overcome them.
- Anticipated workforce issues and a comprehensive plan to overcome these challenges.
- Inclement weather and its potential impact on the project timeline.
- Procurement process barriers, potentially causing delays in the project timeline
- A lack of expertise in specific areas that could impede progress.
- Budget constraints that may limit resources and extend project timelines.
- Concerns regarding meeting NEPA and NHPA requirements.
- Concerns regarding poor communication among stakeholders, which could result in misunderstandings and project delays.
- Any additional barriers or concerns that may impact the project timeline, such as the procurement process, knowledge and communication gaps, budget constraints, etc.

4.8 Technical Support and Customer Service

Applicants should detail their commitment to provide quality and responsive technical support to customers. They should describe the type of technical support they plan to offer and demonstrate they have sufficient capacity to provide immediate assistance. Applicants should include the following in their description:

- Availability of 24/7 technical support through various channels (phone, chat, email, etc.)
- Proven track record of resolving customer issues within a short timeframe
- Ability to offer in-person and remote support options to accommodate different circumstances and preferences
- Integration of live chat or instant messaging for real-time technical assistance

Additionally, Applicants should provide information on their planned commitment to provide quality and responsive technical support to customers, including multiple language support. Applicants should include the following in their description:

- Provision of technical support in multiple languages relevant to the customer base
- Availability of language resources such as translated FAQs and troubleshooting guides
- Training and deployment of multilingual support representatives
- Implementation of language-specific assistance tools (e.g., language selection options on websites or phone systems)

Applicants should also detail a planned commitment to provide quality and responsive technical support to customers, including remote support options. Applicants should include the following in their description:

- Availability of self-service resources, such as online troubleshooting guides and FAQs
- Integration of remote support technologies (e.g., screen sharing, remote desktop assistance)
- Provision of user-friendly mobile Project Applications for convenient remote support
- Implementation of proactive communication methods (e.g., email notifications, text alerts) to address customer issues remotely

"Technical Support and Customer Service" has been included in MIHI's Priority Project and Other Last Mile Projects scoring criteria. Applicants can receive up to two points for this category. Please refer to Appendix A and Appendix B for additional details.

4.9 Open Access Network Options

Applicants should indicate whether their organization plans to provide an open access network for the entire useful life of the network asset. If the Applicant plans to provide open access, they should provide a detailed narrative outlining their organization's open access policy. The policy should include the provision of wholesale last-mile broadband service for the life of the subsidized networks, on fair, equal, and neutral terms to all retail providers. Additionally, Applicants should provide information on the following as it pertains to their policy:

- 1. Number and percentage of strands or conduits identified as available for third party access
- 2. Locations of the infrastructure that can be accessed by a third party
- 3. Whether in MDU's, property owners are given ownership of the internal wiring

Additionally, Applicants should provide a description of their planned wholesale services and rates.

Per the BEAD NOFO (Section IV.B.7.b.i), "Open Access" has been included in MIHI's Priority Project and Other Last Mile Projects scoring criteria. An Applicant can receive up to three points for this category, please refer to Appendix A and Appendix B for additional detail.

4.10 Project Financials

Applicants must provide their project financial information, which will involve directly inputting data into the portal and submitting an Excel workbook supplied by MIHI.

4.10.1 Project Application Submission Phase: Performance Security

During the Project Application submission window, Applicants will be required to submit one of the following documents. MIHI understands that the total subaward amount may change and Applicants are required to use the Project costs in their Project Application to size their performance security:

- Option 1: A letter from a company holding a certificate of authority as an acceptable surety on federal
 bonds as identified in the Department of Treasury Circular 570 committing to issue a performance bond
 to the Applicant in a value of no less than 100 percent of the total subaward amount for all Project
 Applications. The letter shall at a minimum provide the dollar amount of the performance bond.
- Option 2: A letter from a bank meeting eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue an irrevocable standby letter of credit in a value of no less than 25 percent of the subaward amount for all Project Applications.

4.10.2 Subgrantee Agreement Phase: Letter of Credit or Performance Bond

Please note that while this requirement is not mandatory for the Project Application process, it will be required before signing a subgrant agreement. It has been included in this guidance for the awareness of the Applicants. Prior to entering into any subgrantee agreement, a prospective subgrantee must provide one of the following documents: 1) Letter of credit OR 2) performance bond for the value of each project.

Option 1: MIHI will establish a model letter of credit substantially similar to the model letter of credit (LOC) established by the Federal Communications Commission (FCC) in connection with the Rural Digital Opportunity Fund and aligned to the NTIA LOC waiver. Prospective subgrantees must submit the model letter signed from an eligible bank committing to issue an irrevocable standby LOC to the Applicant. The LOC amount must be at least 25% of the subaward amount (each project/subaward will require a LOC). Additionally, prospective subgrantees must provide an opinion letter from legal counsel stating that the bankruptcy court would not consider the LOC as part of the prospective subgrantee's bankruptcy estate.

Option 2: Prior to entering into any subgrantee agreement, each prospective subgrantee must obtain a performance bond in a value of no less than 100 percent of the subaward amount. Where a subgrantee chooses to exercise the option to obtain a performance bond, the requirement that the subgrantee "provide with its letter of credit an opinion letter from legal counsel clearly stating, subject only to customary assumptions, limitations, and qualifications, that in a proceeding under Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), the 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 under Section 541 of the Bankruptcy Code" is waived.

4.10.3 Project Match Details

Applicants must specify the source(s) of their funding share of their project(s) as outlined in the table below, which will be accessible via the Project Application portal. In accordance with the BEAD NOFO (Section IV.B.7.b.i), MIHI has included "Grant to Project Costs" in its Priority Project and Other Last Mile Projects scoring criteria. Applicants may receive a total of up to 14 points with greater points awarded to Project Applications with greater matching funds for the proposed project. Additionally, MIHI has included "Total Project Cost" in its Priority Project and Other Last Mile Projects scoring criteria a scoring criteria, in which applicants will be awarded more points to proposed projects that have a lower overall BEAD outlay. Applicants should refer to Appendix A and Appendix B for additional details on these scoring criteria.

Table 1: Project Match Details

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

4.10.4 Matching Funds Details

Applicants must provide information about their matching funds as seen in the table below, which will be accessible through the Project Application portal. Additionally, Applicant's must upload evidence of the

committed matching funds to the Project Application portal (e.g., letter from bank stating the loan amount). MIHI will regard all cash, loans, and eligible federal grants⁵ as Cash Match.

Table 2: Match Fund Details

Match Sources	Amount	Туре	Secured (Yes /No)
Source 1	\$ -	Cash	
Source 2	\$ -	Loan	
Source 3	\$ -	Federal Grant	
Source 4	\$ -	In-Kind	

4.10.4.1 <u>In-Kind Matching Funds</u>

In addition to Cash Match, matching funds may be provided in the form of in-kind contributions, as long as such contributions are made consistent with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200.

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. The program allows for in-kind matches from non-federal sources, such as private entities, state and local governments, and tribal governments that can be used to cover the costs of construction of broadband infrastructure.

Depending on the particular property or service and the applicable federal cost principles, in-kind match could include:

- Employee or volunteer services;
- Equipment;
- Supplies;
- Indirect costs;
- Computer hardware and software; items that were purchased no later than 1 year prior to the execution of the grant agreement; and
- Use of facilities.

In the broadband context this could also include, consistent with federal cost principles:

- Access to rights of way;
- Pole attachments;
- Conduits;
- Easements; or

⁵ BEAD NOFO.pdf, Matches from Other Federal Programs and Entities (page 21)

Access to other types of infrastructure.

4.10.5 Matching Waiver Request

Applicants should confirm their intention to submit a waiver request if their proposed Total Match Percentage is lower than the minimum required match amount of 25%. The waiver request should describe the special circumstances underlying the reason it is infeasible for the Applicant to provide the match in full or in part. Furthermore, the waiver request should document any efforts made by the Applicant to obtain matching fund commitments for the project from capital funding sources and explaining how a waiver would serve the public interest and advance the goals of the BEAD Program.

4.10.5.1 How to Request a Match Waiver

Applicants will submit a match waiver request to MIHI, who will then share the request with the Assistant Secretary for the final determination. This request must describe the special circumstances underlying the request and explain how a waiver would serve the public interest and effectuate the purposes of the BEAD Program. The Assistant Secretary retains the discretion to waive any amount of the match, including up to the full 25% requirement. Additionally, MIHI may request further information to assist in making its determination.

4.10.6 Project Financials Workbook (Detailed Information Intake)

Applicants should populate and upload the provided Project Financials Excel workbook which will include detailed information covering:

- High-level project budget information
- Capital Costs
- Operating Costs
- Details on Funding Sources and Matching
- Capital Investment Schedule
 - Demonstrates that the Applicant will achieve complete build-out and service initiation within four years of the signed grant agreement.
- Project Pro Forma Financials & Cashflow:
 - Should be for not less than a 10-year period, or the length of any expected debt or capital leases, whichever is longer,
 - o Identify any periods during which the project is expected to have a net operating revenue loss and identify the expected source of funds to cover those losses.
 - Demonstrate the availability of funds to cover all project costs exceeding the grant amount, along with the ongoing financial capacity to meet eligible project expenses
 - o Include the following:
 - Revenue & Operating Expenses
 - Net Operating Revenue
 - Net Income
 - Unlevered and Levered Free Cash Flows
 - Other Capital Sources
 - Net Cash
- Outliers
 - o Include the following for Outlier Locations determined by the Applicant:
 - Hexbin ID number
 - Location ID number

- Location address
- Currently proposed cost per location.
- Recommended alternative technology per location
- Cost of alternative technologies per location
- Potential partnerships with ISPs that specialize in alternative technologies to serve those locations if the proposed service is not to be delivered by the Applicant.
- Mischaracterized Locations:
 - Include the following for Mischaracterized Locations determined by the Applicant:
 - Hexbin ID number
 - Location ID number
 - Location address
 - Reason for mischaracterization

Applicants will also be required provide a budget narrative that explains the assumptions used in the pro forma and any expected financial challenges.

