

## Subgrantee Selection:

### MN Broadband, Equity, and Access Deployment Program (BEAD)

#### Frequently Asked Questions (FAQ)

Document updated: **4/17/2025** with questions received 4/2-4/15. The new questions are noted with “\*\*\*”.

## Subgrantee Selection FAQ Summary

<b>Section I: Timeline/Postings to Website</b> .....	6
1. Will OBD post the list of entities that have met the pre-qualification requirements and are eligible to submit applications in the three planned BEAD sub-rounds? .....	6
2. ***Will OBD post a list on its website of subgrantees provisionally selected following each sub-round?.....	6
3. What is the anticipated timeline for the three planned subrounds? .....	6
4. If CostQuest is telling us we need to pay for data in counties outside of where we have existing services available, who can we contact for assistance? .....	6
5. Does OBD have any expectations regarding how many applications will be submitted in subrounds 11a, 11b and 11c? Is the expectation that the majority of applications will be submitted in subround 11a and that subround 11c will be more of a clean-up round? .....	6
6. When will the BEAD application portal be open for testing? .....	7
7. Are the application questions or layout posted anywhere online?.....	7
8. Do you plan to publish the application guide before opening the portal?.....	7
9. Will OBD announce who has applied for Pre-Qualification and when would that announcement be made? .....	7
10. When will the Extremely High Cost Per Location Threshold (EHCPLT) be set and announced? .....	7
11. When will the final list of Approved Applicants from the Pre-Qualification Process be available? .....	7
12. Can we submit wireless applications the first round, 11a? or is that only for the second round, 11b? .....	7
13. ***Where can we find the BEAD Approved Contractor List?.....	7
14. ***Is round 1 only for fiber applications? We can't submit any hybrid applications in round 1? .....	8
15. ***Is there a way to add a location to the BEAD eligible locations, like a Community Anchor Institution, if we think the location is missing? .....	8
<b>Section II: Eligible Locations</b> .....	9
1. What version of the FCC Fabric should be used to review the preliminary list of BEAD eligible locations? .....	9
2. Is there a mechanism to clean up locations that are either currently served or erroneous either as an applicant, or as a non-applicant during the application process? .....	9
3. Are Multiple Dwelling Units (MDUs) eligible for BEAD funding?.....	9
4. USDA has announced the application window for its Community Connect broadband program. What happens if there are applications submitted to the Community Connect program that overlap locations that are BEAD eligible and the state must ensure all BEAD eligible locations receive some type of broadband service in its Final Proposal submission?.....	9

5. Will there be a Challenge process for the BEAD applications as there has been for the Border to Border and Low Population Density program? .....	10
6. Will there be a way for unlicensed fixed wireless providers to be able to challenge grant applications? .....	10
7. We have reviewed the preliminary listing of BEAD eligible locations and are curious about the final listing and if it will contain Lat/Long information as well? For planning purposes we would need to purchase CostQuest location data and it would seem that every ISP would need to do so as well in order to consider participating in BEAD. Having to purchase CostQuest data for planning purposes introduces a barrier to consideration in participating in BEAD from the start. Do you have any recommendations as to how we can obtain location-based data if OBD does not have the ability to provide us the Lat/Long along with the FCC location ID? .....	10
8. Minnesota used BDC Version 4 and several other states are reportedly implementing a 30-day post challenge process to identify any locations that may have been built. I am wondering if you all are thinking of doing the same? .....	10
9. On the final list of BEAD Eligible Locations, can you tell me what the classification column value of 0 or 1 means? .....	11
10. Is the list that was posted on March 3, 2025 the last final list of eligible locations? .....	11
11. Will maps be updated with the March 3, 2025 eligible locations list update? .....	11
12. If there is already a commitment to build it by a provider, why are there eligible passings on the Connected Nation MN Broadband web map? .....	11
13. ***For BEAD-eligible locations that aren't serviceable (barn, hay bale, or rock, etc.), what's the best way to address them? .....	12
<b>Section III: Applicant Match</b> .....	13
1. Does the state have the ability to award a project with less than a 25% match? If yes, does this require a waiver request? Also, if yes, do the state's cumulative awarded projects have to be at 75% or less? .....	13
2. How does the in-kind match work? .....	13
<b>Section IV: Project Design</b> .....	14
1. Do we need to design and construct the network such that all locations in the application can be connected "within 10 days" even for locations who do not want or do not take service? .....	14
2. Please clarify when "Spare fibers and 'spare conduit capacity'" is required.....	14
3. Should the applicant submit one application per project area, or can all the project areas be combined into a single application? .....	14
4. Are pre-approved providers allowed to submit more than one application? .....	14
5. ***For large project areas, if the map is zoomed out is that okay? For example, if it's a large portion of an entire county? .....	15
6. ***For wireline projects, in the GIS files, does it need to be noted which portions are underground versus aerial or should applicants just provide wireline routes & drops in GIS files? .....	15
<b>Section V: Clarification of Program Language</b> .....	16
1. Are the costs of obtaining the Letter of Credit or Performance Bond eligible for reimbursement under the BEAD program? .....	16
2. Does the BEAD program have a federal interest requirement? .....	16
3. Are BEAD Grants subject to federal taxes? .....	16

4. Does BEAD require prevailing wage? .....	16
5. Can you clarify ALL of the labor requirements that are required (prevailing wage, "strong labor standards", retirement contributions, labor reporting, and state laws for Broadband Grant Awards)? .....	17
6. Which of the labor requirements apply to the contractor vs. the sub-recipient?.....	17
7. Have there been changes made to the BEAD scoring criteria for ISP applications? .....	17
8. With the priority to get service to unserved locations do you have any thoughts on applications in the first subgrantee selection round (Round 11a) on submitting a project that would be an equal mix of unserved and underserved locations? .....	17
9. Regarding the claw back provision for BEAD, if an applicant is 90 percent completed with the project and for some reason, cannot complete the build, is 100 percent clawed back or the percentage not completed?.....	17
10. Preliminarily awarded applicants must provide items certified by a Professional Engineer (PE) stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the project. Is thi needed now in the application stage or upon award? .....	18
11. Are any Low Earth Satellite (LEOs) Providers expected to complete the BEAD Pre-Qualification process?.....	18
12. Can OBD provide additional guidance on the PE certification requirement and timing? .....	18
13. Is it a requirement that the PE certifying the BEAD applications be licensed in MN? .....	18
14. Do we need to submit a waiver request if the subaward amount requested exceeds \$10 million? .....	18
15. Are there templates to complete to add to the application on financial components? .....	19
16. Will there be partial awards. For example, if we submit for a large area, will we be selected for only a portion? 19	
17. For BABA are there any certifications we need to list? .....	19
18. What is the definition of, "qualifying" as it relates to the low-income requirement stated in the first sentence of #6 on page 66 of Volume 2? .....	19
19. If an application was put together that only contained locations to be served similar to the Line Extension Connection program (i.e. short mainline extensions to service drops) could we submit a waiver to remove the environmental, SHPO and cultural surve work? .....	19
20. Do you have any documentation on reference funding? .....	19
21. For cable routes that pass non-BEAD-eligible locations (not BEAD eligible because of a FWA provider) on the way to BEAD-eligible locations, can the costs for splice housings/pedestals/vaults etc., to accommodate future potential drop connections to the nn-BEAD location be included in the funding request? .....	19
22. What address should the community support letters be addressed to? .....	20
23. ***What will be required from the company regarding the letter of credit or performance bond? .....	20
24. ***What is the reimbursement model for BEAD if awarded? .....	20
25. ***We are planning to submit separate grant applications for our proposed project areas. If awarded, when it comes to the administration of these grants and the reimbursement of them, would they be treated as one master grant or as eight separate grants? .....	20
26. ***Is there a source for the GIS data applicants should use to determine Tribal Lands? .....	21
27. ***Can OBD provide guidance on the subscriber ID column for the first round, 11a? .....	21

