

2021 ConnectMT Program Scoring Chart (Revised as of 12/16/21)

(110 points possible)

1. Matching Funds:

Original Scoring Chart:

1. Matching Funds: (25 points maximum)

a. % local government / school district contributed of total eligible project costs Points

0-9%	0
10-19%	1
20-29%	2
30% or more	5

b. % broadband deployment allocation requested of total eligible project costs Points

30% or less	10
31% to 50%	7
51% to 79%	5
80% or more	0

c. % applicant funds used for total eligible project costs Points

80% or more	10
50% to 79%	7
21% to 49%	5
20% or less	0

Revised Scoring Chart:

1. Matching Funds: (15 points maximum)

a. % tribal / local government / school district contributed of total eligible project costs	Points
0-9%	0
10-19%	1
20-29%	2
30% or more	5

b. % broadband deployment allocation requested of total eligible project costs	Points
30% or less	5
31% to 50%	2
51% to 79%	1
80% or more	0

c. % applicant funds used for total eligible project costs	Points
50% or more	5
40% to 49%	2
21% to 39%	1
20% or less	0

Matching Funds Comments:

Zipty Fiber

Q 1 Matching funds

- a) local gov't/school district contributed– the scoring seems to be backwards; they are saying 0-9% matching funds from local gov't scores 0 while an amount of 30% or more scores 5 pts. Wouldn't the scale be higher if the local gov't/school was being asked to provide less and the provider is providing more of the match component?

ConnectMT Program response: do not concur. Matching funds encourages investments from non-federal funding sources.

- b) % request for eligible costs – similar logic; it seems the 80% or more of requested funds being for eligible purposes would score higher than proposals with request of 30% or less funds requested for eligible activities.

ConnectMT Program response: do not concur. Matching funds encourages investments.

Montana Telecom Association

- Matching funds
 - Too much emphasis (25 points) on matching
 - Too much spread between low and high scores for less/greater matching
 - Scoring should be more gradual
 - The higher the matching requirement, the lower the participation from smaller providers.
 - 80% match is unrealistic.
- Matching Funds (25 points)

As a general observation, MTA notes that the Matching Funds category receives 25% of all available points, whereas the speed category receives relatively less (20%). MTA believes that legislative intent favors deployment of reliable, high-speed broadband infrastructure that meets or exceeds speed thresholds outlined in Treasury guidelines. Matching funds is accorded considerably less priority. While matching funds are important in weeding out less financially sound applications, and for stretching grant dollars, the policy emphasis of SB 297 and supporting federal guidelines prioritizes serving frontier, unserved and underserved Americans with reliable broadband.

In fact, the relative importance of speed over matching funds is clarified even further under IIJA, where the matching requirement is exempted in high-cost areas, and eligible entities are able to use federal funds to meet their matching requirement. NTIA may reduce or waive matching requirements.

- MTA Recommendation: The Matching Funds category should account for no more than speed thresholds or reaching frontier, unserved and underserved locations to reflect the relative importance of matching as opposed to reaching frontier, unserved and

underserved communities and locations with reliable broadband service that meets or exceeds speed thresholds. MTA suggests Matching Funds total of 15 points, with 5 points in each subcategory.

ConnectMT Response: Concur and changed point structure to reflect recommendation.

Additionally, the Matching Funds category includes scoring criteria in the following areas:

- o % local government contribution
- ☒ Zero points are given to projects that include a match of 0-9%. This score discriminates against partnerships with local government entities with fewer resources but which nonetheless provide matching funds. As drafted, some partnerships with local governments would get zero points.

ConnectMT Response: Do not concur. Local governments that contribute over 10% to a project should be incented for the commitment to a project.

- o % broadband deployment allocation funds requested of total eligible project costs
- ☒ For reasons expressed above, MTA supports matching funds to qualify eligible providers and stretch grant dollars. MTA is concerned that both the range of points (0-10) and the steps between each performance criterion will discourage participation. For example, a project which seeks 51% allocation funds receives only 5 out of 10 points. A 50/50 grant/match project should receive a higher relative score. Many projects become untenable above that threshold. MTA recommends awarding points on a 1-5 range, with 5 points awarded at <50%, 4 at 50%, 3 at 70%, and 1 at 80%.

- o % applicant funds used for total eligible project costs
- ☒ For the reasons stated above, the range should be 0 – 5 points, and each step given more gradual progression. MTA recommends eliminating the 80 % match and using >50% instead, with more gradual steps between each score.

