

Category	Public Comments	SBDEO Responses
Affordability	<p>We encourage the District to apply a flexible approach to affordability, and we offer the following suggestions to help ensure the District’s Final Proposal moves through NTIA’s review process as quickly as possible. There is a risk that any approach to affordability that results in mandated rates may be considered impermissible rate regulation and inconsistent with Congress’s directive in the Infrastructure Act to bar rate regulation in the BEAD program. <i>See</i> Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021) (“IIJA”), § 60102(h)(5)(D). In addition, as Verizon previously observed in its comments on the District’s Initial Proposal, any approach to affordability that involves rates could discourage BEAD program participation because ongoing operating expenses are not covered by the program.</p> <p>On page 9 of the Draft RFA, the project application narrative regarding “Affordability plan” would require Priority Broadband Project applicants to “[s]tate the lowest monthly price that the Applicant will commit to charging the customer for 1 Gbps symmetrical service in the proposed project area unit.” In turn, the Affordability scoring rubric on page 18 of the Draft RFA would award maximum points for an applicant’s commitment to price this service at \$30 or less per month, inclusive of service fees and taxes. At the outset, a \$30 gigabit service offering would go beyond the example \$30 Low-Cost Service Option identified by NTIA in the BEAD NOFO, which applies to an offering of at least 100/20 Mbps. Further, based on the final version of the Initial Proposal Volume 2 and the Draft RFA, it remains unclear for how long a winning bidder would be required to offer this service package and whether it would be permitted to adjust</p>	<p>i. The \$30 gigabit plan will remain as a standard against which applications will be measured. Prospective bidders are not required to offer a \$30 gigabit plan, and offering a \$30 gigabit plan does not guarantee a prospective bid will prevail over bids that do not include a \$30 gigabit plan.</p> <p>Because the scoring rubric awards the maximum available affordability score at a \$30 price point, the actual effect on scoring is to disincentivize unrealistically low price commitments, by treating commitments below \$30 identically with \$30 commitments for scoring purposes.</p> <p>ii. Proposed rates will not periodically adjust for inflation. The market price of specific speed thresholds, <i>e.g.</i>, 1 gigabit symmetrical, go down over time. They do not inflate over time.</p> <p>iii. The duration of these rates will be tied to the Federal Interest Period as noted in the <i>Uniform Guidance Policy Notice</i>.</p> <p>iv. The application scoring process will not consider an applicant’s current provision of services as it would unfairly benefit current providers.</p>

	<p>the price of its service offering to account for inflation.</p> <p>We propose the following: (i) the scoring rubric should reflect actual market pricing in competitive areas for such a service in effect at the time the network is deployed, with reference to the FCC’s Urban Rate Survey for the District; (ii) OCTO should make clear that it allows periodic rate adjustments based on inflation and the Consumer Price Index; (iii) the rate should be of limited duration and last for no more than five (5) years from award; and (iv) OCTO’s application scoring process should consider whether an applicant that commits to a \$30 Gigabit service offering is actually capable of providing that service based on its current offerings to unsubsidized locations</p>	
<p>Minimum BEAD outlay reference costs</p>	<p>The Draft RFA includes several references to the published reference cost for project area units but does not provide information on how these benchmarks will be made available to potential applicants. Because the distribution of points for the Minimal BEAD Outlay scoring criterion is based on the percentage of funding requested by an applicant relative to the reference cost, Verizon encourages OCTO to make the reference cost information available as soon as possible and clarify in the final RFA how and when the reference costs will be published. To promote transparent scoring, some Eligible Entities have published reference cost information. For example, the Delaware Broadband Initiative emailed a document to prospective applicants in advance showing the reference prices for each of the designated grant areas in the state.</p>	<p>The SBDEO will publish the reference cost on its website, techtgether.com.</p>