4.10.7 Additional Project Financials Analysis and Documents

Applicants may also provide any additional related analyses that establish the sustainability of their proposed project.

4.11 Project Workforce

4.11.1 Equitable Workforce Development and Job Quality

Applicants should provide a narrative demonstrating their dedication to making appropriate investments in cultivating a skilled and diverse workforce to fill the necessary jobs to meet the infrastructure buildout timelines submitted in the Project Application. In the narrative, Applicants should provide the following:

- Organization's efforts pertaining to development of an appropriately skilled workforce by providing and/or supporting employees attainment of occupational training, certification, and licensure.
- Details of the training partnerships with local providers to establish in-house training programs to provide their employees with industry-specific knowledge and skills.
- Details on creating equitable on-ramps to broadband-related jobs by promoting partnership with workforce boards, training partners, labor and community organizations, or participation in LEO employer led collaboratives.
- Approach for providing diverse job opportunities and also hiring from underrepresented groups by
 participation in diversity job fairs, offering internships to students from diverse backgrounds, or creating
 training programs to prepare these individuals for roles in the broadband industry and/or publicly reporting
 workforce demographic data.

Additionally, Applicants must certify that their organization will comply to all Equal Employment Opportunity (EEO) practices to promote a fair and inclusive hiring process.

Per the BEAD NOFO (Section IV.B.7.b.i), "Equitable Workforce Development and Job Quality" has been included in MIHI's Priority Project and Other Last Mile Projects scoring criteria. Applicants can receive up to two points for

this category for Priority Projects and up to three points for Other Last Mile Projects. Please refer to <u>Appendix A</u> and <u>Appendix B</u> for additional details.

4.11.2 Workforce Arrangement

Applicants must provide details on their organization's plan to directly employ their workforce, hire a subcontracted workforce, or utilize a combination of both, to perform work for the proposed project. This includes a description of the workforce arrangement and the related percentage breakdown.

MIHI encourages Applicants to utilize a directly employed workforce to ensure that the advantages of BEAD projects support local communities in Michigan as it will engage local talent and reduce reliance on out-of-state subcontractors and workers.

4.11.3 Fair Labor Practices

Note: Applicants will provide the following information related to fair labor practices and a highly skilled workforce. It is important to note that these questions may have already been answered during the preregistration phase. If not answered at the preregistration phase, then these questions are project-specific and must be answered as part of the current Project Application phase.

Applicants must indicate whether they are planning to use contractors or subcontractors related to the Project Application. If the Applicant is planning to use contractors or subcontractors, the Applicant should provide documented and signed evidence of the contractor's and/or subcontractor's compliance with federal and state labor and employment laws for the past three years. The attestation provided must be signed by an Officer/Director- level employee of the Applicant (e.g., President, Chief Executive Officer, Chief Financial Officer, Treasurer, or equivalent position). MIHI will accept an attestation from the Applicant certifying their subcontractor's/contractor's compliance with federal and state labor and employment laws for the past three years. In case of a violation, the Applicant should disclose the nature of the violation and the corrective steps taken to avoid similar incidents and ensuring future compliance.

Applicants should provide comprehensive details about the projected wage structures of employees who will work directly on the construction of BEAD-funded network deployment projects.

Applicants must provide their organization's labor and employment practices regarding wage, fringe benefits, and overtime payments, as well as ongoing verification for the duration of the projects.

Applicants should also include the organization's plan to ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

"Fair Labor Practices" has been included in MIHI's Priority Project and Other Last Mile Projects scoring criteria per the BEAD NOFO requirement (Section IV.C.1.e). Applicants may receive up to fifteen points as it relates to this scoring criteria. Applicants should refer to Applicants Should Refer to Appendix A and Appendix B for additional information on this scoring criteria.

4.11.4 Appropriately Compensated Workforce

Applicants must certify compliance with Davis-Bacon Act, state prevailing wage, or certify a report on the Project's employment and local impact will be submitted at the execution of the rant agreement.

Option 1 - Davis-Bacon Act: If an Applicant plans to certify <u>compliance with the Davis-Bacon Act</u>, they must submit a certification that, for the relevant Project, all laborers and mechanics employed by contractors and subcontractors in the performance of such Project are paid wages at rates not less than those prevailing, as

determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the "Davis-Bacon Act"), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of Michigan.

Option 2 – State Prevailing Wage: If an Applicant plans to certify compliance with the <u>state prevailing wage</u>, they must submit a certification that, for the relevant Project, all laborers and mechanics employed by contractors and subcontractors in the performance of the Project are paid wages at rates not less than those prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of Michigan, as determined by Michigan's prevailing wage.

Option 3 – Project Employment and Local Impact Report: Note that if Applicants do not certify compliance with Davis-Bacon or state prevailing wage, Applicants will be asked to certify that a project employment and local impact report will be provided at the execution of the grant agreement detailing the following as outlined in the BEAD NOFO:

- The number of contractors and subcontractors working on the Project
- The number of workers on the Project hired directly and hired through a third party
- The wages and benefits of workers on the Project by classification; and
- Whether those wages are at rates less than those prevailing.

4.11.5 Project Labor Agreements

Applicants should certify whether the project will include a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)) that outlines their dedication to employing project labor agreements.

If an Applicant plans to include a project labor agreement, they should provide a detailed and transparent plan that outlines the organization's dedication to employing project labor agreements.

If an Applicant does not intend to incorporate a project labor agreement into their plans, they should provide a justification for their organization's decision to exclude a project labor agreement from their project.

4.11.6 Local Hire Provisions

Applicants should indicate whether the project will prioritize local hires.

If an Applicant plans to prioritize local hires, they should indicate the percentage of total work hours to be performed by Michigan residents. Applicants will be prompted to select one of the following options in the Project Application: less than 40%, 40-60%, or more than 60%.

Additionally, Applicants should describe their organization's approach to prioritizing local hires on their proposed project.

4.11.7 Unionized Neutrality

Applicants should provide a written attestation on union neutrality. Additionally, Applicants should confirm that their organization does not engage in tactics such as coercion, intimidation, or retaliation against employees who wish to form or join a union.

4.11.8 Labor Peace Agreements

Applicants should certify that their organization commits to the use of labor peace agreements to ensure the BEAD deployment project schedule remains on-track.

If an Applicant plans to use labor peace agreements, they should provide a detailed and transparent plan that outlines the Applicant's commitment to using labor peace agreements.

If an Applicant does not commit to using labor peace agreements, the Applicant should provide a justification.

4.11.9 Appropriately Skilled Workforce

Applicants should outline their plans regarding an appropriately skilled workforce to prioritize the use of a skilled workforce employed through training programs such as joint labor-management initiatives or Registered Apprenticeships, with a particular focus on groups that have historically been underrepresented.

4.11.10 Appropriately Credentialed Workforce

Applicants should provide details of their plans regarding a credentialed workforce for verifying educational and professional credentials, ensuring that the BEAD workforce possesses the necessary skills.

4.11.11 Misclassification of Workers

Applicants should provide a description of the steps taken to prevent the misclassification of workers, such as including detailed information about their organization's workforce classification approaches.

4.11.12 Unionized Workforce

Applicants should indicate if their organization's/ contractor's, or subcontractor's workforce is unionized.

If an Applicant confirms that the organization's/ contractor's, or subcontractor's workforce is not unionized, they must provide the details that are required in Workforce Plan section below.

4.11.13 Workforce Plan

If an Applicant's workforce is not unionized, the Applicant must provide details regarding the Applicant's workforce plan that, at minimum, includes the job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project. Also, provide the entity that will employ each portion of the workforce.

Additionally, for each job title required to carry out the proposed work (including contractors and subcontractors), the workforce plan should include a description of safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles, etc. In addition, it must include information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.

Applicants should also include any procurement and retention methods for MBEs, WBEs, LSF, and GDBE in the workforce plan. If known, Applicants should provide certification of MBE/WBE/LSF, and GDBE partners participating in the BEAD funding project.

4.12 Minority & Women's Business Enterprises (MBEs, WBEs), Labor Surplus Firms (LSFs), Geographically Disadvantaged Business Enterprises (GDBEs)

Applicants should specify whether their project will utilize MBEs/WBEs/LSFs/GDBEs and the estimated percentage of proposed value that will be provided as part of the project. Applicants will be prompted to select one of the following options in the Project Application:

- 0-5% of the proposed project value
- 5-10% of the proposed project value
- 10-15% of the proposed project value
- 15-20% of the proposed project value
- 20+ % of the proposed project value

Applicants should provide a statement from an Officer/Director affirming commitment to follow the six affirmative steps for contracting with MBEs, WBEs, and LSFs provided in 2 CFR Part 321.

Additionally, Applicants should provide evidence of planned or completed outreach efforts to MBEs, WBEs, LSFs, and GDBEs. These outreach efforts may include targeted solicitation advertisements, evidence of MBE's and WBE's placed on solicitation lists/communications, and evidence of any communication and/or use of services provided by MBEs, WBEs, LSFs, and GDBEs.

Applicants should note that the use of MBEs, WBEs, LSFs, and GDBEs is a scored criteria for both Priority Projects and Other Last Mile Projects. Applicant's will receive up to three points based on the proposed project value planned to be given to MBEs, WBEs, LSFs, and GDBEs. Please refer to Appendix B for additional details on the scoring criteria. Please note that MIHI includes GDBE's in observance and support of Governor Whitmer's Executive Directive 2023-1: Inclusive State Contracting.

4.13 Local Support and Community Engagement

Applicants should engage in consultations with local units of governments (refer to the definition of "Local Government" in Section 2 above) and/or Tribal nations that intersect the proposed Project Area. Applicants should indicate if they have met with local and/or tribal governments for the proposed Project Area, to discuss qualifications and plans. If the Applicant has met with local and/or tribal governments, they should indicate if their organization has received letters of support/endorsement from:

- the elected bodies of each township, Tribal nation, city, county, and village intersecting the Project Area; or
- some of the elected bodies of each township, Tribal nation, city, county, and village intersecting the Project Area.