ConnectMT Response: Concur and changed point structure to reflect recommendation.

2. Passing Counts of locations:

Original Scoring Chart:

2. Passing Counts of locations: (20 points maximum)

a. # passed vs current served locations (households, businesses, farms, anchors)

	50%	75%	100%
Frontier	10	15	20
Unserved	10	12	15
Underserved	5	7	10

Revised Scoring Chart:

2. Passing Counts of locations: (20 points maximum)

a. # passed vs current served locations (households, businesses, farms, anchors)

	25%	50%	100%
Frontier	10	15	20
Unserved	10	12	15
Underserved	5	7	10

Comments:

Montana Telecom Association:

- Passing Counts of Locations (20 points)
 - o SB 297 prioritizes infrastructure investment in frontier, unserved and underserved locations— with frontier and underserved areas receiving greater weight. The proposed scores may need clarification though. It appears that projects need to include at least 50% coverage of frontier, unserved or underserved locations to qualify for any points. Hypothetically, a project may include 25% of locations passed that qualify as frontier; 45% unserved and 30% underserved. Would such a project receive zero points for serving less than 50% of the proposed frontier and unserved locations?
 - MTA recommendation. MTA respectfully requests clarification of this scoring criterion to ensure that projects that serve frontier and unserved locations are given proportional priority.

ConnectMT Response: Concur and % passing of frontier and unserved adjusted.

3. Speed Tresholds of project:

Original Scoring Chart:

3. Speed Thresholds of project: (20 points maximum)

Upload /download speeds (mbps) Points

a. 100/20 up to 99/99

100% (of project)	0
75%	5
50%	10
25%	15

b. 100/100 or higher

100%	20
75%	15
50%	10
25%	5

Revised Scoring Chart:

3. Speed Thresholds of project: (30 points maximum)

Upload /download speeds (mbps)

Points

a. 100/20 up to 99/99 with scalability to 100/100

100% (of project)	20
75%	15
50%	10
25%	5

b. 100/100 or higher

100%	30
75%	20
50%	10
25%	5

Comments:

Zipty Fiber

Q 3 Speed Thresholds

- a) It seems the scoring points are flipped with 100% of project getting 100/20 -100/100 getting 0 points but where 25% of the project getting that service scoring 15 points.

ConnectMT Response: Concur, and adjustments made to reflect changes.

Montana Telecom Association

- Speed
 - Primary emphasis needs to focus on fiber, symmetric 100/100 mbps service
 - Draft rules do not include/encourage scalability
- Speed Thresholds (20 points)
 - MTA seeks clarification of the scores provided. For example, if a project proposes to serve 75% of locations with symmetric 100/100 fiber (15 points) and 25% with 100/20 service (15 points), does the project receive 30 points? MTA also is concerned with the implication that a project where 50% is 100/100 symmetric and 50% is 100/20 (20 points) may satisfy statutory speed expectations. That is, there is no scalability factor in the 100/20 category. Under treasury guidelines, 100/20 is only a temporary solution. Projects that propose 100/20 must demonstrate scalability to meet or exceed symmetric 100/100 service. Further, it appears the fewer locations served with 100/20, the higher the score. Does this mean that, for instance, if a project serves only 25% of locations at 100/20, it is assumed to serve the remaining 75% with symmetric 100 mbps service?

☒ **MTA recommendation. MTA respectfully requests clarification of this scoring criterion. Additionally, MTA recommends increasing maximum points given for meeting or exceeding speed thresholds, given the primary importance of meeting or exceeding speed thresholds.**

ConnectMT Response: Concur and changes reflected.

4. Use of Existing Infrastructure: (20 points maximum)

Original Scoring Chart:

- 4. Use of Existing Infrastructure: (10 points maximum)
 - a. Use of existing rights of ways and easements: 5 points
 - b. Use of existing fiber optics middle mile infrastructure: 5 points

Revised Scoring Chart:

- 4. Use of Existing Infrastructure: (20 points maximum)
 - a. Use of existing rights of ways and easements: 5 points
 - b. Use of existing fiber optics middle mile infrastructure: 5 points
 - c. colocation of existing & new facilities for public safety communication networks: 10 points

No comments received

5. Timeframe to Complete Project:

Original Chart:

5. Timeframe to complete Project: (5 points maximum)

- a. Less than 1 year: 5 points
- b. 1-2 years: 3 points
- c. 2-3 years: 2 points