	Other states, such as Arkansas, have published reference prices on their BEAD program websites before their application windows have opened.	
District-owned Conduit and Fiber	<p>To provide needed clarity to potential applicants, Verizon urges OCTO to delete the reference to DC-owned conduits and fiber from the final RFA and clarify this matter in an FAQ.</p> <p>Page 14 of the Draft RFA states that an “application should demonstrate how the Applicant will build the DC-owned conduits and fiber described in Section 1.2....” There is no explicit discussion of DC-owned conduits and fiber in Section 1.2 of the Draft RFA. Furthermore, requiring BEAD subgrantees to install DC government-supplied conduit wherever the subgrantee opens a public right-of-way is nowhere mentioned in the NTIA-approved version of the District’s Initial Proposal Volume 2. Accordingly, OCTO should clarify that no such requirement exists and delete this discussion from the final RFA.</p>	The DC SBDEO will delete this reference from the RFA.
Speed to Deployment	<p>Verizon urges OCTO to clarify that the speed to deployment narrative in the final RFA is consistent with the District’s Initial Proposal Volume 2 and BEAD program requirements.</p> <p>On page 10 of the Draft RFA, the project application narrative regarding “Speed to Deployment” would require applicants to “[s]tate the number of years after which the Applicant commits to providing service, up to 5 years.” Verizon seeks clarification of this statement. As noted on page 31 of the District’s Initial Proposal Volume 2, the Speed to Deployment criterion for Priority Broadband Projects reflects NTIA requirements because it “weighs prospective subgrantees’ binding commitments to provide service by a date before four years after receiving [a] subgrant, with higher points given for an earlier date.” Verizon supports the statement from the Initial Proposal.</p>	The DC SBDEO confirms the language used in the IPV2 is the correct interpretation and will update the RFA accordingly.

<p>Workforce Scoring Criteria</p>	<p>Verizon asks OCTO to ensure that new entrants and existing providers be treated the same with respect to workforce scoring. Page 25 of Initial Proposal Volume 2 states that the District’s “subgrantee selection criteria are designed to place qualifying prospective subgrantees on equal footing and to protect D.C. and its residents from the risks associated with less experienced providers.”</p> <p>It appears that the Draft RFA has divergent approaches to new and existing prospective subgrantees. The Workforce Plan/Demonstrated compliance scoring criterion on page 25 of the Draft RFA would automatically award the maximum amount of available points (10 points total) to a new entrant. By contrast, an experienced provider must demonstrate a record of compliance with federal labor and employment laws for a period of seven (7) or more years to receive an equivalent number of points. Verizon encourages OCTO to revisit this scoring criterion to ensure new entrants and existing providers are treated the same .</p>	<p>The SBDEO will retain the framework as established within the IPV2.</p>
<p>Federal Interest in Broadband Infrastructure and the Application of the Uniform Guidance to BEAD</p>	<p>Verizon urges OCTO to revisit the Section 1.8 discussion in the Draft RFA regarding the federal interest in broadband infrastructure to ensure that it aligns with NTIA guidance. NTIA issued guidance with respect to the federal Interest in broadband infrastructure under the BEAD program. <i>See Uniform Guidance Policy Notice</i> at pp. 7-9 (Dec. 26, 2023). Section 1.8 of the Draft RFA appears, however, to set forth requirements from supplementary guidance issued by the Treasury Department in May 2023 regarding subawards under the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) and the Capital Projects Fund (“CPF”).</p> <p>Verizon also notes that Section 1.8 of the Draft RFA includes language about title to Project Property vesting in OCTO or Grantee. However, the guidance set forth</p>	<p>OCTO has taken notice of the <i>Uniform Guidance Policy Notice</i> and will remove these sections that do not conform thereto.</p>

	<p>by NTIA in the <i>Uniform Guidance Policy Notice</i> for fixed amount subawards makes clear that title to Project Property vests in a BEAD program subrecipient upon acquisition, subject to the exception and clarifications detailed on pages 8-9 of the <i>Uniform Guidance Policy Notice</i>. Verizon urges OCTO to ensure that text in the final RFA regarding the federal interest in broadband infrastructure comports with NTIA guidance for the BEAD program.</p>	
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