28. ***Is it acceptable to submit one letter of credit for each project? For example, the letter is available for a total of \$15M, the two projects independently are different amounts such as \$5M and \$10M. Basically, they will be getting the same document for both.....	21
29. ***I am looking for some guidance on what should be included on the Proforma Template that is included in Budget-Schedule Proforma Pricing Workbook. Should the Proforma Financial statements include our entire company financials for the 14-year period or should the just the revenue and expenses for the locations built in the BEAD project areas be used. ....	21
30. ***What does #BSLs stand for on the Proforma Template? .....	21
31. ***Could you please confirm that the Office of Broadband Development is following NTIA's guidance for reducing a letter of credit or performance bond to 10% of the subaward amount, which requires reimbursement "for periods of no more than six months," allowing quarterly (or other more frequent than every six months) reimbursement. See NTIA BEAD Letter of Credit Waiver § 2.4(b) at <a href="https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD-Letter-of-Credit-Waiver">https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD-Letter-of-Credit-Waiver</a> . .....	21
32. ***Are there any instructions for filling out the pro forma financial spreadsheet? .....	22
33. ***When requesting a waiver does that change OBD's evaluation of an application in any way?3 .....	22
34. ***With the low-cost option question, there are 2 price categories (\$40 and \$60) – if you are in between those two prices with your low-cost option do you need to request a waiver?.....	22
35. ***On fiber leases: per the NOFO long term leases of at least 1 year are eligible expenses for reimbursement. What is needed for the grant application when submitted as related to this lease? .....	23
36. ***If a provider is actively constructing and planning to serve an area with eligible BSLs, and we intend to request no subsidy with a 0% match, would the application still need to include budgeting details, proforma, and other build-specific information .....	23
37. ***We are finding that there are some locations that are showing as BEAD eligible that fall within our service footprint. Are we able to put in a \$0 bid for those? .....	24
38. ***Can you provide clarification around overlapping applications and deconfliction?.....	24

## Section VI: BEAD Grantor Portal .....

1. In the BEAD Grantor Portal, we don't need to upload a polygon, correct?.....	25
2. When will final changes to the BEAD Grantor Portal be complete and guidance on the application process be uploaded? .....	25
3. In BEAD Grantor Portal on Question 6 it asks if we can upload a kmz file type? .....	25
4. ***Can you provide more guidance on Section 2 question 2 of the BEAD User Guide? .....	25
5. On Question 6, does the shapefile need to include all critical asset locations, descriptions, and drops as lines in the application, or can these details be provided later with a waiver submission? .....	25
6. On Question 21a, (1) At this application stage, what should be uploaded is a Commitment Letter from the bank - not an actual LOC? And (2) if the LOC will be done at the 10% option, is it still required that the Commitment Letter be done at 25%? .....	26
7. ***For Question 21 can you advise whether the Waiver means that we are submitting a performance bond that aligns with the NTIA Waiver of the LOC requirement or we are requesting a waiver of the LOC requirement entirely? .....	26
8. On, question 22, Is there a formula that you'd like us to use to calculate the number of employment opportunities?.....	26

9. On Question 29 you are asked to provide a UEI, for Question 30 do we then need to provide a screenshot of the UEI?.....	26
10. ***Do we need to provide totals for footage and mileage for the large areas of lines and drops? .....	26
11. ***How should Section 7 on Workforce Support be answered if the applicant is unsure of specific numbers?26	
12. ***Should the non-serviceable locations be included in the list in section 1 or section 11? .....	26
14. ***For the GIS upload it mentions to include buffered polygons. What should the buffer distance be? Or in lieu of buffered polygons can or should we submit polygons covering all included bead locations? .....	27
15. ***For question #39 regarding any non-Office of Broadband Development State of Minnesota grants from the past five years that your organization has administered, are you looking for grants within the State of Minnesota or anywhere across the region/country? .....	27
16. ***Can we submit information through the BEAD Grantor Portal confidentially?.....	27

## Section I: Timeline/Postings to Website

1. Will OBD post the list of entities that have met the pre-qualification requirements and are eligible to submit applications in the three planned BEAD sub-rounds?

Yes, a list of entities that have met the prequalification requirements will be posted on OBD's website.

2. \*\*\*Will OBD post a list on its website of subgrantees provisionally selected following each sub-round?

No, NTIA guidance (See [BEAD Deployment Subgrantee Selection: Guidance on the Notification of Provision Selections](#)) prohibits OBD from publicly disclosing preliminary selected subgrantees until the draft Final Proposal is posted for public comment (anticipated September 2025). OBD will disclose to applicants if their applications were preliminary selected following each sub-round and will disclose provisional selections to all applicants between sub-rounds as a strategy to encourage applications for locations that did not receive an application. Note that until the Final Proposal is prepared, all subgrantee selections are preliminary as OBD must ensure that all BEAD eligible locations are addressed per NTIA requirements for the BEAD program without exceeding the BEAD Funding that has been allocated to Minnesota.

3. What is the anticipated timeline for the three planned subrounds?

Per its approved BEAD Initial Proposal Vol. 2, OBD plans to conduct three subgrantee selection subrounds.

The application window for the first subround will be for Priority (Fiber) Projects and applicants will be able to select their project areas. OBD anticipates the application window being open from **March 24 to April 21, 2025**.

The second subaward round will be open to all technologies and applications will need to be submitted for project areas defined by OBD. The second subaward round of subgrantee selection, 11b, is anticipated to be open from **May 27\* to June 16\*, 2025**.

The third subaward round will again be open to all technologies and applications will have to be submitted for project areas defined by OBD. The third round of subgrantee selection, 11c, is anticipated to be from **July 7\* to July 24\*, 2025**.

**\*Anticipated dates as of 5/5/2025.**

4. If CostQuest is telling us we need to pay for data in counties outside of where we have existing services available, who can we contact for assistance?

Generally, if an ISP requests data for the entire state but only serves in a handful of counties, this will result in the application being flagged in CostQuest's system. An ISP should limit its request for data to only those counties necessary for an application or deconfliction. If you still have issues, please contact us at [deed.broadband@state.mn.us](mailto:deed.broadband@state.mn.us) and we will discuss with our contacts at CostQuest.

5. Does OBD have any expectations regarding how many applications will be submitted in subrounds 11a, 11b and 11c? Is the expectation that the majority of applications will be submitted in subround 11a and that subround 11c will be more of a clean-up round?

OBD is anticipating that the bulk of the fiber applications would be submitted in subround 11a for three reasons: the focus of subround 11a is fiber; the applicant can select its own project area; and if a subgrantee is preliminarily selected to serve locations in subround 11a then those locations will be removed from BEAD eligibility for subrounds 11b and 11c. Subround 11b will be the first round where an applicant can submit a proposal that uses alternative technology, so could be a robust round to serve those locations where fiber may not be as viable. Subround 11c is

likely to be more of a clean-up round to address those remaining locations that were not awarded to preliminarily selected providers in subrounds 11a or 11b.

6. When will the BEAD application portal be open for testing?

The plan is for the portal to open beginning on March 24 and closing on April 21. There will be no separate period just for testing for applicants.

7. Are the application questions or layout posted anywhere online?

The approved [Minnesota Volume 2](#) and [contract draft](#) provide an idea of the information that will be requested in the application. Additionally, more information soon to come on a schedule for virtual BEAD Application Information Sessions.

8. Do you plan to publish the application guide before opening the portal?

Yes. The application guide is planned to be posted no later than Monday, 3/24.

9. Will OBD announce who has applied for Pre-Qualification and when would that announcement be made?

Yes. NTIA allows the Eligible Entity (OBD) to publish the list of those who were approved through Pre-Qualification to apply for BEAD subgrantee selection. OBD plans to post that list to the [OBD webpage](#) by 3/28.

10. When will the Extremely High Cost Per Location Threshold (EHCPLT) be set and announced?

NTIA doesn't require the EHCPLT to be set until the final round of subgrantee selection. OBD does not plan to set the EHCPLT until the final subgrantee selection round, 11c.

11. When will the final list of Approved Applicants from the Pre-Qualification Process be available?

The applicants that have submitted all material requested have been reviewed and those meeting the Pre-qualification requirements have been posted on the website. Any further qualifying applicants will be added when the additional information requested has been provided and reviewed and a determination made that they meet the Pre-qualification requirements.

12. Can we submit wireless applications the first round, 11a? or is that only for the second round, 11b?

Under MN's NTIA approved Initial Proposal Vol. 2, the first subgrantee selection round is for Priority (fiber) projects only. If you submit a non-fiber project in the first round, it will not be considered.

13. \*\*\*Where can we find the BEAD Approved Contractor List?