Applicants should provide proof of meeting(s) held with local governments and Tribal nations and upload letter(s) of support/endorsement from all local and tribal governments. Applicants who do not obtain such support letters will receive a negative score in this section. In the event that logistical and schedule challenges prevent your organization from obtaining the official notice of consent, Applicants should submit preliminary information and details regarding your organization's efforts to receive consent.

Applicants should indicate if they have received a letter of support, resolution, or other official document from the elected body of the county(ies) intersecting the Project Area. Applicants should upload the letter of support, resolution, or other official document received, if applicable.

Applicants should provide details on the number of letters of support received from other entities within Project Area entities (e.g. non-profit advocacy organizations, CAIs, etc.). Applicants should indicate whether there are fewer than 10 letters of support of this type or if there are 10 or more such letters, as well as uploading the letters of support received.

Applicants should note that per the BEAD NOFO (Section IV.B.7.b.i), "Local Support and Community Engagement" is included in MIHI's Priority Project and Other Last Mile Projects scoring criteria. This criterion assesses an Applicant's support from local units of government and/or Tribal Nations that intersect the proposed Project Area. Applicants may receive up to eight points for this category for Priority Projects and up to six points for Other Last Mile Projects. Please refer to Appendix A and Appendix B for additional details.

4.14 Michigan Business

Applicants should provide the following details of their organization, contractor, or subcontractor related to being a Michigan-based business. It should be noted that any Applicant may team with a Michigan-based business to be awarded points in this scoring criteria.

- Tax returns: Applicants should disclose their organization's or the contractor/subcontractor's Michigan-based business tax return status for the last 12 months. Applicants should indicate whether their organization or contractor/subcontractor has:
 - o Filed a Michigan single business tax return;
 - o Filed a Michigan income tax return proving income generated in Michigan; or
 - Withheld Michigan income tax from compensation paid to the bidder's owners and remitted the tax to the Department of Treasury.
- Number of Employees: Applicants should indicate if the number of employees of the Applicant or the
 contractor/subcontractor permanently located in Michigan is ≥ 10. Supporting documentation should be
 uploaded, if applicable.
- Michigan-based work: Applicants should indicate if the Applicant or the contractor/subcontractor that is a Michigan-based business works more than 50% in Michigan. Supporting documentation should be uploaded, if applicable.
- Years of operation: Applicants should indicate if the years of operation of their organization or the contractor/subcontractor in Michigan is ≥ 5 years. Supporting documentation should be uploaded, if applicable.
- **Headquarters:** Applicants should indicate if their organization or contractor/subcontractor is headquartered in Michigan. Supporting documentation should be uploaded, if applicable.

"Michigan Business" has been included in MIHI's Priority Projects and Other Last Mile Projects scoring criteria. An Applicant can receive up to four points in this category. Please refer to Appendix A and Appendix B for more information.

4.15 Affordability

Applicants must detail their organization's methodology on notifying every single address in the proposed Project Area that they have access to low-cost plans and any future federal subsidies or participation in Lifeline upon project completion as well as marketing plans and budget to educate potential and current consumers of low-cost

plans and any future federal subsidies or participation in Lifeline for low-income households. Applicants should also note that "Affordability" has been included in MIHI's Priority Project and Other Last Mile Projects scoring criteria per the BEAD NOFO's affordability requirement. Applicants can receive up to twenty-five points for this category. Please refer to Appendix A and Appendix B for additional details on the scoring criteria.

If an Applicant is submitting a Project Application for a Priority Broadband Project:

For purposes of determining this score, Applicants should provide details of the most affordable rate (excluding the low-cost service option and promotional rates) for services within the Project Area specified in the Project Application for delivering 1 Gbps/1 Gbps symmetrical speed. The monthly rate should include all recurring charges to subscribers, including all taxes, fees and charges imposed on the subscriber. Applicants should detail any and all non-recurring fees.

Please note that a subgrantee will be allowed to offer speeds and packages either less than or greater than 1/1 Gbps in their awarded Project Area; however, the most affordable rate for 1/1 Gbps service (that meets the qualifications above) is what will be used to calculate the Affordability score.

Table 3: Monthly Cost and Non-Recurring Fees Details

Minimum Speed	Monthly Cost	Non-recurring Fees
1 Gbps/1Gbps (Priority Broadband Project)	\$ -	

If an Applicant is submitting a Project Application for an Other Last Mile Project:

For purposes of determining this score, Applicants should provide details of the most affordable rate (excluding the low-cost service option and promotional rates) for services within the Project Area specified in the Project Application for delivering 100 Mbps/20 Mbps symmetrical speed. The monthly rate should include all recurring charges to subscribers, including all taxes, fees and charges imposed on the subscriber. Applicants should detail any and all non-recurring fees.

Please note that a subgrantee will be allowed to offer speeds and packages either less than or greater than 100/20 Mbps in their awarded Project Area; however, the most affordable rate for 100/20 Mbps service (that meets the qualifications above) is what will be used to calculate the Affordability score.

Table 4: Monthly Cost and Non-Recurring Fees Details

Minimum Speed	Monthly Cost	Non-recurring Fees
100 Mbps/20 Mbps (Other Last-Mile Broadband Project)	\$ -	

4.16 Low-Cost Broadband Service Option

With the discontinuation of ACP, Applicants are required to implement, administer, and submit their own low-cost service option and describe its subscriber qualifications, speed, latency, cost, and any subsidies available to subscribers. Following BEAD grant awards, if a successor or subsequent broadband subsidy program similar to the Affordable Connectivity Program is enacted, subgrantees will be required to participate in that successor program

and to price their low-cost service plan to result in a net zero cost to the consumer after the subsidy (and, if applicable, the Lifeline benefit) is applied.

The low-cost service option must, at a minimum, meet the following criteria:

- Is made available to all those who meet the eligibility criteria that were in place for the ACP as of May 1, 2024. Subgrantees will not be permitted to impose additional eligibility restrictions. Subgrantees that participate in Lifeline must permit the Lifeline subsidy to be utilized for the same service.
- Is calculated as 30% of the FCC Urban Benchmark Rate, rounded up to the nearest whole dollar amount. For more information, please refer to the State's BEAD Initial Proposal Volume II.
 - The benchmark rate is published by the FCC on their website and Applicants can access it by using the following link: https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources.
 - The rate that the Applicants should use is the rate that aligns with the BEAD program's minimum speed requirement of 100 Mbps download and 20 Mbps upload with no data cap. For example, the 2024 FCC Urban Benchmark rate for broadband services is \$92.26. A 30% rate would price the low-cost option at \$28 per month in 2024.
 - Subgrantees that participate in Lifeline may increase the cost of their low-cost option by \$9.25, to \$37.25.
- Informs prospective consumers of the existence of the low-cost service option and, if the subgrantee
 participates, the Lifeline benefit; eligibility qualifications; and how to enroll in and make use of the service and
 benefit.
- Consistently and reliably provides download speeds of at least 100 Mbps and upload speeds of at least 20 Mbps.
- Provides typical latency measurements of no more than 100 milliseconds.
- Is not subject to data caps, surcharges, or usage-based throttling, and is subject only to the same acceptable
 use policies to which subscribers to all other broadband internet access service plans offered to home
 subscribers by the participating subgrantee must adhere.
- In the event the provider later offers a low-cost plan with higher speeds downstream and/or upstream, permits eligible subscribers that are subscribed to the low-cost broadband service option to upgrade to the new low-cost offering at no cost.
- Provides broadband consumer labels aligned to the FCC requirements outlining the introductory rates, speeds, data allowances, and other critical broadband service information in an understandable format to allow consumers to comparison shop for broadband services.
- Complies with Michigan's Consumer Protection Act (Public Act 331 of 1976) and all other applicable state and federal laws.

Applicants should indicate whether they are applying for a waiver to allow a higher monthly rate for the low-cost service option. In such a waiver request, Applicants should provide details of the proposed low-cost service option monthly rate which exceeds the thresholds set above, but in no instance may exceed \$65 per month for Applicants that do not participate in Lifeline or \$74.25 for Applicants that do. Applicants should clearly articulate the specific reasons for requesting a waiver and provide evidence of a need for the waiver, supported by data, research, cost models, or assessments. Additionally, Applicants should 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.

Applicants must detail the approach in notifying every single address in the proposed Project Area that access to a low-cost plan and any federal subsidies or participation in LifeLine will be available to them upon project completion (i.e. online, print, radio, etc.). Applicants must detail their marketing plans and associated budget to educate potential and existing qualifying low-income consumers of low-cost plans and any future federal subsidies or participation in LifeLine, and include any information regarding equitable considerations (e.g., communicating with consumers who may not speak English).

Applicants will be scored for the proposed price of their "Low-Cost Service Option". Applicants that request a waiver to deliver a low-cost service for more than the defined low-cost plan threshold, may have up to fifteen points deducted from their overall score. Please refer to Appendix A and Appendix B for additional information.

4.17 Cybersecurity and Supply Chain Risk Management Compliance

Applicants must certify their commitment to submitting both Cybersecurity and Supply Chain Risk Management plans prior to the execution of the grant agreement. If the Applicant already has a Cybersecurity and/or Supply Chain Risk Management plan, they can upload and share it with MIHI during the Project Application phase. If significant changes are made to the plan, a new version must be promptly submitted to MIHI within 30 days (applicable until the end of the period of performance).

