

**Addendum #2 to NOFA #005
Written Responses to Questions
February 2, 2021**

- 1. Q: If there is a TSA Census Block that is currently split by two telephone company's exchange boundaries, could both companies submit applications that include this Census Block and propose to serve only the broadband units that are within their respective exchange boundaries?**

A: More than one Applicant may apply to Facilitate service in a Census Block. However, the Office will award funding for the Census Block to the higher scoring applicant while making a partial award to the lower scoring applicant that excises the overlapping Census Block pursuant to NOFA #005 Exhibit A Section 1.6.4:

1.6.4. The decision of whether to Award a partial amount may be guided by consideration of the following non-exclusive factors:

1. Where a portion of the Project overlaps with any portion of any other higher scoring Project concurrently seeking funds pursuant to this NOFA.

Notwithstanding the foregoing, in circumstances where a Census Block is bisected by an exchange boundary, the Office reserves the right to award the same block to more than one applicant.

- 2. Q: Since the current TSA map only indicates 25/3 unserved/served areas, if our company wanted to deploy in excess of 100/100 broadband speeds, does that mean the TSA map does not apply since it does not indicate where 100/100 speeds are currently available?**

Example: An area we intend to target shows only one blue-shaded location (a TSA) and seems to indicate that the remainder of the area is currently served by 25/3 speeds. We don't agree with the current map, and have surveyed the 48 locations, and 25 residents pro-actively contacted us saying that they can barely get 10 Mbps and wanted the faster 100/100 speeds delivered by fiber. The remainder of the residents have not responded to door-hangers.

Q: Would the entire area be eligible for NOFA #5 funding for 100/100 Mbps although the map shows that only 1 location can't receive 25/3 speeds?

A. The TSA map applies to all Projects, regardless of the buildout speed level proposed by Applicants under NOFA #005. The Broadband Availability Map (available at <https://ocio.iowa.gov/broadband-availability-map-version-3>) identifies all Census Blocks designated as Targeted Service Areas (TSAs) in blue that are eligible to receive incentives under this NOFA. Applicants are not permitted to include Census Blocks that are not identified as TSAs in their project under Exhibit B. In the example provided, only the areas identified in blue would be eligible for funding under this NOFA. However, please review the Office's answer to Question 8 in this document concerning Outside TSA Infrastructure which is allowable under this NOFA.

The Broadband Availability Map Version 3 was posted for public comment on two occasions in 2020 during which time Communication Service Providers and members of the public could submit information to the Office indicating the map was incorrect. Additionally, following the final publication of the map, an appeal window was made available for those who disagreed with the Office's TSA determinations.

The Office is currently finalizing appeal decisions concerning Broadband Availability Map Version 3 (available at <https://ocio.iowa.gov/broadband-availability-map-version-3-challenge-process>) and will release final changes to that map prior to the Application Acceptance Window for NOFA #005 opening. We encourage all potential applicants to review the map one final time on February 4, 2021 prior to submitting Exhibit B in order to verify whether any TSA designations changed as the result of appeal decisions.

As the Office releases new maps in the future, we encourage all affected Communication Service Providers and members of the public to provide comments to the Office to ensure the map is as accurate as possible.

3. Q: Will an area be eligible in NOFA 5 for 100/100 speeds if another company applied for that area under NOFA 3 or any other previous NOFA?

A: The Broadband Availability Map (available at <https://ocio.iowa.gov/broadband-availability-map-version-3>) identifies all Census Blocks designated as Targeted Service Areas (TSAs) in blue that are eligible to receive incentives under this NOFA. Applicants are not permitted to include Census Blocks that are not identified as TSAs.

Eligibility under NOFA #005 turns on the criteria established in Section 1.4 of Exhibit A. These criteria do not prohibit applications that include areas that have received prior awards issued through state or federal opportunities. However, the Office may reduce project awards under NOFA #005 Exhibit A Section 1.6.4.2 in the following circumstance:

1.6.4.2. Where a portion of the Project overlaps with an area for which the Communications Service Provider has pre-existing Broadband expansion commitments or the Project expenses **have been or will be reimbursed under any federal program or have been awarded funding from prior State grant rounds** [emphasis added].

1.6.4.4. Where a portion of the Project overlaps with an area in which a Communications Service Provider has previously received or claimed in that area State incentives, including either a property tax exemption pursuant to Iowa Code section 427.1(40) or grant funds pursuant to other grant opportunities administered by the Office.

Further, the Office may reject, in whole or in part, or disqualify an Applicant under NOFA #005 Exhibit A Sections 1.16.16, 1.16.19 and 1.16.20:

1.16.16. Where a portion of the Project overlaps with an area in which any Communications Service Provider has pre-existing Broadband expansion commitments.