This resource moving forward will be called the "Minnesota BEAD Contractor Directory" and is available on the [OBD BEAD webpage](#) under the dropdown, "Now Available: Minnesota BEAD Contractor Directory". The Minnesota BEAD Contractor Directory is a voluntary list consisting of the names and contact information of the contractors and subcontractors that have requested to be included in the directory. The directory is not an exhaustive list of all the contractors and subcontractors based or working in the state of Minnesota, and OBD does not endorse or vet any of the companies or individuals listed. OBD reserves the right to discontinue the directory at any time. This change is a result of an Allowable Change to Minnesota's Approved Volume 2 by NTIA, but will not be reflected in the text of the Volume 2 per direction from NTIA. These changes can be found in the [Volume 2 Addendum: NTIA Allowable Changes to Approved Volume 2](#)

14. \*\*\*Is round 1 only for fiber applications? We can't submit any hybrid applications in round 1?

Round 1 is only for fiber applications only. You can submit hybrid applications beginning in round 2. Under MN's NTIA approved Initial Proposal Vol. 2, the first subgrantee selection round is for Priority (fiber) projects only. If you submit a non-fiber project in the first round, it will not be considered.

15. \*\*\*Is there a way to add a location to the BEAD eligible locations, like a Community Anchor Institution, if we think the location is missing?

No. Consistent with National Telecommunications and Information Administration (NTIA) requirements, the official BEAD challenge window ran until July-November, so there is no ability to add a location to the BEAD eligible list after the close of the BEAD Challenge.

## Section II: Eligible Locations

1. What version of the FCC Fabric should be used to review the preliminary list of BEAD eligible locations? Fabric version 4. BEAD is a “point in time” program and the fabric version for our approved challenge was the version available at the time we were approved to begin the challenge, which was version 4.

2. Is there a mechanism to clean up locations that are either currently served or erroneous either as an applicant, or as a non-applicant during the application process?

Yes, OBD has posted the Final List of BEAD eligible locations to its website (under the “Vol. 1 & 2 and Final List of BEAD Eligible Locations” tab) approved by NTIA on January 17, 2025, so that we can continue to clarify the list of BEAD eligible locations. OBD also has a project with the Minnesota Geospatial Information Office (MNGEO) within MNIT, to work with counties using tax records and parcel data to compare to the FCC fabric and confirm or remove locations that are not Broadband Serviceable Locations (BSLs).

If you have reviewed the Final List of BEAD eligible locations and find locations that are either currently served or not a serviceable location, please provide the Fabric ID to our office via email to [deed.broadband@state.mn.us](mailto:deed.broadband@state.mn.us) and the reason with evidence that the location is served or the reason with the NTIA-required evidence that the location is not a Broadband Serviceable Location (see BEAD Final Proposal Guidance for documentation that is required by NTIA: [https://www.ntia.gov/sites/default/files/2025-01/bead\\_final\\_proposal\\_guidance\\_v1.2.pdf](https://www.ntia.gov/sites/default/files/2025-01/bead_final_proposal_guidance_v1.2.pdf)).

3. Are Multiple Dwelling Units (MDUs) eligible for BEAD funding?

Locations eligible for BEAD funding are those locations identified by Fabric ID on the Final List of BEAD eligible locations approved by NTIA. A preliminary list of Fabric IDs is posted on OBD’s website. If the Fabric ID associated with the location of the MDU is on the Final List, then that MDU will be eligible for infrastructure deployment funded by BEAD. An entity that was pre-qualified to participate in the subgrantee selection process would need to include the location(s) in a funded application for the infrastructure to be constructed.

4. USDA has announced the application window for its Community Connect broadband program. What happens if there are applications submitted to the Community Connect program that overlap locations that are BEAD eligible and the state must ensure all BEAD eligible locations receive some type of broadband service in its Final Proposal submission?

Per NTIA requirements, OBD must submit its Final Proposal by October 3, 2025. All locations identified as unserved and underserved must be included in the Final Proposal that BEAD funding will be used to get some type of broadband service to those locations. If there is an Enforceable Commitment approved prior to OBD’s submission of its Final Proposal, locations can be removed. Once the Final Proposal is approved, it is OBD’s understanding that BEAD funding can be used to deploy broadband to those locations unless the subgrantee requested the locations be removed due to an Enforceable Commitment from the Community Connect funding. If the same entity was awarded both BEAD funding and a Community Connect award to serve the same locations, keep in mind that Eligible Costs exclude those costs covered by other federal or state funding.

You may also wish to direct your question to USDA as to how it intends to include Eligible Entity funding decisions related to BEAD in its consideration of Community Connect applications. OBD does meet monthly with Minnesota’s RUS local field rep and is transparent about where state and federal funding is directed that is overseen by OBD.

5. Will there be a Challenge process for the BEAD applications as there has been for the Border to Border and Low Population Density program?

No. NTIA requires that all locations on the final approved BEAD eligible location list are eligible for BEAD funding. Minnesota's Initial Proposal, Vol. 2 also addresses this situation. See page 23, first bullet point in the Vol. 2 here: [https://mn.gov/deed/assets/ntia-approved-volume2\\_tcm1045-648075.pdf](https://mn.gov/deed/assets/ntia-approved-volume2_tcm1045-648075.pdf).

6. Will there be a way for unlicensed fixed wireless providers to be able to challenge grant applications?

No, there is no challenge process under BEAD once the Final List of BEAD eligible locations is established.

7. We have reviewed the preliminary listing of BEAD eligible locations and are curious about the final listing and if it will contain Lat/Long information as well? For planning purposes we would need to purchase CostQuest location data and it would seem that every ISP would need to do so as well in order to consider participating in BEAD. Having to purchase CostQuest data for planning purposes introduces a barrier to consideration in participating in BEAD from the start. Do you have any recommendations as to how we can obtain location-based data if OBD does not have the ability to provide us the Lat/Long along with the FCC location ID?

OBD's CostQuest license agreement does not allow us to publicly post the Fabric IDs with lat/long or addresses. ISPs can obtain its own license agreement at no charge for purposes of participating in the BEAD program. We have had information posted on our website since last summer on how to do that: [https://mn.gov/deed/assets/costquest-licences\\_tcm1045-631995.pdf](https://mn.gov/deed/assets/costquest-licences_tcm1045-631995.pdf) (It is found on the BEAD page of our website here <https://mn.gov/deed/programs-services/broadband/bead/> and under the "Additional Resources" tab.)

With the Tier D license, ISPs will have access to the corresponding address and lat/long of the Location IDs. If you would like us to have someone from CostQuest Support reach out to you, please let us know and we will send them your contact information.

8. Minnesota used BDC Version 4 and several other states are reportedly implementing a 30-day post challenge process to identify any locations that may have been built. I am wondering if you all are thinking of doing the same?

No, there will not be a post-challenge period. The NTIA Final Proposal guidelines do contain a provision for accounting for locations that have been built after the final list of BEAD eligible locations was approved by them. The Eligible Entity has to document for every location on the approved list whether broadband will be provided with BEAD funding or whether the location will be "NO BEAD" funded. To be placed on the NO BEAD funded list, the following Reason Codes can be used: 1. Location should not have a broadband connection; 2. Location does not need mass-market broadband service due to the nature of use; 3. Location has been removed from the latest version of the Fabric by the FCC; 4. Location is already served by an enforceable commitment; 5. Location is already served by non-subsidized service; and 6. Other.

All of the locations on the Final List of BEAD eligible locations need to be accounted for in the Final Proposal. Per NTIA guidance, the only locations that can be omitted from the list of BEAD eligible locations available to potential applicants before starting subgrantee selection are those that fit into Reason Codes 3 or 4 (and these would still be accounted for on the No BEAD list at Final Proposal submission). Locations that might end up on the No BEAD list for any other reason code (including Reason Code 5) need to be included in the list of BEAD eligible locations available during subgrantee selection but per the Final Proposal Guidance on page 9, can utilize the "Separate" or "Indicate" approach. Under the "Separate" approach, the Eligible Entity may separate NO BEAD locations under any Reason Code into separate project areas to notify applicants that those locations may not be served by BEAD. NTIA's guidance is that the Eligible Entity should avoid separating NO BEAD Locations into a single, large project area.

The “Indicate” method would have the Eligible Entity identify NO BEAD Locations associated with any Reason Code by using, for example, an asterisk in the subgrantee selection portal or map. Indicating these locations notifies applicants of the status and the likelihood these locations will not be served by BEAD.