4.17.1 Cybersecurity Risk Management Plan

Applicants will be required to submit a cybersecurity risk management plan prior to the execution of the grant agreement. The plan should comply with the following:

- Operational Status: The cybersecurity risk management plan must be operational if the prospective subgrantee is already providing services prior to the grant award. If the prospective subgrantee is not yet providing services, the plan must be ready to be operationalized upon providing service.
- NIST Framework and Executive Order Compliance: The plan must align with the latest version of the NIST
 Cybersecurity Framework (Version 2.0). It must also incorporate the security and privacy controls mandated
 by Executive Order 14028. The plan should outline how these standards and controls will be implemented and
 maintained.
- Security and Privacy Controls: Specify the security and privacy controls that will be put in place to protect
 critical infrastructure and sensitive data. Detail the specific safeguards, technologies, and policies that will be
 employed to address potential cybersecurity risks and threats.
- Evaluation and Updates: Establish a process for periodic evaluation and assessment of the cybersecurity risk
 management plan. Define specific intervals for plan evaluation and specify the criteria to trigger updates or
 adjustments. Ensure that the plan will be regularly reviewed and updated to address emerging cybersecurity
 risks and challenges.

4.17.2 Supply Chain Risk Management Compliance

Applicants will be required to submit a supply chain risk management plan prior to the execution of the grant agreement. The plan should comply with the following:

Operational Status: The prospective subgrantee must have a supply chain risk management plan in place.
 If the prospective subgrantee is already providing services at the time of the grant, the supply chain risk management plan must be operational. If the prospective subgrantee is not yet providing services at the time of the grant award, the supply chain risk management plan must be ready to be operationalized.

- Key Practices and Guidance: The supply chain risk management plan 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.
- Evaluation and Updates: The supply chain risk management plan 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.

4.18 Certifications

Applicants will be asked to confirm compliance with the following:

- That the Project Application creates a binding obligation and cannot be withdrawn once submitted until the execution of the grant agreement. Project Areas outlined in the Project Application will not be altered without prior consultation and agreement with MIHI. Failure to abide by these requirements may lead to financial penalties.
- Successful Applicants shall enter into a mutually agreed grant agreement with MIHI that supersedes the Project Application. Non-compliance with this requirement will lead to a violation of the grant agreement and subject to claw-back of funds, at the discretion of MIHI.
- Per the BEAD NOFO, MIHI will ensure that the Applicant will engage in fair, equal and equitable business
 practices such as safeguards against collusion, bias, conflicts of interest, arbitrary decisions, and other
 factors that could undermine confidence in the public process.⁶
- That the Applicant understands that the grant will be implemented on a milestone reimbursement payment basis for actual costs.
- That the Applicant will submit timely quarterly progress reports, commit to the details of your Project Application, submit to technical reviews and financial audits, and uphold the grant agreement if awarded and signed.
- That all requested certifications asked throughout the Project Applications are not exhaustive.
- By signing the Project Application, the Applicant certifies to the best of their knowledge and belief that the Project Application is true, complete, and accurate, and the designs, costs and project plans are for the purposes and objectives set forth in the terms and conditions of the Federal award. The Applicant is aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject their organization to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

⁶ Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity at 35, § IV.B.7.a.i.

- That the Applicant will comply with The Infrastructure Act which explicitly prohibits subgrantees from using BEAD funding to purchase or support fiber-optic cable and optical transmission equipment manufactured in the People's Republic of China unless a waiver is granted by the Assistant Secretary.
- Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment:
 - All funds made available through the BEAD Program for broadband infrastructure must comply
 with the prohibition on certain telecommunications and video surveillance services or equipment
 (2 CFR 200.216). This regulation prohibits federal funds from being used to purchase or install
 telecommunications and video surveillance equipment, services or systems produced from
 prohibited companies and/or their subsidiaries. In addition, for public safety installations, there
 is an extended list of vendors and requirements listed in the National Defense Authorization Act
 (Public Law 115-232, Section 889) which is the source legislation for this condition.
 - That the Applicant will not procure, obtain, extend, or renew a contract to procure or obtain or
 enter a contract to procure or obtain equipment, services, or systems that uses covered
 telecommunications equipment or services as a substantial or essential component of any system,
 or as critical technology as part of any system. As described in Public Law 115-232, section 889,
 covered telecommunications equipment is telecommunications equipment produced by Huawei
 Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - That telecommunications or video surveillance services provided by such entities or using such equipment is prohibited.
 - That for the purposes of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) is also prohibited.
 - That telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country is prohibited.
 - That if any equipment is installed on a federally funded project, the Applicant will bear the sole responsibility and cost of removing the prohibited equipment and replacing it with equipment acceptable to the State and Federal government.
- That the project accounts for every BEAD-eligible unserved and underserved location and CAI within each Project Area included in the Applicant's Project Application.
- That the Applicant will comply with the National Environmental Policy Act (NEPA) (42 U.S.C. part 4321 et seq.) and National Historic Preservation Act (NHPA) (54 U.S.C. part 300101 et seq.) and any other environmental or national historic preservation requirements, subject to applicable regulatory guidance and available program alternatives such as programmatic agreements.
- That the Applicant understands that NEPA approval will be required for every project funded through the BEAD Program and agrees to provide sufficient information to allow for NEPA analysis such as a detailed project description, including applicable supporting documentation.

- That the Applicant acknowledges the significance of minimizing the environmental and historic
 preservation impacts associated with construction in environmentally sensitive areas and will ensure that
 projects and eligible activities will be designed to minimize potential adverse impacts on the environment.
- That the Applicant will coordinate with other state offices experienced in administering federal grants and identifying subcontractors for environmental assessments (e.g., U.S. Army Corps of Engineers (USACE), U.S. Forest Service (USFS), and State or Local Historic Preservation Offices).
- That the Applicant is aware that should further details be needed post-Project Application approval for funding, MIHI/NTIA reserves the right to retain funds under a specific award condition until the awardee provides the requisite additional information pertaining to environmental compliance.
- That the Applicant has the capability to complete and operate this grant project, and that the information provided is true and accurate to the best of my knowledge.
- That a professional engineer licensed in one of the 56 Eligible Entities will be involved in certifying the final design, diagrams, project costs estimate, and other technical aspects of the project and will provide the necessary verification post award.

5 Appendix A: Deployment Scoring Criteria - Priority Projects

5.1 Michigan BEAD Deployment Project Scoring - Priority Project

The term "Priority Project" means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises. The following criteria will apply to all "Priority Projects". The criteria and weighting marked with an asterisk is mandated by the NTIA.

Minimum Passing Score: Each Project Application irrespective of any overlap of proposed Project Areas with any other Project Application/s will be scored for the following minimum thresholds:

- Cumulative Passing Score: 50% of total allocable points in both the Primary and Secondary Scoring Criteria, (i.e. minimum 37.5 points for cumulative Primary Criteria and 12.5 points for Secondary Criteria for a minimum 50 cumulative points).
- Fair Labor Practice: 8 points
- Technical Support: 1 point

The Project Applications that do not meet above thresholds will be rejected for the respective round.

Primary Scoring Criteria – 75%* (Total 75 points)

Minimal BEAD Program Outlay* - 35 total points

Grant to Project Cost – 14 points

This category scores the ratio of the requested grant fund compared to the total project cost. Project Applications that bring greater matching funds to their proposed project will score more points. Greater matching funds ensures that BEAD funds will allow connections to every unserved and underserved location and CAI. The ratio of grant to project costs must not be higher than 75%, (except where projects include "high-cost" locations per designation by the NTIA). This scoring criteria will be a sliding scale of match percentage ranges. The ranges will be 5%. The scale used to score each project will be varied by Region to account for differences in estimated profitability of locations in each Region (Note: Region referenced here refers to the 10 Prosperity Regions of the State of Michigan). For example, no points will be awarded if an Applicant requests the maximum allowable project funding (between 70 - 75% of the project cost) and they will receive the maximum points (14) if they request funding for 40% or less of the total project.

Example scoring criteria for one of the 10 prosperity regions:

Scoring value	Points
> 70% to ≤ 75% of Total Project Cost	0
> 65% to ≤ 70% of Total Project Cost	2
> 60% to ≤ 65% of Total Project Cost	4
> 55% to ≤ 60% of Total Project Cost	6
> 50% to ≤ 55% of Total Project Cost	8
> 45% to ≤ 50% of Total Project Cost	10
> 40% to ≤ 45% of Total Project Cost	12
≤ 40% of Total Project Cost	14

Total Project Cost—14 points

This category scores the total projected cost that will be required to complete the project, awarding more points to proposed projects that have a lower overall BEAD outlay. The scoring assesses the overall project cost against an estimate developed from a cost model. The reference cost for each hexbin will be shared with Applicants as part of the Project Application materials. The hexbin cost estimates will be combined to determine the cost model estimate of the entire selected Project Area. Points will be awarded on a sliding scale for projects aligned to or below the cost estimate. For example, an Applicant will receive no points if their funding request is 25% more than the cost model estimate to serve that Project Area and they will receive the maximum points (14) if their funding request is 25% less than the cost model estimate.

Example scoring criteria for one of the 10 prosperity regions:

Scoring value	Points
> 25% of cost model estimate	0
< 25% to ≥ 20% of cost model estimate	2
< 20% to ≥ 10% of cost model estimate	4
< 10% to ≥ 0% of cost model estimate	6
< 0% to ≥ -10% of cost model estimate	8

< -10% to ≥ -20% of cost model estimate	10
< -20% to ≥ -25% of cost model estimate	12
< -25% of cost model estimate	14

Scalability and Resiliency-7 points

This category scores whether the proposed network design is more scalable or resilient than what may be considered to be industry standard. This criteria will consider resiliency (such as the use of alternative power sources), retrofitting or hardening existing assets, the use of buried cables, and deployment of mobile coverage to locations identified by MIHI as not having 4G coverage, and other criteria as part of the evaluation criteria. Scoring for this criteria will be cumulative, in that each one of the resiliency criteria met will be awarded points. For example, if an Applicant plans to install 75% or more buried fiber lines, they will receive 2 points. If they plan to also provide an alternative power source, they will receive 1 point. This amounts to a total of 3 points out of the 7 possible points in this category.