1.16.19. Where a portion of the Project materially overlaps with an area in which a Communications Service Provider **has previously received or claimed in that area State incentives, including either a property tax exemption pursuant to Iowa Code section 427.1(40) or grant funds pursuant to other grant opportunities administered by the Office** [emphasis added].

1.16.20. Where a portion of the Project materially overlaps with an area for which the Communications Service Provider has pre-existing Broadband expansion commitments **or the Project expenses have been or will be reimbursed under any federal program or have been awarded funding from prior State grant rounds** [emphasis added].

4. Q: Are NOFA 3 funded areas eligible in NOFA #5 for 100/100 deployments?

A. See response to Question 3.

5. Q: There seems to be some confusion on the meaning of the TSA's and the funding levels. The latest standard for broadband is 25/3 Mbps is considered to be high speed broadband. The funding increase for higher speed is an incentive to encourage the deployment of higher speeds. Is there something in Exhibit A that clarifies this?

A. In Section 1.1 of NOFA #005, Targeted Service Areas are defined as:

Targeted Service Areas are areas within which, as of July 31, 2020, either no Communications Service Provider Facilitated at least 25/3 Broadband, or otherwise any area that is materially underserved or without meaningfully available Broadband...This grant round is based on renewed Targeted Service Area determinations published to an updated version of the Statewide Broadband Availability Map on October 28, 2020 at: <https://ocio.iowa.gov/broadband-availability-map-version-3>. These determinations and this map identify the geographic areas in the State of Iowa in which grant funds under this program are available.

Applicants are directed to review Version 3 of the Broadband Availability Map at the link above. Therein, Targeted Service Areas are identified in blue. These are the Census Blocks that do not currently have 25/3 Broadband or faster and are eligible to receive incentives under NOFA #005.

NOFA #005 further provides for higher grant match levels based on the buildout speeds proposed by Applicants within the TSAs identified on Version 3 of the Broadband Availability Map (see NOFA #005 Sections 1.5.2.1.1 through 1.5.2.1.3). For example, Applicants that propose to Facilitate Broadband speeds of 100/100 or faster within TSAs will receive 75% matching levels. Applicants that propose slower speed levels will receive lower matching levels consistent with the guidelines set forth in NOFA #005 Sections 1.5.2.1.1 through 1.5.2.1.3. In all cases, the Census Block must be a Targeted Service Area to receive funding. The level of funding is then dependent on the proposed Facilitated speed.

6. Q. In this time when there are several sources providing funding for broadband projects, the availability of materials is becoming an issue. What happens if the lead time for materials, especially fiber optic cable, comes in beyond the 1 December 2021 deadline to have the system 100% complete?

A. Due to federal timelines associated with the Coronavirus Relief Fund, Projects must be completed by December 1, 2021 to receive reimbursement. Applicants are strongly encouraged to consider lead time for materials in determining whether to apply for funds under this opportunity.

7. Q. Under NOFA #005, will a company be able to include TSAs that were awarded in a prior NOFA, if we are proposing to increase the broadband speed available in those areas to something higher?

A. See Response to Question 3.

8. Q. Can you please clarify for NOFA #005, will a company be able to apply for funding for both TSAs and non-TSA's, similar to NOFA #003? Or will non-TSA's have to be left out?

A. This NOFA #005 Grant round allows for funding in TSAs only. Non-TSAs are not eligible under NOFA #005. See NOFA #005 Exhibit A Section 1.4.5:

1.4.5. Projects must Facilitate Broadband Service that Facilitates 25/3 Broadband or faster to Targeted Service Areas located within the State of Iowa.

However, the Outside TSA Infrastructure Worksheet (Exhibit D.1) allows an Applicant to claim allowable expenditures for Broadband Infrastructure installed outside of TSAs forming the basis of a Project provided that infrastructure is necessary for facilitating Broadband service within TSAs. (NOFA #005 section 1.2.14.) This Outside TSA Infrastructure process is not limited to Census Blocks that are directly adjacent to Targeted Service Areas forming the basis of the Application. (NOFA #005 section 1.5.2.) Further:

1.5.2.3. Outside TSA Infrastructure Process. Notwithstanding the foregoing, Applicants may include costs/expenditures that are incurred outside of Targeted Service Area(s) within their Total Project Costs and corresponding Allowable Expenditures, provided that, in order to do so, an Applicant must:

1.5.2.3.1. Explain how such outside-Targeted-Service-Area Broadband Infrastructure Facilitates 25/3 Broadband, 50/5 Broadband, or 100/100 Broadband, whichever is applicable, within the Targeted Service Area(s) forming the basis of the Project;

1.5.2.3.2. Demonstrate how claimed costs/expenditures for such

outside-Targeted-Service-Area Broadband Infrastructure are necessary to effectively complete the Project;

1.5.2.3.3. Explain why claimed costs/expenditures for such outside-Targeted-Service-Area Broadband Infrastructure cannot be excluded from the Application; and

1.5.2.3.4. Set forth the specific methods/formulas that will be utilized in allocating the costs of and for such outside Targeted-Service-Areas Broadband Infrastructure in proportion to such Broadband Infrastructure's actual Facilitation of 25/3 Broadband to the Targeted Service Area(s) forming the basis of the Project.