If you have locations that are already served by a non-subsidized service (privately funded network) i.e. Reason Code 5, the evidence required to document this includes: Evidence of subscription; photographic evidence of infrastructure, network diagram, speed test, or an attestation from the provisional awardee that it concurs to not accept a BEAD project for the locations. So while we will not be holding a formal window for “challenging” already served locations, you can email our office at [deed.broadband@state.mn.us](mailto:deed.broadband@state.mn.us) with the list of such locations and the evidence (from the list above) to support your claim. Per NTIA requirements, you must also include a demonstration that the locations have qualifying broadband service on the current National Broadband Map (or given the timing of Minnesota’s subgrantee selection process, that you are reporting such to the FCC by March 1, 2025 so that the next release of the National Broadband Map will show the locations as served. Locations that will not be reported as served to the FCC until the September 1, 2025 data collection will not be shown as served on the FCC map until November 2025 per past FCC release dates and therefore would not meet NTIA’s requirement that the current FCC map show the location as served when Minnesota’s Final Proposal is due on October 3, 2025.). OBD is investigating the requirements for using Reason Code 6 Other and the evidence that NTIA would deem acceptable for privately funded construction that would occur during Minnesota’s 2025 construction season impacting locations on the Final List of BEAD eligible locations approved by NTIA.

9. On the final list of BEAD Eligible Locations, can you tell me what the classification column value of 0 or 1 means?

NTIA uses the numeric classification to identify a location as served, unserved or underserved. Unserved locations are designated by a 0 and underserved locations by a 1. For example, from the Final Proposal guidance at [https://www.ntia.gov/sites/default/files/2025-01/bead\\_final\\_proposal\\_guidance\\_v1.2.pdf](https://www.ntia.gov/sites/default/files/2025-01/bead_final_proposal_guidance_v1.2.pdf) and page 87 of 99.

10. Is the list that was posted on March 3, 2025 the last final list of eligible locations?

New lists will be posted after each subgrantee selection round of locations eligible for application.

11. Will maps be updated with the March 3, 2025 eligible locations list update?

Yes. The [Connected Nation map](#) was updated already, and the [Ready.Net map](#) will be updated soon.

12. If there is already a commitment to build it by a provider, why are there eligible passings on the Connected Nation MN Broadband web map?

The more recent rounds of grant funded projects (Round 7 and forward) were awarded to fund broadband deployment to individual locations. These locations are listed in the grant contracts as Location Data Sheets. It is possible that there are BEAD eligible locations within what would be a polygon or shapefile for a project area where a grantee determined it would not construct broadband service to a specific location. That may be the case for locations with long driveways, where a special permit might be needed to reach 1-2 locations, or where service cannot be installed within the two-week FCC requirement for deploying service.

More commonly, the locations initially listed as BEAD eligible had simply been missed in the transition from shapefiles to locations. The timing of Round 7 coincided with the first two versions of the Fabric, when the number of locations identified with fabric ids were less than the number for version 4 which was used for BEAD. OBD is now seeing a high number of these locations being submitted by current Border-to-Border grantees to amend their Location Data Sheets and thus move these BEAD eligible locations to the NO BEAD list.

Updates will occur to the list of BEAD eligible locations throughout the subgrantee selection rounds. While inconvenient, it is necessary to ensure that scarce public resources are not used to fund broadband deployment to locations that are already served per BEAD guidelines. (Minnesota's state law for its Border-to-Border program provided for a post-application challenge process to avoid ongoing updates; BEAD guidelines did not allow for such a process and instead includes continuance adjustment using Reason Codes or Non-Use Codes from the time of NTIA's approval of the list of BEAD eligible locations up to the submission of the BEAD Final Proposal.)

13. \*\*\*For BEAD-eligible locations that aren't serviceable (barn, hay bale, or rock, etc.), what's the best way to address them?

The applicant should file a location challenge ID with the FCC (Type 6) and then inform OBD that the location should not have a broadband connection and provide us with the reason why (D: location has been demolished; B: the residential location is not habitable; U: the location is a support structure i.e. garage, parking structure, barn, silo, storage shed; M: location is intended to be mobile; R: location is not a structure but a land or natural formation i.e. rock or hay bales; or Z: location is not serviceable for another reason). Together, the challenge and the non-use code, will enable OBD to include the location ID on the NO BEAD list with the evidence required by NTIA. More information on how to address this in the BEAD Grantor Portal Application is available in [Section VI, Question 12](#).

### Section III: Applicant Match

1. Does the state have the ability to award a project with less than a 25% match? If yes, does this require a waiver request? Also, if yes, do the state's cumulative awarded projects have to be at 75% or less?

The state only has the ability to award a project with less than a 25% match (i.e. the grant is for more than 75% of the eligible project costs) for locations that are in the NTIA defined high-cost areas of the state. For more information, see <https://www.internetforall.gov/program/broadband-equity-access-and-deployment-bead-program/bead-allocation-methodology>

Any locations not within the NTIA defined high-cost areas would require the applicant to submit a request for funding above 75% of eligible project costs. The state could decide to forward such a request to NTIA for approval as the state has no ability to grant such a waiver on its own. A primary consideration for the state to submit such a waiver would likely include whether the application was the only one received to serve the locations (including applications from providers using alternative technologies), whether grant of the waiver would still allow the state to reach all un- and underserved locations with its BEAD allocation, whether the pro forma necessitated the higher funding amount, and that the cost per location did not exceed the EHCPLT. NTIA's consideration of whether they would grant a match waiver are discussed in question 9.4 of the NTIA BEAD FAQs:

[https://broadbandusa.ntia.gov/sites/default/files/2024-10/Broadband\\_Equity\\_Access\\_Deployment\\_Program\\_Frequently\\_Asked\\_Questions\\_Version\\_8.0.pdf](https://broadbandusa.ntia.gov/sites/default/files/2024-10/Broadband_Equity_Access_Deployment_Program_Frequently_Asked_Questions_Version_8.0.pdf)

Regarding the last part of the question, no, the state's cumulative awarded projects do not have to be at 75% or less. Instead, the cumulative awarded projects cannot exceed the amount of the state's BEAD appropriation (including all administrative and programmatic costs).

2. How does the in-kind match work?

In Minnesota, only cash match is allowed as BEAD grant match. In-kind match is not allowed.

## Section IV: Project Design

1. Do we need to design and construct the network such that all locations in the application can be connected "within 10 days" even for locations who do not want or do not take service?

NTIA provides a response to this question in its FAQs at question 10.6:

[https://broadbandusa.ntia.gov/sites/default/files/2024-10/Broadband\\_Equity\\_Access\\_Deployment\\_Program\\_Frequently\\_Asked\\_Questions\\_Version\\_8.0.pdf](https://broadbandusa.ntia.gov/sites/default/files/2024-10/Broadband_Equity_Access_Deployment_Program_Frequently_Asked_Questions_Version_8.0.pdf)

If the subgrantee would not be able to meet the NTIA requirement, then the location(s) should not be included in the proposed project.

2. Please clarify when "Spare fibers and 'spare conduit capacity'" is required.

There is no requirement that a subgrantee build spare fibers or spare conduit capacity. There is a requirement that when BEAD funds are used for Middle Mile construction, the subgrantee must design the network "to allow interconnection with other service providers at just, reasonable, and non-discriminatory rates." See

[https://broadbandusa.ntia.gov/sites/default/files/2024-08/BEAD\\_Obligations\\_for\\_Subgrantees\\_Deploying\\_Network\\_Guidance.pdf](https://broadbandusa.ntia.gov/sites/default/files/2024-08/BEAD_Obligations_for_Subgrantees_Deploying_Network_Guidance.pdf) at page 8.

Please keep in mind that BEAD will only fund Middle Mile construction "where the Middle Mile Infrastructure is in or through any area required to reach interconnection points or otherwise to ensure the technical feasibility and financial sustainability of an Unserved Service Project or an Underserved Service Project" per BEAD NOFO footnote 43.

3. Should the applicant submit one application per project area, or can all the project areas be combined into a single application?