Scoring value	Points
Applicant demonstrates network or power source redundancies. This includes: - Use, inclusion, or plans to provide an alternative power source.	
and/or - 50% or more locations served have multiple, geographically diverse cable routes provide service to the same client site.	1
Applicant demonstrates scalability in the design by incorporating either XGS-PON technology or 10 Gbps bandwidth.	2
Applicant commits to retrofitting and/or hardening its existing broadband infrastructure assets and provides a timeline of expected start and completion of the process.	1
Applicant plans to deploy mobile coverage to locations currently identified as not having 4G coverage.	1
Applicant commits to burying at least 75% of fiber cables.	2

Affordability*- 25 total points

Affordability of 1 Gbps/1 Gbps service. - 25 points

Applicants are encouraged but not required to provide service at an affordable cost. This category scores prospective subgrantee's commitment to providing the most affordable total price to the customer for 1

Gbps/1 Gbps service in the project area for five years following project completion. This scoring criteria will be a sliding scale of service cost ranges based on 80% of the FCC urban benchmark rate. The FCC 2024 urban benchmark rate for 1 Gbps/1 Gbps unlimited service is \$134.35 and 80% of that is \$107.48 (Source: https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources). A price of more than \$107.48 will be awarded no points, where as a price of less than \$67.18 will be awarded a full 25 points. This is the monthly cost of service that will be used for the purposes of evaluating Project Applications for Michigan's BEAD program:

Scoring value	Points
>\$107.48	0
\$107.48 - \$94.06	5
\$94.05 - \$80.62	10
\$80.61 - \$67.18	15
< \$67.18	25

Fair Labor Practices*- 15 points

Fair Labor Practices Compliance and Commitment – 15 points

This category scores a prospective subgrantee's demonstrated record of and plans to comply with Federal labor and employment laws. An Applicant will receive cumulative points based on (1) their record of compliance with Federal labor and employment laws and (2) their commitment to fair labor practices described in Section 8 (Requirement 11).

- 1. Record of Compliance. Applicants will be required to provide:
 - a. Certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors.
 - b. Written confirmation that the prospective subgrantee discloses any instances in which it 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.
 - c. 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.

If an Applicant is unable to provide this documentation, they will be deducted 1 point in this criteria.

- 2. Commitment to Fair Labor Practices. Applicants will be requested to provide:
 - a. 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
 - b. Plan for how the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects
 - Commitment to any of the following labor standards and protections for the project workforce:
 - i. Using a directly employed workforce, as opposed to a subcontracted workforce;
 - Paying prevailing wages and benefits to workers, including compliance with Michigan wage law requirements, where applicable, and collecting the required certified payrolls;
 - 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);
 - iv. Use of local hire provisions;
 - v. Commitments to union neutrality;
 - vi. Use of labor peace agreements;
 - vii. 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);
 - viii. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure);
 - ix. Taking steps to prevent the misclassification of workers

Local hire provisions will be scored on a sliding scale based on the % of total work hours filled by Michigan residents. Less than 40% will receive no points and over 60% will receive the full 3 points. For example, if an Applicant commits to including local hire provisions for 50%, they will receive 2 points for that commitment. Additionally, if they commit to the use of a directly employed workforce, they will receive an additional 2 points for a total of 4 points out of 15.

The detailed scoring criteria is included below:

Criteria	Points
Applicant has not provided:	-1
(a) Certification from an Officer/Director-level employee (or equivalent) of the prospective	

subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors; and/or	
(b) Written confirmation that the prospective subgrantee discloses any instances in which it 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.	
(c) 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.	
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	1
Plan for how the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects	1
Using a directly employed workforce, as opposed to a subcontracted workforce;	2
Paying prevailing wages and benefits to workers, including compliance with Michigan wage laws, where applicable, and collecting the required certified payrolls;	1
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);	1
Use of local hire provisions; Less than 40%	0
Use of local hire provisions; 40-60%	2
Use of local hire provisions; More than 60%	3
Commitments to union neutrality;	1
Use of labor peace agreements;	1
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);	1
Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure);	2
Taking steps to prevent the misclassification of workers	1
Total	15

Secondary Scoring Criteria – 25%* (Total 25 points)

Speed To Deployment* - 3 points

All subgrantees that receive BEAD Program funds for network deployment must deploy the planned broadband network and begin providing services to each customer that desires broadband services within the Project Area not later than four years after the date on which the subgrantee receives the subgrant. This category scores prospective subgrantee's binding commitment to provide service by an earlier date. Scoring will be on a sliding scale based on the number of months to complete the proposed project in the project schedule. An example of the scoring criteria is included below. 48 months or 4 years is the maximum amount of time to deploy BEAD projects and therefore receives no points. If an Applicant proposes to complete the project in 30 months, they will receive a score of 2.25 out of a possible 3 points.

Scoring value	Points
>48 months	0
42-47 months	0.75
36-41 months	1.5
24-35 months	2.25
< 24 months	3

Technical Support and Customer Service – 2 points

This criteria will score an Applicant's planned commitment to provide quality and responsive technical support to customers. Technical support should be available in all languages that are appropriate to the demographics of the community and based on the different technical capabilities of customers. MIHI will prioritize technical support that is offered in real-time to customers, that provides in-the-moment solutions rather than requiring consumers to make additional phone calls or visit additional websites, and that offers both in-person and remote support options to accommodate different circumstances and preferences. The scoring for this criteria will be cumulative based on the type and quality of technical assistance and customer support services offered. Types of technical support and customer service are grouped and points will be awarded based on each group the Applicant is able to provide evidence they provide those services and/or support.

	Points
Group 1 Real-time Technical Support:	
 Availability of 24/7 technical support through various channels (phone, chat, email, etc.) Proven track record of resolving customer issues within a short timeframe Ability to offer in-person and remote support options to accommodate different circumstances and preferences Integration of live chat or instant messaging for real-time technical assistance 	.667
Group 2 Multiple Language Support:	.667

	Points
 Provision of technical support in multiple languages relevant to the customer base Availability of language resources such as translated FAQs and troubleshooting guides Training and deployment of multilingual support representatives Implementation of language-specific assistance tools (e.g., language selection 	
options on websites or phone systems) Group 3 Remote Support Options:	
Availability of self-service resources, such as online troubleshooting guides and FAQs	
• Integration of remote support technologies (e.g., screen sharing, remote desktop assistance)	.667
 Provision of user-friendly mobile applications for convenient remote support Implementation of proactive communication methods (e.g., email notifications, text alerts) to address customer issues remotely 	
Total	2

Local Support and Community Engagement - 8 points

This criteria assesses a prospective subgrantee's support from local units of government and/or Tribal Nations that intersect the proposed Project Area. If an Applicant receives letters of support from all elected bodies that intersect the Project Area (e.g. cities, villages, townships, and counties) (or letters of consent from all Tribal nations that intersect the Project Area), ten or more letters of support from other entities (e.g. Non-Profit Advocacy Organizations and CAIs) within the Project Area, and a letter of support, resolution, or other official document received from the elected body of the county(ies) intersecting the Project Area the Applicant will receive the full 8 points allocation. If an Applicant has no letters of support, they will be deducted a point resulting in a negative score for this category.

If an Applicant receives letters of support/consent from all elected bodies that intersect the Project Area (cities, townships, counties) and ten or more letters of support from other entities within the Project Area, and a letter of support, resolution, or other official document received from the elected body of the county(ies) intersecting the Project Area, the Applicant will receive the full 8 points allocation. If an Applicant has no letters of support, they will be deducted a point resulting in a negative score for this category.

Criteria	Points
No letters of support are provided	-1
Letters of support received from all the elected bodies of each township, Tribal entity, city, county, and village intersecting the Project Area.	4

Criteria	Points
Letters of support received from some of the elected bodies of each township, Tribal entity, city, and village intersecting the Project Area.	2
Letter of support, resolution, or other official document received from the elected body of the county(ies) intersecting the Project Area	2
Ten or more letters of support received from other entities within Project Area	2
Fewer than ten letters of support received from other entities within Project Area	0.5
Total	8

Michigan Business - 4 points

The State of Michigan places a strong emphasis on supporting suppliers that create and maintain well-paying jobs within the state. This preference is reflected in Executive Directive 2019-15 and Section 261 of the Management and Budget Act, 1984 PA 431, as amended, MCL 18.1261 (the "Act"). The Act mandates that State Departments give priority to Michigan-based job providers in their procurement decisions. The Act predates the Infrastructure Investment and Jobs Act (IIJA) which was enacted in November 2021.

Furthermore, MIHI has taken into account feedback from previous broadband grant programs, such as that funded by the Capital Project Funds (CPF). It has been observed that national, non-Michigan based providers secured a significant award, while local, Michigan-based providers who are based in the communities they operate were not as successful. In response, MIHI has recognized the need to implement additional scoring criteria that will create a fair, open, and competitive subgrantee selection process for Applicants of all types.

This scoring criteria assesses if an Applicant or teaming partner is primarily a Michigan-based business. Points are also awarded for Michigan-based small businesses enterprises in this category. Points will be cumulative and awarded based on the criteria the Applicant is able to meet. For example, if an Applicant or teaming partner has filed a tax return in Michigan in the last 12 months, has at least 10 employees permanently located in Michigan, and has been operating in Michigan for 5 or more years as an ISP, they will receive 3 out of the total 4 points for this category.

It should be noted that any Applicant may team with a Michigan-based business to be awarded points in this scoring criteria.