Revised Chart:

5. Timeframe to complete Project: (5 points maximum)

- a. up to 2 years: 5 points
- b. over 2 years up to 3 years: 3 points

Comments:

Montana Telecom Association

- Timing
 - o Preference for shorter time-to-complete favors “off the shelf” (“shovel-ready”) projects. Such projects may be less complex than more comprehensive, holistic projects.
 - o Also, some providers/applicants may not have “shovel-ready” projects on the books. These projects necessarily will take longer to design and implement. However, they should not receive lower scores simply because the applicant has no “quick” projects.
 - o Supply chain, both labor and material, already make quick-to-complete projects more challenging
- Timeframe to complete project (5 points)
 - o Projects that can be completed in less than one year receive 5 points, vs. 3 points for projects that can be completed in less than 2 years. Given the time it normally takes to design a project and

order materials and labor, 1 year is aggressive—even without considering that supplies are already quoting delays of a year or more. A 1-year time-to-complete would require the availability of shovel ready projects ready for implementation. This is OK, sometimes. But it can risk scoring higher smaller projects at the expense of more comprehensive projects. Moreover, not all providers have projects ready to go. They may be applying for projects outside of their service areas, where they have no existing facilities. They could not apply for a grant, get awarded, design and implement a project in a one-year time frame.

ConnectMT Response: Concur and made adjustments to remove 1 year or less completion.

6. # of Montana Jobs Created or maintained relative to county(ies) of project area:

Original and Revised Scoring Chart:

6. # of Montana Jobs Created or maintained relative to county(ies) of project area: (10 points maximum)
(10 points maximum)
1% or more increase in jobs created: 10 points

Comments:

Montana Telecom Association:

- SB 297 asks for “the number of Montana jobs the provider proposes to create or maintain relative to the population where service is proposed.
- MTA recommends that the key metrics include a measurement of the number of providers “with less pressure to generate profits and with a commitment to serving entire communities.” (Sources: Treasury ARPA guidelines, Capital Projects, BEAD)

ConnectMT Response: Do not concur. Existing metric measures community commitment and job creation / sustainability of jobs.

7. Equity and Affordability: (10 points maximum)

Original Scoring Chart:

7. Equity and Affordability: (10 points maximum)

- a. Free public access offered at community center for broadband service: 2 points
- b. Monthly subscriber fees included for low-income residents: 2 points

- c. 30% or more of residential locations at or below poverty level: 2 points
- d. 30% or more of residential locations receiving WIC: 1 point
- e. % of unemployment of area above national average: 2 points
- f. 20% of residential locations receiving free school meals: 1 point

Revised Scoring Chart:

7. Equity and Affordability: (10 points maximum)

- a. Free public access offered at community center for broadband service for 3 years: 2 points
- b. Monthly subscriber fees included for low-income residents: 2 points
- c. 30% or more of residential locations at or below poverty level: 2 points
- d. 30% or more of residential locations receiving WIC: 1 point
- e. % of unemployment of area above national average: 2 points
- f. 20% of residential locations receiving free school meals: 1 point

Comments:

Zipty Fiber

Q7 Equity & Affordability

After looking at the draft application it's not clear where we are to address the question components; is there a plan for a narrative block or is the Broadband Office going to measure these factors based on the Proposed Service Area with their data sources?

ConnectMT Response: Yes, there is a narrative to address this. Yes, the program will use available data sources to determine points for poverty level, WIC, unemployment, and free school meals.

Montana Telecom Association

- Free public access at community center
 - Not in SB 297. Treasury guidelines call for "low-cost option"
 - MTA supports low-cost option, but realizes that the more expensive such options are, the less sustainable a project becomes.
 - Some communities do not have community
- Equity and Affordability
- "Free" public access. There is no statutory or administrative provision regarding free public access offered at a community center. There is reference to "low-cost options" for end users. Nor are there necessarily community centers in every community.

- Monthly subscriber fees for low-income residents. Treasury guidelines provide for “at least one low-cost option.” This scoring criterion is inconsistent.

ConnectMT Response: Do not concur. SB297 provides statutory authority and administrative provision in scoring. Community centers can be community anchor institutions, so it is not restricted to a specific named community center. Changed free service to a limit of 3 years consistent with federal grant programs to offer an option for those who cannot afford internet at any price, truly closing the digital divide and offering adoption rates that remove pricing as a factor.

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