For the BEAD program, the state must ensure that all unserved and underserved locations receive some type of broadband service. Where an application for un and underserved locations is the only application for those locations and the grant amount requested is reasonable, the applicant will be preliminarily included in the Final Proposal to be awarded BEAD funding. Where there are multiple applications to serve some or all of the un and underserved locations in an area, those applications will be scored under the scoring rubric approved in Minnesota's BEAD Initial Proposal Volume 2.

For easier administration of the grant applications, OBD would recommend that individual applications be submitted for each geographically separate grouping of un and underserved locations. We suggest that the only time all geographically separate locations be included in one application would be in the situation that the ISP will only accept a BEAD award if they serve all locations for which they apply. Please note that if an applicant is awarded multiple projects, it is OBD's intent to request a BEAD subgrantee to enter one contract that combines all applications for which the subgrantee was selected and approved by NTIA.

4. Are pre-approved providers allowed to submit more than one application?

Yes, applicants can submit more than one application. Additional information on this is in the question above, [Should the applicant submit one application per project area, or can all the project areas be combined into a single application?](#)

5. \*\*\*For large project areas, if the map is zoomed out is that okay? For example, if it's a large portion of an entire county?

In the example given, for a spatial map if it's a large portion of one county that should be okay.

If the geographic area is more distinct, ideally for OBD the distinct geographic and separate areas would be submitted as their own shape files or whatever area you are submitting the applications in.

6. \*\*\*For wireline projects, in the GIS files, does it need to be noted which portions are underground versus aerial or should applicants just provide wireline routes & drops in GIS files?

At this time, it doesn't need to be noted if it is underground versus aerial – if an applicant can describe that for OBD it is helpful, but it's also understood these are, at this stage, preliminary.

## Section V: Clarification of Program Language

1. Are the costs of obtaining the Letter of Credit or Performance Bond eligible for reimbursement under the BEAD program?

Eligible uses of funding in connection with last-mile broadband deployment projects include the following per the BEAD NOFO at page 39:

- a. Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings.
- b. 2. Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.
- c. 3. Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building.
- d. 4. Engineering design, permitting, and work related to environmental, historical and cultural reviews.
- e. 5. Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts).
- f. 6. Network software upgrades, including, but not limited to, cybersecurity solutions.
- g. 7. Training for cybersecurity professionals who will be working on BEAD-funded networks.
- h. 8. Workforce development, including Registered Apprenticeships and pre-apprenticeships, and community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades.

If you have a question about whether a specific cost would be reimbursable under the BEAD program, please email OBD at [deed.broadband@state.mn.us](mailto:deed.broadband@state.mn.us).

2. Does the BEAD program have a federal interest requirement?

This question is addressed in NTIA's BEAD FAQ at question 1.26: Who holds the title to BEAD funded assets at the end of the period of performance? Answer: Eligible Entities or subgrantees (when funding through a subgrant) will hold the title to BEAD funded assets. All assets, however, are subject to federal interest per 2CFR § 200 Subpart D, the DOC Standard Terms and Conditions, and Specific Award Conditions. NTIA's FAQs for its BEAD program is available here: [https://broadbandusa.ntia.gov/sites/default/files/2024-10/Broadband\\_Equity\\_Access\\_Deployment\\_Program\\_Frequently\\_Asked\\_Questions\\_Version\\_8.0.pdf](https://broadbandusa.ntia.gov/sites/default/files/2024-10/Broadband_Equity_Access_Deployment_Program_Frequently_Asked_Questions_Version_8.0.pdf)

3. Are BEAD Grants subject to federal taxes?

OBD cannot advise on tax policies, so we suggest that you consult your tax preparer or attorney for advice.

4. Does BEAD require prevailing wage?

No, prevailing wage is not required for BEAD funded projects. If the confusion is resulting from the 2024 law change to include the provisions that must be considered by the Commissioner under Minn. Stat. 116J.395 for evaluating and awarding grants under the competitive Border to Border broadband grant program, those provisions are not applicable to the BEAD program. BEAD is a federal program which has federal requirements for subgrantee and project selection as provided for in the Initial Proposal Volume 2.

5. Can you clarify ALL of the labor requirements that are required (prevailing wage, "strong labor standards", retirement contributions, labor reporting, and state laws for Broadband Grant Awards)?

While prevailing wage is not required by NTIA, reporting for projects that receive BEAD funding above a \$5 million threshold (similar to American Rescue Plan Act Capital Projects Fund or ARPA CPF) requires a labor report per NTIA – which is also very similar to what Treasury requests for CPF.

Under BEAD, a subgrantee cannot break out projects to avoid the \$5M threshold like was allowed for CPF (i.e. while locations funded with BEAD to a single subgrantee may be across the state, there will only be one BEAD contract per subgrantee). Also, if a provider wants to be reimbursed for wages they are going to have to document total hours by employee class, the dates work was done and total labor expense (wage and fringe). (OBD will likely ask for payroll detail in monitoring but will not collect private information in the reimbursements so it will have to be rolled up.)

Regarding state law labor requirements that would also apply for BEAD funded projects, the state law requirement regarding prevailing wage for broadband is applicable only to middle mile projects. Under BEAD, no middle mile only projects can be funded so the state provision is not relevant. Additionally, only those labor requirements as included in Minnesota's NTIA-approved Volume 2 are applicable to this federal program. The draft contract posted on the OBD website helps identify the specific reporting requirements that providers will be expected to provide. If there are any provisions that are unacceptable and are preventing a provider from applying to the BEAD program, the provider can request a waiver of such provisions which OBD can then elect to forward to NTIA for approval.

6. Which of the labor requirements apply to the contractor vs. the sub-recipient?

All labor requirements that apply to the subgrantee apply to the subgrantee's contractors.

7. Have there been changes made to the BEAD scoring criteria for ISP applications?

The BEAD scoring rubric has not changed from what is contained in the NTIA-approved Initial Proposal Volume 2. No change can be made to the rubric without NTIA approval.

8. With the priority to get service to unserved locations do you have any thoughts on applications in the first subgrantee selection round (Round 11a) on submitting a project that would be an equal mix of unserved and underserved locations?

OBD would advise applicants to select the project area and locations that make the project feasible for them to build with BEAD funding. Projects that meet known parameters will be "penciled in" until we have everything factored in for inclusion in the BEAD Final Proposal. It is like a giant puzzle where we have to make sure we get some type of service to all locations, we are within our BEAD funding allowance, and we do not exceed the Extremely High Cost Per Location Threshold (EHCPLT).

9. Regarding the claw back provision for BEAD, if an applicant is 90 percent completed with the project and for some reason, cannot complete the build, is 100 percent clawed back or the percentage not completed?

The claw back language required by NTIA in the Eligible Entity's contract with the subgrantee includes the below claw back provision. Based on the mandated language from NTIA, up to 100 percent of the grant award could be required to be returned to the Eligible Entity. Keep in mind that the program reimburses based on paid invoices and achieving milestones, so unless the material requirement that the subgrantee failed to comply with was discovered after 100 percent of the grant funds were disbursed, the maximum amount that could be clawed back would not be 100 percent of the grant award but only the maximum of the amount of funds already disbursed to the subgrantee.

10. Preliminarily awarded applicants must provide items certified by a Professional Engineer (PE) stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the project. Is this needed now in the application stage or upon award? The PE certified design plan will be required upon notice of a preliminary award but can be submitted as part of the initial application as well. A preliminarily awarded applicant will not be included in the Final Proposal without having provided a Professional Engineer certification.

11. Are any Low Earth Satellite (LEOs) Providers expected to complete the BEAD Pre-Qualification process? Providers of Alternative Technologies (like LEOs) will not be pre-qualifying in the same way as other providers. NTIA has provided guidance on NTIA's BEAD Program: Alternative Broadband Technology Policy Notice.

12. Can OBD provide additional guidance on the PE certification requirement and timing?

The Professional Engineer (PE) stamp or certification will be required for provisional awardees. "Provisional awardee" is an applicant who has been selected to receive funding but whose award is not yet final and is subject to review and approval by the NTIA (National Telecommunications and Information Administration).

To demonstrate Technical Capabilities, provisional awardees must provide the following certified by a Professional Engineer (PE) stating that the proposed network can deliver broadband service that meets the requisite performance requirements **to all locations served by the project**:

- A network design and diagram;
- Detailed project costs;
- Build-out timeline and milestones for project implementation; and
- A capital investment schedule evidencing complete build-out and the initiation of service within four years of the date on which the entity receives the subgrant.