Criteria	Points
In the last 12 months the Applicant has:	
1. Filed a Michigan single business tax return	
2. Filed a Michigan income tax return proving income generated in Michigan or	1
3. Withheld Michigan income tax from compensation paid to the bidder's owners and remitted the tax to the Department of Treasury	

Number of employees permanently located in Michigan is ≥ 10	1
More than 50% of the company works in Michigan	.5
≥ 5 years operating as an ISP in Michigan	1
Headquarters are located in Michigan	.5
Total	4

MBE/WBE/LSF/GDBE - 3 points

This scoring criteria assesses the proposed utilization percentage of minority business enterprises (MBEs), womenowned business enterprises (WBEs), labor surplus firms (LSFs), and geographically disadvantaged enterprises (GDBEs), as part of the project team. An Applicant will be requested to provide a target for allocating the proposed project value to a disadvantaged business. Actual utilization of MBE/WBE/LSF/GDBE firms on BEAD funded projects will be monitored by the Michigan Department of Labor and Economic Opportunity. If a subgrantee is not meeting their target commitments, similar to other requirements and commitments of the program, they will be required to submit a corrective action plan to demonstrate a good faith effort towards meeting the target commitments. For example, an Applicant will receive no points if they set a target of zero disadvantaged business participation in the project, whereas they would receive the full 3 points is they set a target of 20% or more allocation the proposed project value to a disadvantaged business.

Criteria	Points
Applicant establishes a target for allocating 0-5% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	0
Applicant establishes a target for allocating 5-10% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	0.75
Applicant establishes a target for allocating 10-15% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	1.5
Applicant establishes a target for allocating 15-20% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	2.25
Applicant establishes a target for allocating 20%+ of the proposed project value to MBEs, WBEs, LSFs, GDBEs	3

Open Access – 3 points

This criteria scores a subgrantee's provision of open access wholesale last-mile broadband service for the life of the subsidized networks, on fair, equal, and neutral terms to all potential retail providers. Scoring will be on a cumulative basis, allocating points for each criteria the Applicant is able to meet. For example, if an Applicant is able to demonstrate they have an open access policy expressing willingness to enable third party access to fiber and/or conduit infrastructure along with a plan for ongoing maintenance, includes how many strands or conduits will be identified as available for third party access, details where the infrastructure can be accessed by a third party, and provides property owners ownership of internal wiring within MDUs, the Applicant will be awarded full points.

Criteria	Points
Open access policy expressing willingness to enable third party access to fiber and/or conduit infrastructure along with a plan for ongoing maintenance.	0.75
Open access policy includes how many strands or conduits will be identified as available for third party access.	0.75
Open access policy details where the infrastructure can be accessed by a third party	0.75
Property owners are provided with ownership of internal wiring within MDUs	0.75
Total	3

Equitable Workforce Development and Job Quality- 2 points

This criteria scores a subgrantee's enforceable commitments with respect to advancing equitable workforce development and job quality objectives. Scoring will be on a cumulative basis, allocating points for each criteria the Applicant is able to meet based on the encouraged strategies and plans described in Section 9 (Requirement 12). Project Applications must demonstrate a commitment to making appropriate investments to develop a skilled, diverse workforce to fill the necessary jobs to meet the infrastructure buildout timelines submitted in the Project Application. MIHI will assess and score narrative responses under this category of Applicants plans and commitments. Project Applications will receive points based on the information submitted for each element described below. For example, if an Applicant has established a training partnership and has leveraged the LEO employer led collaborative, they will receive points for both efforts.

Criteria	Points
Applicant supports the development of an appropriately skilled workforce, as demonstrated by providing and/or supporting employees attainment of occupational training, certification, and licensure.	0.5
Applicant has developed training partnerships with local providers to establish inhouse training programs to provide their employees with industry-specific knowledge and skills.	0.5

Applicant creates equitable on-ramps to broadband-related jobs, as demonstrated by partnership with workforce boards, training partners, labor and community organizations, or participation in LEO employer led collaboratives.	0.5
Applicant provides diverse job opportunities, as demonstrated by participation in diversity job fairs, offering internships to students from diverse background, and/or publicly reporting workforce demographic data.	0.5
Total	2

Low-Cost Service: Overall Point Deduction - Maximum -15 points

Subgrantees that request a waiver to deliver a low-cost service for more than the defined low-cost plan threshold, will have points deducted from their overall score commensurate to the increase in the approved low-cost plan above that threshold.

Applicants will lose at least 2 points for costs above the \$28 (for applicants that do not participate in Lifeline) or \$37.25 (for applicants that participate in Lifeline) per month standard low-cost plan, measured in increments of \$5. For example, if the approved low-cost plan, for an applicant that does not participate in lifeline is \$31, the applicant's total score would be reduced by 2 points, while an approved low-cost plan for an applicant that participates in Lifeline of \$45, will lead to a 4-point reduction in the applicant's total score. The maximum point deduction to overall score will be capped at 15 points and the maximum low-cost plan can be no more than \$65 per month for applicants that do not participate in Lifeline or \$74.25 for applicants that do.

Criteria	Points
Costs \$28 (non-Lifeline participant) or \$37.25 (Lifeline participant)	0
Costs \$28.01-32.99 or \$37.26-42.25 per month	-2
Costs \$33-37.99 or \$42.26-47.25 per month	-4
Costs \$38-42.99 or \$47.26-52.25 per month	-6
Costs \$43-47.99 or \$52.26-57.25 per month	-8
Costs \$48-52.99 or \$57.26-62.25 per month	-10
Costs \$53-57.99 or \$62.26-67.25 per month	-12
Costs \$58-65 or \$67.26-74.25 per month	-15
Total	-15

6 Appendix B: Deployment Scoring Criteria -Other Last-Mile Projects

6.1 Michigan BEAD Deployment Project Scoring – Other Last-Mile Projects

The following criteria will apply to all other last mile deployment projects which are not considered priority projects. The criteria and weighting marked with an asterisk is mandated by the NTIA.

Minimum Passing Score: Each Project Application irrespective of any overlap of proposed Project Areas with any other Project Application/s will be scored for following minimum thresholds:

- Cumulative Passing Score: 50% of total allocable points in both the Primary and Secondary Scoring Criteria, (i.e. minimum 37.5 points for cumulative Primary Criteria and 12.5 points for Secondary Criteria for a minimum 50 cumulative points).
- Fair Labor Practice: 8 points
- Technical Support: 1 point

The Project Applications that do not meet above thresholds will be rejected for the respective round.

Primary Scoring Criteria - 75%*

Minimal BEAD Program Outlay* - 35 total points

Grant to Project Cost – 14 points

This category scores the ratio of the requested grant fund compared to the total project cost. Project Applications that bring greater matching funds to their proposed project will score more points. Greater matching funds ensures that BEAD funds will allow connections to every unserved and underserved location and CAI. The ratio of grant to project costs must not be higher than 75%, (except where projects include "high-cost" locations per designation by the NTIA). This scoring criteria will be a sliding scale of match percentage ranges. The ranges will be 5%. The scale used to score each project will be varied by Region to account for differences in estimated profitability of locations in each Region. (Note: Region referenced here refers to the 10 Prosperity Regions of the State of Michigan). For example, no points will be awarded if an Applicant requests the maximum allowable project funding (between 70-75% of the project cost) and they will receive the maximum points (14) if they request funding for 40% or less of the total project.

For example, no points will be awarded if an Applicant requests the maximum allowable project funding (75% of the project cost) and they will receive the maximum points (14) if they request funding for 40% or less of the total project. The Applicant selected to request 45% of the project cost in BEAD funding which scores 12 out of 14 possible points.

Scoring value	Points
> 70% to ≤ 75% of Total Project Cost	0
> 65% to ≤ 70% of Total Project Cost	2

Scoring value	Points
> 60% to ≤ 65% of Total Project Cost	4
> 55% to ≤ 60% of Total Project Cost	6
> 50% to ≤ 55% of Total Project Cost	8
> 45% to ≤ 50% of Total Project Cost	10
> 40% to ≤ 45% of Total Project Cost	12
≤ 40% of Total Project Cost	14

Total Project Cost- 14 points

This category scores the total projected cost that will be required to complete the project, awarding more points to proposed projects that have a lower overall BEAD outlay. The scoring assesses the overall project cost against an estimate developed from a cost model. The reference cost for each hexbin will be shared with Applicants as part of the Project Application materials. The hexbins cost estimates will be combined to determine the cost model estimate of the entire selected Project Area. Points will be awarded on a sliding scale for projects aligned to or below the cost estimate. For example, an Applicant will receive no points if their funding request is 25% more than the cost model estimate to serve that Project Area and they will receive the maximum points (14) if their funding request is 25% less than the cost model estimate.

Example scoring criteria for one of the 10 prosperity regions:

Scoring value	Points
> 25% of cost model estimate	0
< 25% to ≥ 20% of cost model estimate	2
< 20% to ≥ 10% of cost model estimate	4
< 10% to ≥ 0% of cost model estimate	6
< 0% to ≥ -10% of cost model estimate	8
< -10% to ≥ -20% of cost model estimate	10
< -20% to ≥ -25% of cost model estimate	12
< -25% of cost model estimate	14

Scalability and Resiliency-7 points

This category scores if the proposed network design is more scalable or resilient than what may be considered to be industry standard. This criteria will consider resiliency (such as the use of alternative power sources), retrofitting or hardening existing assets, the use of buried cables, and deployment of mobile coverage to locations identified by MIHI that do not have 4G coverage, and other criteria as part of the evaluation criteria. Scoring for this criteria will be cumulative, in that each one of the resiliency criteria met will be awarded points. For example, if an Applicant plans to install 75% or more buried fiber lines, they will receive 2 points. If they plan to also provide an alternative power source, they will receive 1 point. This amounts to a total of 3 points out of the 7 possible points in this category.

