

OFFICE OF BROADBAND DEVELOPMENT

Broadband Provider Bidding Frequently Asked Questions Line Extension Connection Program

As of 9-29-2025

1. Can we bid on groups of addresses as one project?

Yes, this is allowed in Statute 116J.3951 at Subd. 4(b)(1). A bid submitted under this subdivision must include: a proposal to extend broadband infrastructure to one or more of the primary addresses in the Line Extension portal at which broadband service is unavailable.

2. Can we include other addresses if we will pass them to reach an address on the list?

Yes, if at least one primary address is included in the bid and the secondary address(es) are locations at which wired broadband service is unavailable or lacking speeds of 100/20 and all addresses are part of the same line extension.

3. Do I have to include secondary addresses I'm passing?

Yes, if the line extension will make broadband service "available" as defined by the FCC map. A service is available if the provider has an existing connection or could and is willing to serve that location within 10 business days with a standard installation. Including other primary or secondary addresses may also help demonstrate how your bids are being leveraged to be a good use of state funds.

4. Do I have to include other addresses I'm passing if we only connect those that subscribe, and we may not know if they will subscribe until we build the project?

Yes, if the line extension will make broadband service "available" as defined by the FCC map. A service is available if the provider has an existing connection, or the provider could and is willing to serve that location within 10 business days with a standard installation. Including other primary or secondary addresses may also help demonstrate how your bids are being leveraged to be a good use of state funds.

5. What if a homeowner that registered for Line Extension changes their mind and doesn't want to be connected?

ISPs are encouraged to communicate with homeowners *prior* to beginning their builds to mitigate this risk. If the project was built but the registered homeowner does not want to be connected, the provider must provide documentation that the homeowner will not allow you to build the connection.

If a registered homeowner does not want to be connected but the provider placed the drop, then they could get the line extension for that address. If the broadband provider placed the access point and

indicate they will place the drop at no construction charge when service is requested, then they could also get the line extension for that location.

If the project has not yet been built and the broadband provider has been told by the registered customer, they decided they do not want service built to them, the broadband provider can place an access point and commit to providing service later at no construction charge or put in the drop if the resident/business owner allows and receive the Line Extension grant for that location. If this is a single address (and not part of a group of addresses), the broadband provider can submit documentation to demonstrate the resident/business owner's decision that they do not want service and then the provider would not be required to build and would also not receive the Line Extension amount for that location.

6. Will this cover all connection charges?

The Line Extension Connection Program should cover all excess construction charges. Standard connection charges that are the responsibility of the home or business may still be charged and must be included in the application in the one-time charges section.

7. How do we speed test for a customer if we connect them, but they don't sign up for service? You can test from the pedestal.

8. Is this federal funding?

Yes, the Line Extension Program is funded by \$15 Million from the State of Minnesota's allocation of the U.S. Department of Treasury's American Rescue Plan Act (ARPA) Capital Projects Fund.

9. How will we contact the customer if we win the bid?

OBD will provide contact information for all the primary addresses awarded bids.

10. What if the primary address doesn't match location coordinates provided in the list?

If you discover that an address does not match the location coordinates provided in the list, you may submit the address in question to the Office of Broadband Development to deed.broadband@state.mn.us and we will confirm the location with the Applicant.

11. Is a match required and what do you mean by "Other" match?

Although no minimum match is required by statute, 116J.3951 requires the bid to include the amount of the broadband infrastructure extension's total cost that the broadband service provider proposes to pay. "Other" match could be any other funding offered toward the project. Typically, this would be a local unit of government offering funding for broadband projects.

12. I know it's a reverse auction but how do you prioritize bids to award if there is no direct competition for a location?

OBD must only award projects deemed to be a good use of state funds with or without competitive bidding. For all bids OBD evaluates the number of primary locations in a line extension bid, the match amount provided, and if the cost per location is reasonable based on reference pricing.

13. What happens to the addresses that don't get bids?

The addresses will remain on the list and be available in the next round.