All applications must include the following components in the application at this time:

- Network Data template upload *Question 5*: [https://mn.gov/deed/assets/bead-geospatial-data-upload-guide\\_tcm1045-672665.pdf](https://mn.gov/deed/assets/bead-geospatial-data-upload-guide_tcm1045-672665.pdf)
- Spatial Map upload *Question 6*: [https://mn.gov/deed/assets/bead-geospatial-data-upload-guide\\_tcm1045-672665.pdf](https://mn.gov/deed/assets/bead-geospatial-data-upload-guide_tcm1045-672665.pdf)
- Budget\_Schedule\_Proform\_Pricing Workbook: [https://mn.gov/deed/assets/budget-schedule-proforma-pricing\\_tcm1045-674078.xlsx](https://mn.gov/deed/assets/budget-schedule-proforma-pricing_tcm1045-674078.xlsx)

We understand that some ISPs work with Professional Engineers to design the network and budget components while others do this work in-house. If an applicant has the PE certification now, they can upload it now.

13. Is it a requirement that the PE certifying the BEAD applications be licensed in MN?

A professional engineer will hold the qualifications and have passed the necessary requirements to be licensed by a state. They do not need to be licensed in Minnesota.

14. Do we need to submit a waiver request if the subaward amount requested exceeds \$10 million?

Applicants should request the amount of the subaward they require to complete the project as submitted. If the amount of the subaward exceeds \$10 million, **no waiver request needs to be included** with the application for that provision as OBD can waive the amount on its own if necessary to comply with federal standards that apply to the BEAD funding.

15. Are there templates to complete to add to the application on financial components?

Yes, templates for financials to upload can be found on the Minnesota [OBD BEAD webpage](#) under “BEAD Resources for Pre-Qualification and Application”.

16. Will there be partial awards. For example, if we submit for a large area, will we be selected for only a portion?

There could potentially be partial awards. For example, if OBD needs to deconflict for multiple applications, during that process there could be a preliminary award made for part of a project area.

17. For BABA are there any certifications we need to list?

The certification to comply with BABA requirements was completed during the Pre-Qualification phase.

18. What is the definition of, "qualifying" as it relates to the low-income requirement stated in the first sentence of #6 on page 66 of Volume 2?

OBD is awaiting an NTIA decision on the definition of “qualifying household” and has proposed using the definition that meets the requirements for participation in the Lifeline program.

19. If an application was put together that only contained locations to be served similar to the Line Extension Connection program (i.e. short mainline extensions to service drops) could we submit a waiver to remove the environmental, SHPO and cultural survey work?

OBD cannot advise you on which provisions to request a waiver. For all waivers received OBD will review and if OBD agrees a waiver is necessary and it is for a BEAD program requirement OBD will forward to NTIA for their review and approval.

20. Do you have any documentation on reference funding?

As noted in Minnesota’s approved Initial Proposal, Volume 2 (p. 30), OBD will have at its disposal for reviewing the reasonableness of BEAD funding requests the cost data from the study done for Minnesota by CTC that was based on the initial list of BEAD eligible locations (see report at [https://mn.gov/deed/assets/ctc-broadband\\_tcm1045-661530.pdf](https://mn.gov/deed/assets/ctc-broadband_tcm1045-661530.pdf)), cost data from the most recent rounds of the Border-to-Border and Low Population Density program, and NTIA’s per-location NPV and total investment data (CostQuest cost data) as references. This information will be used internally for review and possible negotiation. OBD understands that the reference prices may vary based on individual locations included in a project, an applicant’s own financial requirements, and cost components specific to the BEAD program that may not have been captured by any of the three methodologies.

Prior to the third subgrantee selection round, OBD intends to establish and publish on its website the Extremely High Cost Per Location Threshold (EHCPLT) and all applications funded with BEAD will need to be below that threshold to optimize use of Minnesota’s available BEAD funding and to meet NTIA’s requirements including to help ensure that end-to-end fiber projects are deployed wherever feasible.

21. For cable routes that pass non-BEAD-eligible locations (not BEAD eligible because of a FWA provider) on the way to BEAD-eligible locations, can the costs for splice housings/pedestals/vaults etc., to accommodate future potential drop connections to the non-BEAD location be included in the funding request?

No, the location is not a BEAD eligible location so any costs associated with preparing for service now or in the future cannot be recovered using BEAD funds. If the ISP wants to place facilities to service a non-BEAD eligible location, those costs have to be borne by the ISP.

22. What address should the community support letters be addressed to?

Community support letters have to be uploaded with the application. Therefore, the applicant may want all letters directed to itself so that it has them all and can upload prior to the deadline. As instructed on page 20 of the [BEAD Application User Guide](#), letters that are emailed to OBD, etc., will not be accepted.

23. \*\*\*What will be required from the company regarding the letter of credit or performance bond?

If selected for an award, subgrantees must provide a letter of credit or performance bond reflecting the awarded BEAD support. Listed below are the options for each.

Letter of Credit Options:

- Letter of credit: Must equal at least 25% of subaward and has option to reduce in stages at milestones. Must be issued by a bank that meets the eligibility requirements in 47 CFR 54.804(c)(2).
- Credit union option: Must be insured by Nation Credit Union Administration with safety rating of B- or better issued by Weiss required
- Alternative Option: Provide a letter of credit equal to at least 10% of the subaward with reimbursements for periods of no more than six months. Must maintain LOC until completion of the build at 100% of locations and grant project certified as closed.

Performance Bond Options

- Performance bond: Issued by a surety company on the Department of Treasury's list. Must equal at least 100% of subaward and option to reduce progressively in stages at milestones.
- Required letter: Issued by a company holding a certificate of authority as an acceptable surety. Must include dollar amount and bankruptcy opinion letter from legal counsel not required.
- Alternatives: Performance bond in the value of 10% able to receive funding on a reimbursable basis only twice per year and must maintain performance until completion of build to 100% of locations and grant project is certified as closed.

For more information: See NTIA's BEAD Letter of Credit Waiver policy <https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD-Letter-of-Credit-Waiver> and the [Minnesota Approved Volume 2](#), page 36.

24. \*\*\*What is the reimbursement model for BEAD if awarded?

Minnesota's reimbursement model utilizes milestones and evidence of paid costs. Grantees will be required to submit evidence of actual costs and meet specific performance milestones as outlined in the [DRAFT BEAD grant contract agreement](#), Exhibit A, Section 3 Reimbursements and Section 4 Milestones.

25. \*\*\*We are planning to submit separate grant applications for our proposed project areas. If awarded, when it comes to the administration of these grants and the reimbursement of them, would they be treated as one master grant or as eight separate grants?

If an applicant is awarded multiple projects, it is OBD's intent to request a BEAD subgrantee to enter one contract that combines all projects for which the subgrantee was selected and approved by NTIA. The separate projects could then be reported and receive reimbursements separately.

26. \*\*\*Is there a source for the GIS data applicants should use to determine Tribal Lands?

At this time, the best source data is the BIA AIAN Land Area Representations.

- Map service: <https://www.arcgis.com/home/item.html?id=e21128c26386412ca682accf7a57361a>
- Download: <https://www.census.gov/cgi-bin/geo/shapefiles/index.php?year=2024&layergroup=American+Indian+Area+Geography>

If additional guidance is released, OBD will provide updates as available.

27. \*\*\*Can OBD provide guidance on the subscriber ID column for the first round, 11a?

The Proposed project area ID is not relevant during the first round, 11a; but will become relevant during subsequent rounds when we introduce project areas to the application model.

28. \*\*\*Is it acceptable to submit one letter of credit for each project? For example, the letter is available for a total of \$15M, the two projects independently are different amounts such as \$5M and \$10M. Basically, they will be getting the same document for both.

Yes. It is OBD's intent to request a BEAD subgrantee to enter one contract that combines all applications for which the subgrantee was selected and approved by NTIA, so it is okay to submit same letter of credit for each project application.

29. \*\*\*I am looking for some guidance on what should be included on the Proforma Template that is included in Budget-Schedule Proforma Pricing Workbook. Should the Proforma Financial statements include our entire company financials for the 14-year period or should the just the revenue and expenses for the locations built in the BEAD project areas be used.