Scoring value	Points
Applicant demonstrates network or power source redundancies. This includes: - Use, inclusion, or plans to provide an alternative power source.	
and/or - 50% or more locations served have multiple, geographically diverse cable routes provide service to the same client site.	1
Applicant demonstrates scalability in the design by incorporating either XGS-PON technology or 10 Gbps bandwidth.	2
Applicant commits to retrofitting and/or hardening its existing broadband infrastructure assets and provides a timeline of expected start and completion of the process.	1
Applicant plans to deploy mobile coverage to locations currently identified as not having 4G coverage.	1
Applicant commits to burying at least 75% of fiber cables.	2

Affordability*- 25 total points

Affordability of 100/20Mbps service – 25 points

Applicants are encouraged but not required to provide service at an affordable cost. This category scores prospective subgrantee's commitment to providing the most affordable total price to the customer for 100/20Mbps service in the project area for five years following project completion. This scoring criteria will be a sliding scale of service cost ranges. See an example below for how this criteria will be scored using the 80% of the FCC urban benchmark rate. The FCC 2024 urban benchmark rate for 100/20Mbps unlimited service is \$92.24 and 80% of that is \$73.79 (Source: https://www.fcc.gov/economics-analytics/industry/analysis-division/urban-rate-survey-data-resources). This is the monthly cost of service that will be used for the purposes of evaluating Project Applications for Michigan's BEAD program.

Scoring value	Points
>\$73.79	0
\$73.79 - \$63.30	5
\$63.29 - \$52.80	10
\$52.79 - \$42.30	15
< \$42.29	25

Fair Labor Practices*- 15 points

Fair Labor Practices Compliance and Commitment – 15 points

This category scores a prospective subgrantee's demonstrated record of and plans to comply with Federal labor and employment laws. An Applicant will receive cumulative points based on (1) their record of compliance with Federal labor and employment laws and (2) their commitment to fair labor practices described in Section 8 (Requirement 11).

- 3. Record of Compliance. Applicants will be required to provide:
 - d. Certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors.
 - e. Written confirmation that the prospective subgrantee discloses any instances in which it 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.
 - f. 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 BEADfunded projects.

If an Applicant is unable to provide this documentation, they will be deducted 1 point in this criteria.

- 4. Commitment to Fair Labor Practices. Applicants will be requested to provide:
 - 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
 - b. Plan for how the subgrantee will ensure the implementation of workplace safety

- committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects
- c. Commitment to any of the following labor standards and protections for the project workforce:
 - i. Using a directly employed workforce, as opposed to a subcontracted workforce;
 - ii. Paying prevailing wages and benefits to workers, including compliance with Michigan wage laws, where applicable, and collecting the required certified payrolls;
 - iii. 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);
 - iv. Use of local hire provisions;
 - v. Commitments to union neutrality;
 - vi. Use of labor peace agreements;
 - vii. 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);
 - viii. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure);
 - ix. Taking steps to prevent the misclassification of workers

Local hire provisions will be scored on a sliding scale based on the % of total work hours filled by Michigan residents. Less than 40% will receive no points and over 60% will receive the full 3 points. For example, if an Applicant commits to including local hire provisions for 50%, they will receive 2 points for that commitment. Additionally, if they commit to the use of a directly employed workforce, they will receive an additional 2 points for a total of 4 points out of 15.

Criteria	Points
Applicant has not provided:	-1
(a) Certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors; and/or	
(b) Written confirmation that the prospective subgrantee discloses any instances in which it 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.	
(c) 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	

Criteria	Points
commitments to compliance with Federal labor and employment laws with respect to BEAD-funded projects.	
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	1
Plan for how the subgrantee will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects	1
Using a directly employed workforce, as opposed to a subcontracted workforce;	2
Paying prevailing wages and benefits to workers, including compliance with Michigan wage laws, where applicable, and collecting the required certified payrolls;	1
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);	1
Use of local hire provisions; Less than 40%	0
Use of local hire provisions; 40-60%	2
Use of local hire provisions; More than 60%	3
Commitments to union neutrality;	1
Use of labor peace agreements;	1
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);	1
Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure);	2
Taking steps to prevent the misclassification of workers	1
Total	15

Secondary Scoring Criteria – 25%*

Speed To Deployment* - 1 point

All subgrantees that receive BEAD Program funds for network deployment must deploy the planned broadband network and begin providing services to each customer that desires broadband services within the Project Area not later than four years after the date on which the subgrantee receives the subgrant. This category scores prospective subgrantee's binding commitment to provide service by an earlier date. Scoring will be on a sliding scale based on number of months to complete the proposed project in the project schedule. An example of the scoring criteria is included below.

48 months or 4 years is the maximum amount of time to deploy BEAD projects and therefore receives no points. If an Applicant proposes to complete the project in 30 months they will receive a score of 0.75 out of a possible 1 points.

Scoring value	Points
>48 months	0
42-47 months	0.25
36-41 months	0.5
24-35 months	0.75
< 24 months	1

Speed of Network and Other Technical Capacities* - 3 points

This scoring criteria assesses an Applicant's proposed use of technologies that exhibit greater ease of scalability with lower future investment for priority projects. This graded scale will score based on the minimal available speed and maximum latency committed by the Applicant after building. For example, no points will be awarded if the maximum speed available is 100/20 Mbps, maximum latency 100ms and full points will be awarded if the maximum speed is up to 2.5 Gbps upload and 10 Gbps download, maximum latency 100ms.

Scoring Value	Points
100/20 Mbps, maximum latency 100ms	0
250/100 Mbps, maximum latency 100ms	0.2
500/500 Mbps, maximum latency 100ms	0.4
1G/1G, maximum latency 100ms	0.6
Up to 2.5 Gbps and 1 Gbps, maximum latency 100ms	0.8
Up to 10 Gbps 'and 2.5 Gbps, maximum latency 100ms	1

Network Usable Life shall be applied to the expected lifespan of the physical facility: for example, fiber will receive 1 point, hybrid fiber coax technology will receive 0.67 points, and fixed wireless will receive 0.33 point. Other including Copper (DSL) and Low-Earth Orbit Satellite will receive no points*. *Please note that this language has been updated from Volume II and approval of this language change is pending with the NTIA.

Network Scalability shall be applied to the capacity of the infrastructure being deployed (backhaul, last mile, and equipment) to ensure the ability to scale growth that may occur in the area without additional investment. One point will be awarded to the Applicant providing evidence of facilities for expanded growth based on number of fibers, placement of structures to accommodate future growth (handholds, fiber huts, interconnection points) and local sparing polices for all needed equipment. Any Applicant not providing details on future capacity shall receive zero points. All other Applicants shall receive 0.33 or 0.67 points based on their information provided between these two benchmarks.

Technical Support and Customer Service - 2 points

This criteria will score an Applicant's planned commitment to provide technical support to customers. Technical support should be available in all languages that are appropriate to the demographics of the community and based on different technical capabilities of customers. MIHI will prioritize technical support that is offered in real-time to customers, that provides in-the-moment solutions rather than requiring consumers to make additional phone calls or visit additional websites, and that offers both in-person and remote support options to accommodate different circumstances and preferences. The scoring for this criteria will be cumulative based on the type and quality of technical assistance and customer support services offered. Types of technical support and customer service are grouped and points will be awarded based on each group the Applicant is able to provide evidence they provide those services and/or support.

Criteria	Points
 Group 1 Real-time Technical Support: Availability of 24/7 technical support through various channels (phone, chat, email, etc.) Proven track record of resolving customer issues within a short timeframe Ability to offer in-person and remote support options to accommodate different circumstances and preferences Integration of live chat or instant messaging for real-time technical assistance 	.667
 Group 2 Multiple Language Support: Provision of technical support in multiple languages relevant to the customer base Availability of language resources such as translated FAQs and troubleshooting guides Training and deployment of multilingual support representatives Implementation of language-specific assistance tools (e.g., language selection options on websites or phone systems) 	.667
 Group 3 Remote Support Options: Availability of self-service resources, such as online troubleshooting guides and FAQs Integration of remote support technologies (e.g., screen sharing, remote desktop assistance) Provision of user-friendly mobile applications for convenient remote support Implementation of proactive communication methods (e.g., email notifications, text alerts) to address customer issues remotely 	.667
Total	2

Local Support and Community Engagement - 6 points

This criteria assesses a prospective subgrantee's support from local units of government and/or Tribal Nations that intersect the proposed Project Area. If an Applicant receives letters of support from all elected bodies that intersect the Project Area (e.g., villages, cities, townships, and counties) (or letters of consent from all Tribal nations that intersect the Project Area), ten or more letters of support from other entities (e.g. Non-Profit Advocacy Organizations and CAIs) within the Project Area, and a letter of support, resolution, or other official document received from the elected body of the county(ies) intersecting the Project Area the Applicant will receive the full 6 points allocation. If an Applicant has no letters of support, they will be deducted a point resulting in a negative score for this category.

Criteria	Points
No letters of support are provided	-1
Letters of support received from all the elected bodies of each township, tribal entity, city, counties, and village intersecting the Project Area.	4
Letters of support received from some of the elected bodies of each township, tribal entity, city, and village intersecting the Project Area.	2
Letter of support, resolution, or other official document received from the elected body of the county(ies) intersecting the Project Area	1
Ten or more letters of support received from other entities within Project Area	1
Fewer than ten letters of support received from other entities within Project Area	0.5

Michigan Business - 4 points

The State of Michigan places a strong emphasis on supporting suppliers that create and maintain well-paying jobs within the state. This preference is reflected in Executive Directive 2019-15 and Section 261 of the Management and Budget Act, 1984 PA 431, as amended, MCL 18.1261 (the "Act"). The Act mandates that State Departments give priority to Michigan-based job providers in their procurement decisions. The Act predates the Infrastructure Investment and Jobs Act (IIJA) which was enacted in November 2021.

Furthermore, MIHI has taken into account feedback from previous broadband grant programs, such as that funded by the Capital Project Funds (CPF). It has been observed that national, non-Michigan based providers secured a significant award, while local, Michigan-based providers who are based in the communities they operate were not as successful. In response, MIHI has recognized the need to implement additional scoring criteria that will create a fair, open, and competitive subgrantee selection process for Applicants of all types.