14. Is this a reimbursement program and how will that work and when do we get the bid amount paid to us

Yes. This is a reimbursement program. The State will disburse funds pursuant to the grant agreement, based upon payment requests submitted by the Grantee and reviewed and approved by the State. Payment requests must be accompanied by supporting invoices for actual costs of line extensions completed and costs must align with approved budgets up to the amount bid for the line extension. Applicant has one year from the date of contract execution to complete the build and 30 days following to submit reimbursement requests for payment. * Reimbursements will not be made for any line extensions that have not been certified as complete*.

15. When do we have to complete the project?

The winning bidder has one year after the date that the agreement is fully executed to complete the project.

16. Do you allow extensions to complete the projects?

No. If you cannot complete the project within the statutorily required timeframe, you should not bid on the location.

17. Amount reimbursed per location. If we go by a location that has a couple of houses in close proximity, say two houses on a single property, does that only count as (1) reimbursable location or (2)?

All project applications to the Line Extension Connection program must meet the standard of being a good use of public funds. In scenarios where the provider is seeking funds for two eligible structures in close proximity, it is the applicant's responsibility to provide evidence to the Office of Broadband Development that the project in this scenario meets the aforementioned standard.

18. Is the Affidavit needed if only the bidding ISP and OBD dollars are used to build?

Yes, the Applicant Affidavit is required for all Applicants. If an Applicant also has a funding partner contributing matching funds, evidence of the match must also be provided. This can be done with an Affidavit, Meeting Minutes, etc. The <u>Affidavit Template</u> includes an Applicant version and a Government Entity version.

19. How do we certify completion?

Providers will need to provide evidence to the Office of Broadband Development that the project has been completed and that the speeds indicated in the initial program application are being reliably achieved and typically projects will require in person field validation of a sample of locations. Provider evidence will be demonstrated by providing the maximum download and upload speeds delivered at the location, and description of the latency data at the location; as confirmed by testing at the location, conducted upon completion of the construction and initiation of operations. Here is a link to what is needed for this testing: Line Extension Speed Testing.

20. We plan to bid for two homes that applied for line extension and want to add unserved homes that we will pass to our bid package, but those other homes didn't apply for line extension. Can we add their total cost to our bid package, or do we just bid what it will cost for the two locations on the application list?

Yes, passed "secondary" locations that you can serve along a line extended for a primary location can be added to a group bid package and each location in a group should have a total project cost and total project funding. Funding types include provider funding, other match, and proposed state funding (bid amount). Bids are limited to \$25,000 per line extension and the bid amount per location cannot exceed the location's cost.

21. How do I assign a Unique Group ID?

Group ID is an ID you choose. You can use any format you want but it should be unique to other group IDs so we can differentiate between bid groups.

- **22.** How do I select secondary addresses with the new Line Extension Portal process? ISPs must select a primary address before they can select secondary address.
 - 23. Would you find an existing Border-to-Border Grant agreement sufficient evidence of an operating network?

Yes. If the technology of the B2B grant is the same technology that you intend to build to the bid location, you may reference that grant project to satisfy the requirement, noting it is the same technology type. If the technology of the B2B is different than what you plan to build, you will need to offer other evidence of operating a network with the technology that you intend to serve to at the bid location.