The proforma should reflect the business plan and metrics (revenues, expenses and locations) for the BEAD project area. If the project leverages other company resources to be sustainable, the applicant can identify that in a note or narrative.

30. \*\*\*What does #BSLs stand for on the Proforma Template?

"BSL" is an acronym in the BEAD program that means "Broadband Serviceable Location", or a location eligible for broadband. In the Proforma Template, it is specifically asking the number of BSLs, or number of eligible broadband locations, in your project application.

31. \*\*\*Could you please confirm that the Office of Broadband Development is following NTIA's guidance for reducing a letter of credit or performance bond to 10% of the subaward amount, which requires reimbursement "for periods of no more than six months," allowing quarterly (or other more frequent than every six months) reimbursement. See NTIA BEAD Letter of Credit Waiver § 2.4(b) at <https://broadbandusa.ntia.gov/funding-programs/policies-waivers/BEAD-Letter-of-Credit-Waiver>.

Minnesota is following NTIA's guidance for reducing a letter of credit or performance bond to 10% of the subaward subject to achieving project milestones and actual cost reimbursement, consistent with the Uniform Guidance Policy Notice published by NTIA on December 26, 2023, titled "Policy Notice: Tailoring the Application of Uniform Guidance to the BEAD Program". Grantees will be required to both submit evidence of actual costs (Section 3) and meet specific performance milestones as outlined in the Disbursements Milestone Table (Section 4.2 ) of Minnesota's DRAFT BEAD Grant Contract Agreement which can be found under BEAD resources for pre-qualification and application <https://mn.gov/deed/programs-services/broadband/bead/> or directly [https://mn.gov/deed/assets/grant-contract-agreement-template\\_tcm1045-666272.pdf](https://mn.gov/deed/assets/grant-contract-agreement-template_tcm1045-666272.pdf)

32. \*\*\*Are there any instructions for filling out the pro forma financial spreadsheet?

The pro forma template does not include instructions. It is an example to demonstrate metrics to help demonstrate that the project is sustainable, and assumptions are reasonable. Applicants may utilize their own business plan projections (pro formal) to fulfil this requirement.

33. \*\*\*When requesting a waiver does that change OBD's evaluation of an application in any way?3

Not necessarily, from the purview of OBD. If there is overlap in applications submitted, each project is scored and the highest scoring would win. To the extent a waiver request may impact your scoring you would need to look at the scoring rubric and evaluate the potential impact.

34. \*\*\*With the low-cost option question, there are 2 price categories (\$40 and \$60) – if you are in between those two prices with your low-cost option do you need to request a waiver?

Answer: Per [Minnesota's Approved Volume 2](#), page 64, the NTIA approved low cost plan must provide a cost of \$46.98 on non-tribal lands and \$30 on Tribal lands per month (\$46.98/\$30) or less, inclusive of all fees and charges that accrue to the provider with no additional nonrecurring costs or fees to the consumer. Additional requirements of the low cost service offering are included in Section 2.12.1.1.b-e.

Alternatively, applicants may request modification to non- tribal land rates between \$46.98 and the \$62.28 Not to Exceed (NTE) level based on submitting evidence supporting the modified service cost as identified in Section 2.12.1.2 b-g; including demonstrating:

- Per-subscriber costs in an area indicating that the target effective rate above would be financially unsustainable; and/or
- The impact on average revenue per user (ARPU) and total project revenue of the target effective rate above would be financially unsustainable given actual or projected subscriber adoption patterns; and/or
- The newly proposed rate is consistent with the low-cost offering the applicant or subgrantee makes available in unsubsidized areas within the State (for the same or substantially the same level of service) at the time of application or the time the subgrantee begins providing service to customers in a BEAD- funded project area in the State, provided that the existing low-cost offering does not exceed \$62.28

Alternative rate maximum is identified in the 2% of Monthly Cost column by Economic Development Region (EDR) and the counties that make up each region are identified below:

EDR	Counties	Single Cost of Living for a Single Person	Monthly Cost	2% of Monthly Cost
EDR 1 - Northwest	Kittson, Marshall, Norman, Pennington, Polk, Red Lake, and Roseau	\$28,380	\$2,365	\$47.30
EDR 2 - Headwaters	Beltrami, Clearwater, Hubbard, Lake, and Mahnomen	\$30,792	\$2,566	\$51.32
EDR 3 - Arrowhead	Aitkin, Carlton, Cook, Itasca, Koochiching, Lake of the Woods, and Sibley	\$30,876	\$2,573	\$51.46
EDR 4 - West Central	Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse, and Wilkin	\$29,328	\$2,444	\$48.88
EDR 5 - North Central	Cass, Crow Wing, Morrison, Todd, and Wadena	\$30,708	\$2,559	\$51.18

EDR 6E- Southwest Central	Kandiyohi, McLeod, Meeker, and Renville	\$29,292	\$2,441	\$48.82
EDR 6W- Upper Minnesota Valley	Big Stone, Chippewa, Lac qui Parle, Swift, and Yellow Medicine	\$28,284	\$2,357	\$47.14
EDR 7E - East Central	Chisago, Isanti, Kanabec, Mille Lacs, and Pine	\$35,952	\$2,996	\$59.92
EDR 7W - Central	Benton, Scott, Stearns, and Wright	\$34,824	\$2,902	\$58.04
EDR 8 - Southwest	Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, and Rock	\$28,188	\$2,349	\$46.98
EDR 9 - South Central	Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sherburne, Waseca, and Watonwan	\$29,700	\$2,475	\$49.50
EDR 10 - Southeast	Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona	\$31,596	\$2,633	\$52.66
EDR 11- 7 County Twin Cities	Anoka, Carver, Dakota, Hennepin, Ramsey, Saint Louis, and Washington	\$37,368	\$3,114	\$62.28

Modifications to low-cost service rates on Tribal lands at a level between \$30 and the \$67.95 Tribal Not to Exceed (NTE) level may be granted upon evidence showing Tribal concurrence with the newly proposed rate on its Tribal lands.

Subgrantees will need to certify via a checkbox in their application agreement to comply with all requirements of Minnesota's low cost as identified on page 64 and 65 of Minnesota's NITA approved IPV2, as well as certify in annual reporting that it is in compliance with the low-income broadband service option requirement.

35. \*\*\*On fiber leases: per the NOFO long term leases of at least 1 year are eligible expenses for reimbursement. What is needed for the grant application when submitted as related to this lease? The cost components should be included in the budget. Lease details are not required to be submitted at this time. For more information on eligible expenses and reimbursement please see the BEAD Draft Contract Agreement [https://mn.gov/deed/assets/grant-contract-agreement-template\\_tcm1045-666272.pdf](https://mn.gov/deed/assets/grant-contract-agreement-template_tcm1045-666272.pdf).

36. \*\*\*If a provider is actively constructing and planning to serve an area with eligible BSLs, and we intend to request no subsidy with a 0% match, would the application still need to include budgeting details, proforma, and other build-specific information

Yes. The state must show that it is getting to all unserved and underserved locations in the state with a reliable broadband service. NTIA has not provided a way for ISPs to demonstrate they intend to privately invest to build to eligible BEAD locations beyond entering into an enforceable commitment. If an ISP intends to use the BEAD program to enter into an enforceable commitment to prevent funding to go to locations they intend to build with private funding, the program requirements must still be met including the submission of budgeting details, proforma and other build-specific information, as those are part of demonstrating technical capabilities which is a required or

“gating” qualification for the BEAD program. Additionally, no subsidy and 0% match projects will be incorporated into the BEAD subgrantee contract.

Please also note that 0% match (also referred to as \$0 bid) locations should only be submitted if the location does not meet the criteria to be considered a miscategorized location or non-Broadband Serviceable Location. Guidance on this is available: [https://mn.gov/deed/assets/bead-policy-notice-identification-removal-non-bls\\_tcm1045-679647.docx](https://mn.gov/deed/assets/bead-policy-notice-identification-removal-non-bls_tcm1045-679647.docx).

37. \*\*\*We are finding that there are some locations that are showing as BEAD eligible that fall within our service footprint. Are we able to put in a \$0 bid for those?

You may submit \$0 (zero-dollar) bids. OBD intends to include all awarded projects in one grant contract, so zero-dollar projects will be required to comply with all BEAD requirements.