9. Q: If we apply for a large non-contiguous area in one application, and the OCIO partially funds the application, I assume that we would still be required to serve all the locations in that application, and the partial funding does not partially reduce the number of broadband units served, correct?

A. Because this NOFA relates to Coronavirus Relief Funds, the Office will negotiate partial buildout requirements wherever a partial award is offered to an Applicant pursuant to NOFA #005 Exhibit A Section 1.6.4. For the sake of clarity and avoidance of doubt, such offers will not require an Applicant to build in any area that was excised from their project application by the Office in connection with the Partial Award provisions set forth in NOFA #005 Exhibit A Section 1.6.4.

10. Q. Are you allowing applications for non-TSAs for NOFA #005?

A. Version 3 of the Broadband Availability Map (available at <https://ocio.iowa.gov/broadband-availability-map-version-3>) identifies all Census Blocks designated as Targeted Service Areas (TSAs) in blue that are eligible to receive incentives under this NOFA. Applicants are not permitted to include Census Blocks that are not identified as TSAs.

Additionally, see Response to Question 8.

11. Q. I am curious... is this NOFA#5 ONLY for locations in blue on the map? Or can it be used in what we would consider "underserved" as well?

A. Version 3 of the Broadband Availability Map (available at <https://ocio.iowa.gov/broadband-availability-map-version-3>) identifies all Census Blocks designated as Targeted Service Areas (TSAs) in blue that are eligible to receive incentives under this NOFA. Applicants are not permitted to include Census Blocks that are not identified as TSAs.

12. Q. I have a question concerning the recent communication of NOFA#5. Since our NOFA#4 wasn't funded entirely, would the non-funded NOFA#4 amount be eligible for NOFA#5? I understand NOFA#5 is federal funds from the CARES Act and seemingly has different requirements. Please advise

A. Regardless of how much was awarded in the NOFA #004 grant round, Census Blocks included in the Project area for NOFA #004 are expected to be completed as part of NOFA #004. Also see NOFA #005, Addendum #1:

1.6.5. Limitations on Substitutions and Withdrawals. In an effort to expedite the facilitation of broadband service to unserved and underserved Iowans, and to ensure compliance with the requirements of the CARES Act Coronavirus Relief Fund, the Office will not accept Applications, or otherwise entertain offers from Applicants that seek to substitute or relinquish an award of funds received under any prior NOFA issued by this Office, where such prior award was for broadband installation within the same or overlapping Project area(s) as contained in an Application submitted by the same Applicant under this NOFA.

The foregoing limitation shall apply to all Applicants or Grantees offered funds under previous NOFAs issued by this Office whether the offered funds were accepted or declined by Applicant.

13. Q. There are a few census blocks that show on the map for the NOFA #5 but we know are in the current grant area of one grant winner with wireless service at 25/3 speed. Can a company apply for a grant in this round at a fiber speed of 100/100 if the block shows as available? Or would those blocks be ineligible if we know they are currently receiving CARES grant dollars for wireless?

A. See Response to Question 3.

14. Q. My "ask" is; Is there a way we can maybe release the 2019 grant making us eligible for some of the new matches. Today, I see that NOFA #5 is out and we might be able to be complete by 12/1/21, depending on the definition of completed is.

A: See NOFA #005 Addendum #1:

1.6.5. Limitations on Substitutions and Withdrawals. In an effort to expedite the facilitation of broadband service to unserved and underserved Iowans, and to ensure compliance with the requirements of the CARES Act Coronavirus Relief Fund, the Office will not accept Applications, or otherwise entertain offers from Applicants that seek to substitute or relinquish an award of funds received under any prior NOFA issued by

this Office, where such prior award was for broadband installation within the same or overlapping Project area(s) as contained in an Application submitted by the same Applicant under this NOFA.

The foregoing limitation shall apply to all Applicants or Grantees offered funds under previous NOFAs issued by this Office whether the offered funds were accepted or declined by Applicant.

Further, a Project must be completed “as soon as possible, however 100% of the project must be completed by no later than **December 1, 2021.**” NOFA #005 Exhibit A Section 1.3.