This scoring criteria assesses if an Applicant or teaming partner is primarily a Michigan-based business and provides preference to those ISPs which are Michigan based. Points are also awarded for Michigan-based small businesses in this category. Points will be cumulative and awarded based on the criteria the Applicant is able to meet. For example, if an Applicant or teaming partner has filed a tax return in Michigan in the last 12 months, has at least 10 employees permanently located in Michigan, and has been operating in Michigan for 5 or more years as an ISP, they will receive 3 out of the total 4 points for this category. It should be noted that any Applicant may team with a Michigan-based business to be awarded points in this scoring criteria.

Criteria	Points
In the last 12 months the Applicant has: 1. Filed a Michigan single business tax return 2. Filed a Michigan income tax return proving income generated in Michigan or 3. Withheld Michigan income tax from compensation paid to the bidder's owners and remitted the tax to the Department of Treasury	1
Number of employees permanently located in Michigan is ≥ 10	1
More than 50% of the company works in Michigan	0.5
≥ 5 years operating as an ISP in Michigan	1
Property owners are provided with ownership of internal wiring within MDUs	0.75
Headquarters are located in Michigan	0.5
Total	4

MBEs/WBEs/LSFs/GDBEs - 3 points

This scoring criteria assesses the proposed utilization percentage of minority business enterprises (MBEs), womenowned business enterprises (WBEs), labor surplus firms (LSFs), and geographically disadvantaged enterprises (GDBEs), as part of the project team. An Applicant will be requested to provide a target for allocating the proposed project value to a disadvantaged business. Actual utilization of MBE/WBE/LSF/GDBE firms on BEAD funded projects will be monitored by the Michigan Department of Labor and Economic Opportunity. If a subgrantee is not meeting their target commitments, similar to other requirements and commitments of the program, they will be required to submit a corrective action plan to demonstrate a good faith effort towards meeting the target commitments. For example, an Applicant will receive no points if they set a target of zero disadvantaged business participation in the project, whereas they would receive the full 3 points if they set a target of 20% or more allocation the proposed project value to a disadvantaged business.

Criteria	Points
Applicant establishes a target for allocating 0-5% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	0
Applicant establishes a target for allocating 5-10% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	0.75
Applicant establishes a target for allocating 10-15% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	1.5
Applicant establishes a target for allocating 15-20% of the proposed project value to MBEs, WBEs, LSFs, GDBEs	2.25
Applicant establishes a target for allocating 20%+ of the proposed project value to MBEs, WBEs, LSFs, GDBEs	3

Open Access – 3 points

This criteria scores a subgrantee's provision of open access wholesale last-mile broadband service for the life of the subsidized networks, on fair, equal, and neutral terms to all potential retail providers. Scoring will be on a cumulative basis, allocating points for each criteria the Applicant is able to meet. For example, if an Applicant is able to demonstrate they have an open access policy expressing willingness to enable third party access to fiber and/or conduit infrastructure along with a plan for ongoing maintenance, includes how many strands or conduits will be identified as available for third party access, details where the infrastructure can be accessed by a third party, and provides property owners ownership of internal wiring within MDUs, the Applicant will be awarded full points.

Criteria	Points
Open access policy expressing willingness to enable third party access to fiber and/or conduit infrastructure along with a plan for ongoing maintenance	0.75
Open access policy includes how many strands or conduits will be identified as available for third party access	0.75
Open access policy details where the infrastructure can be accessed by a third party	0.75
Property owners are provided with ownership of internal wiring within MDUs - No	0.75
Total	3

Equitable Workforce Development and Job Quality- 3 points

This criteria scores a subgrantee's enforceable commitments with respect to advancing equitable workforce development and job quality objectives. Scoring will be on a cumulative basis, allocating points for each criteria the Applicant is able to meet based on the encouraged strategies and plans described in Section 9 (Requirement 12). Project Applications must demonstrate a commitment to making appropriate investments to develop a skilled, diverse workforce to fill the necessary jobs to meet the infrastructure buildout timelines submitted in the Project Application. MIHI will assess and score narrative responses under this category of Applicants plans and commitments. Project Applications will receive points based on the information submitted for each element described below. For example, if an Applicant has established a training partnership and has leveraged the LEO employer led collaborative, they will receive points for both efforts.

Criteria	Points
Applicant supports the development of an appropriately skilled workforce, as demonstrated by providing and/or supporting employees attainment of occupational training, certification, and licensure.	0.75
Applicant has developed training partnerships with local providers to establish inhouse training programs to provide their employees with industry-specific knowledge and skills.	0.75
Applicant creates equitable on-ramps to broadband-related jobs, as demonstrated by partnership with workforce boards, training partners, labor and community organizations, or participation in LEO employer led collaboratives.	0.75
Applicant provides diverse job opportunities, as demonstrated by participation in diversity job fairs, offering internships to students from diverse background, and/or publicly reporting workforce demographic data.	0.75
Total	3

Low-Cost Service Overall Point Deduction - Maximum -15 points

Subgrantees that request a waiver to deliver a low-cost service for more than the defined low-cost plan threshold, will have points deducted from their overall score commensurate to the increase in the approved low-cost plan above that threshold.

Applicants will lose at least 2 points for costs above the \$28 (for Applicants that do not participate in Lifeline) or \$37.25 (for Applicants that participate in Lifeline) per month standard low-cost plan, measured in increments of \$5. For example, if the approved low-cost plan for an Applicant that does not participate in Lifeline is \$31, the Applicant's total score would be reduced by 2 points, while an approved low-cost plan for an Applicant that participates in Lifeline of \$45, will lead to a 4 point reduction in the Applicant's total score. The maximum point

deduction to the overall score will be capped at 15 points and the maximum low-cost plan can be no more than \$65 per month for Applicants that do not participate in Lifeline or \$74.25 for Applicants that do.

Criteria	Points
Costs \$28 (non-Lifeline participant) or \$37.25 (Lifeline participant)	0
Costs \$28.01-32.99 or \$37.26-42.25 per month	-2
Costs \$33-37.99 or \$42.26-47.25 per month	-4
Costs \$38-42.99 or \$47.26-52.25 per month	-6
Costs \$43-47.99 or \$52.26-57.25 per month	-8
Costs \$48-52.99 or \$57.26-62.25 per month	-10
Costs \$53-57.99 or \$62.26-67.25 per month	-12
Costs \$58-65 or \$67.26-74.25 per month	-15
Total	-15

7 Appendix C: EGrAMs Portal Guidance

7.1 Marking Items as Confidential

Applicants can request pages in the Project Application to be confidential. In the EGrAMS portal, after Project Application submission, the Applicant can select pages to be "redacted". Please follow the steps below:

- 1. Select from the top menu bar "Grant Application" -> "Redact Application Pages"
- 2. Select "Generate" mode in the top left
- 3. Select Grant Program from lookup
- 4. Click on 'Find'
- 5. System displays agency applications
- 6. Click on the 'Index' icon to view application pages
- 7. In the 'Index' screen, mark each checkbox in the 'Redact' column for desired page
- 8. Select reason from 'Redact Reason' column from the drop-down
- 9. Enter a justification in the 'Comments' column
- 10. Click on 'OK' to save information
- 11. Repeat steps 7 to 10 for all pages desired to be redacted
- 12. Click on 'View PDF' icon to preview redacted PDF (optional)
- 13. Click of 'Generate PDF' to generate the redacted PDF 14. Click on 'Close' to return to main window

7.2 Reviewing a Project Application in the Portal

In the EGrAMs portal, Applicants have the ability to view and print their Project Application at any point prior to submission. To view / print Project Application:

- 1. Select "Grant Application" then "Print / Submit Application"
 - a. Note: the system displays user agency name, displays a list of applications based of user access.
- 2. Select Grant Program from lookup (if required) to limit default displayed list
 - a. Note: application details displayed are Program Code and Description, Submission date & time (if applicable), Project Code & Title, Application Stage & Status
- 3. Click on desired Project hyperlink to access application
 - a. Note: Application Index is displayed as a Tree View
 - b. Click on the Next / Previous icons to navigate sequentially or Click on the Tree nodes to go to the specific page
- 4. Click on the 'Print' icon to generate application PDF
 - a. Note: the print icon generates PDF embedding attachments at the end of content

8 Appendix D: Initial Proposal Volume II Amendments

Initial Proposal Volume II, which received approval from the NTIA on August 28, 2024, serves as a binding agreement between the NTIA and MIHI. Therefore, the content in Volume II is fixed and cannot be changed. However, the Michigan High-Speed Internet Office (MIHI) has the ability to provide extra guidance and propose substantial and insubstantial modifications to Volume II subject to approval by the NTIA. The additional guidance for the NTIA approved modifications to Volume II are outlined below.

8.1 MBE/WBE/LSF/SBE/GDBE

MIHI provided additional clarification on the use of the following terms that were used in several different contexts and combinations: Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms (LSF)/ Small Business Enterprises (SBEs) and Geographically Disadvantaged Business Enterprises (GBDEs). As such, MIHI received NTIA approval to make a minor modification primarily in relation to Requirement 13: Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms Inclusion and Requirement 8: Deployment Subgrantee Selection of Volume II.

Unchanged Use of Terms

• In Section 5.5, the phrases "Michigan-based small business enterprises" and "Michigan-based small businesses" appear on pages 32 and 43. These phrases and their meaning are unchanged.

Revised Use of Terms

- The scoring rubric refers to MBE/WBE/GDBE throughout. These terms should now be understood to mean MBE/WBE/LSF/GDBE.
- In Section 5.3.1, the phrase "planned utilization of MBE/WBE/SBE/GDBE firms on the project" appears on page 19. This should now be understood to mean MBE/WBE/LSF/GDBE.

In Section 10.2, the phrases "procurement and retention methods for MBEs, WBEs, and LSF in the subgrantee's workforce plan" and "certification of MBE/WBE/SBE partners, if known, participating in the BEAD funding project" appear on page 83. These should now be understood to mean MBE/WBE/LSF/GDBE. To read the full description of the update, please refer to the following link: Michigan BEAD Subgrant Process Amendment Memo: Use of MBE/WBE/LSF/GDBE.