Please also note that \$0 bid locations should only be submitted if the location does not meet the criteria to be considered a miscategorized location or non-Broadband Serviceable Location. Guidance on this is available: [https://mn.gov/deed/assets/bead-policy-notice-identification-removal-non-bls\\_tcm1045-679647.docx](https://mn.gov/deed/assets/bead-policy-notice-identification-removal-non-bls_tcm1045-679647.docx)

38. \*\*\*Can you provide clarification around overlapping applications and deconfliction?

Consistent with the approved process in Minnesota's [NTIA approved IPV2](#) found on page 32:

OBD will identify qualifying applications with overlap in locations proposed to be served. For the applications that have significant like-to-like overlapping service areas (over 20 percent or 50 locations of like-to-like overlap, whichever is lower), the scoring rubric will be used to determine which of the two or more applications with like-to-like overlapping areas to fund in its entirety and the requested match amount/amount of BEAD outlay should result in the application having the most points all else being equal.

For applications with smaller like-to-like overlapping areas (like-to-like overlapping areas of less than 20 percent or fewer than 50 locations), a member(s) of the grant review committee will contact those applicants directly via the information provided on the grant application and work with those applicants to broaden their application to include more BEAD eligible locations or amend their proposed project area to remove the like-to-like overlapping area. If after discussion there are still like-to-like overlapping areas in more than one application, then the scoring rubric will be used to determine which entire application to fund.

OBD will evaluate locations for these smaller like-to-like areas unless they are designated as contingent on other locations. In those cases, OBD will negotiate with providers so that the locations can be split in a way that allows each ISP to move forward with the portion of their application that didn't overlap in the most cost-effective way that allows ISPs to sustain network operations for the life of the network.

## Section VI: BEAD Grantor Portal

1. In the BEAD Grantor Portal, we don't need to upload a polygon, correct?

Correct. You cannot upload a polygon. A list of valid and eligible Fabric IDs is sufficient and the preferred method. A walkthrough is also available on how to select locations in the BEAD Grantor Portal from Ready.Net.

2. When will final changes to the BEAD Grantor Portal be complete and guidance on the application process be uploaded?

Final changes to the portal for the first round, 11a, are expected to be completed by the end of the first week the application opened. It is recommended subgrantees stay engaged with the application process by attending Office Hours and signing up for email blasts, and checking the webpage, as OBD will work to keep information up to date should any federal requirements or guidelines around the BEAD program change.

3. In BEAD Grantor Portal on Question 6 it asks if we can upload a kmz file type?

Yes, you can upload a kmz file type.

4. \*\*\*Can you provide more guidance on Section 2 question 2 of the BEAD User Guide?

Yes, “isPreIneligible” is short for “presumed ineligible”. You do not complete this field. If a location includes a “1” in the “isPreIneligible” field, the location has had a change in status since the BEAD challenge occurred and now has an NTIA “non-funding” or “no-bead” code associated with it indicating the location is unlikely to need funding. Reasons are typically that the location is already served, or the location is not a broadband serviceable location. Section 2 of the version 1.3 of the BEAD Application Guide includes more information and this diagram:

I	J	K	L	M	N	O
gitude	isPreIneligible	technology_type	upload_speed_anticipated	download_speed_anticipated	low_latency	
95.7858	1					
95.3834						
95.3261	<b>isPreIneligible:</b> If this field is populated with a "1" the location selected is a "No Bead" location and unlikely to be funded.		<b>upload_speed_anticipated:</b> highest Upload speed available to all locations in Mbps. Example 1Gbps = 1000	<b>download_speed_anticipated:</b> highest download speed available to all locations in Mbps. Example 2Gbps = 2000	<b>low_latency:</b> low latency in ms. Example: 100	
95.3821						
-95.374						
95.3901		<b>technology_type:</b> For Round 11a this must be 50 (Optical Carrier Fiber Code = 50)				
95.3961						
95.3461						
95.3601						
-95.32						
95.3687						
-95.344						

5. On Question 6, does the shapefile need to include all critical asset locations, descriptions, and drops as lines in the application, or can these details be provided later with a waiver submission?

To the extent that you know it, your spatial data must include, for wireline projects: the wireline construction route including mainline and drops displayed as distinct lines, and a buffered polygon of the coverage of the planned route. If insufficient information is submitted, you will be sent a revision request.

6. On Question 21a, (1) At this application stage, what should be uploaded is a Commitment Letter from the bank- not an actual LOC? And (2) if the LOC will be done at the 10% option, is it still required that the Commitment Letter be done at 25%?

Yes, for the application, it should be a Commitment Letter that is uploaded. Minnesota will also be following NTIA's guidance regarding ensuring subgrantee accountability such that the Commitment Letter can be for 10% of the subaward amount.

7. \*\*\*For Question 21 can you advise whether the Waiver means that we are submitting a performance bond that aligns with the NTIA Waiver of the LOC requirement or we are requesting a waiver of the LOC requirement entirely?

The waiver means you are submitting a waiver request of the LOC requirement entirely. We've revised the question prompt for clarity. Question 21 intended to ask you to certify your commitment to upload a Letter of Credit or Performance Bond that meets NTIA requirements. [More information on the Letter of Credit is available in Section 5, Question 23.](#)

8. On, question 22, Is there a formula that you'd like us to use to calculate the number of employment opportunities?

No, there is no formula. This ties back to what you are going to report if you are awarded a grant and can be an estimation.

9. On Question 29 you are asked to provide a UEI, for Question 30 do we then need to provide a screenshot of the UEI?

Yes, upload a screenshot of the UEI for Question 30 that includes the expiration date and full UEI name.

10. \*\*\*Do we need to provide totals for footage and mileage for the large areas of lines and drops?

Yes. OBD understands this may be an estimation in the pre-design stage of the application, but it needs to be provided.

11. \*\*\*How should Section 7 on Workforce Support be answered if the applicant is unsure of specific numbers?

OBD requests if you're unsure, add a note and indicate your best estimation for an answer. These questions are about establishing a baseline and meeting the federal requirements of the program.

12. \*\*\*Should the non-serviceable locations be included in the list in section 1 or section 11?

Do not include non-serviceable locations in Section 1. Please instead notify us of non-serviceable locations in Section 11 as an uploaded list of fabric IDs.

13. \*\*\*I am in the process of filling out the application. I have uploaded my location ID's but it has excluded 95 addresses. I believe that this is because there are multiple points on the BEAD map at the same address, such as a residence and then a Farm or Business. Do I lose those 95 or can this be counted some how?

Please verify that your fabric IDs are included on the eligibility list for BEAD and that you are using version 4 of the fabric as fabric IDs can change between fabric versions and result in a fabric ID that can't be validated. You can also view the portal map and manually select locations you believe dropped out by using the mouse and adding them back to the project. There is information and a short video on how to do this in the application guide.

[https://mn.gov/deed/assets/bead-application-user-guide\\_tcm1045-674216.pdf](https://mn.gov/deed/assets/bead-application-user-guide_tcm1045-674216.pdf). This will provide you with an updated list of fabric IDs in step 2 to use going forward.

14. \*\*\*For the GIS upload it mentions to include buffered polygons. What should the buffer distance be? Or in lieu of buffered polygons can or should we submit polygons covering all included bead locations? For wireline projects, a buffered polygon of the coverage of the planned route must be included in the GIS upload. There are no requirements for buffer distance, the buffer is to help identify the planned route. The polygon should include all bead locations you are proposing to serve in the project.

15. \*\*\*For question #39 regarding any non-Office of Broadband Development State of Minnesota grants from the past five years that your organization has administered, are you looking for grants within the State of Minnesota or anywhere across the region/country?

The Pre-Qualification Process included a question on identifying grants from outside the state of Minnesota, so the purpose of this question is to meet the state requirement for OBD to conduct a pre-award risk assessment of potential grantees requesting grant awards of \$50,000 or more inside the state of Minnesota.

16. \*\*\*Can we submit information through the BEAD Grantor Portal confidentially?

Yes. Per [Minnesota's Approved Volume 2](#), page 36, when submitted through the portal, and specific to financial statements, "The financial statements may be identified and filed as "Confidential" and must be appropriately marked as confidential when submitted." The guidance goes on to note that, "Any confidential information should be identified as such following the attachment naming convention."

We encourage you to be specific in what you are designating as confidential and review information on data practices in Minnesota: <https://mn.gov/admin/data-practices/data/types/tradesecrets/>