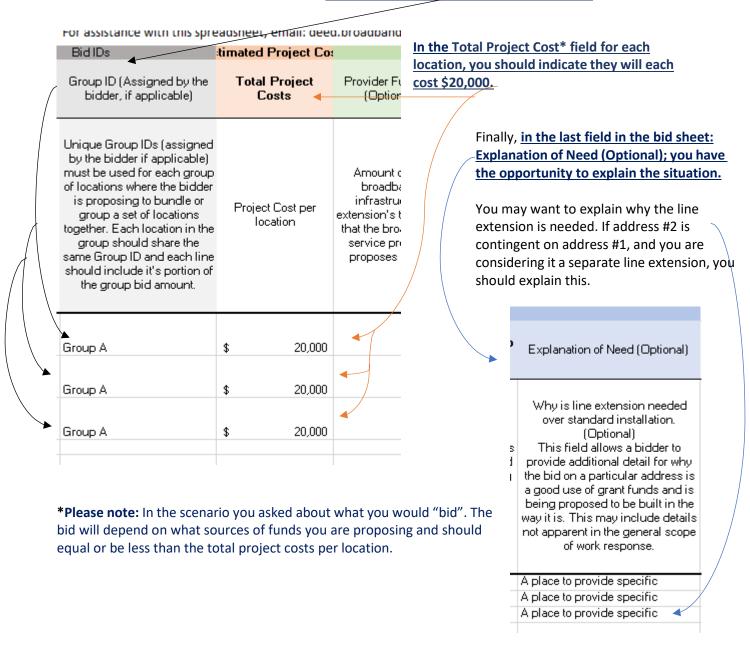
24. How do I complete the bid sheet? I've selected my primary and secondary locations from the Line Extension Portal and have downloaded the bid sheet. How do I complete the other fields? Example Scenarios:

24.1 Scenario 1:

Locations applied for the line extension program: Location 1 costs \$20k to get to. If location 1 is awarded, Location 2 can be constructed for another \$20k. If both 1 and 2 are awarded, location 3 can be built for an additional \$20k.

My assumption is we can bid all 3 but grouped as necessary for all 3 to be awarded at \$20k each since all 3 applied. If this is accurate, how do we do that in the bid sheet. Group ID seems to represent a group under one line extension grant not to total more than \$25k. Would also represent this scenario in a different color on the map to easily identify.

In this case, since the ability to reach all three addresses is contingent on successfully winning location address #1 first and then address #2 second, **you should group them under one group ID.**



24.2: Scenario 2: 1 primary location can be constructed for \$10k. 2 secondary locations can be constructed along the way and would add \$3k each to the applied location. My assumption would be we would bid the primary location at \$10k with the secondary locations listed with the original utilizing a group ID at \$3k each.

Yes, in this scenario you should group the three locations with a Group ID and indicate the total project costs as appropriate for each location. Also, please see note on bid versus total project cost in Scenario I.

24.3 I am assuming one bid sheet with all line extensions we wish to bid on. Is that correct? Yes, please use one bid sheet for ALL bids.

24.4. I am also assuming one map which would have all line extensions we are bidding. Is that correct?

Yes, one map with a clearly defined key so we can identify the map components is acceptable. If we need additional information or the scale for a particular location, we will follow up with you.

24.5. I am assuming on the word doc bid application, one would be filed out per company with the "Scope of Work" detailed as a summary of all location bids. Is that correct?

Yes. The "Scope of Work" should be a summary of all projects.

24.5. What should put in the Explanation of Need field?

The "Explanation of Need (Optional)" field in the bid sheet may be used to provide additional detail for why the bid on a particular address is a good use of grant funds and is being proposed to be built in the way it is. This may include details not apparent in the general scope of work response.

25. Is there are limit of how many line extensions we can connect together?

We have not set a limit of how many line extensions can be "connected together" but the purpose of the Line Extension Connection Program is not to build new networks to many homes as the Border-to-Border or Low-Density programs are. The purpose of Line Extension is to connect locations from existing infrastructure that require excess construction charges to reach them. Example: Addresses with long driveways.

A successful Line Extension bid will be the low bid that also must demonstrate a good use of state funds. If a group bid proposes to build what normally will be a small Border-to-Border project, it would need to demonstrate why line extension is a better use of state funds than doing a Border-to-Border project.

26. If the FCC map says an area is served, can we still bid on that location?

Yes. Addresses in the portal list have been preliminarily determined to be eligible through applicant speed tests (if they currently subscribe to the internet), and through the lack of, or retraction of an ISP address challenge during the review process. Because new broadband funding awards are being made, all addresses that receive bids will be reviewed for a final determination of eligibility before awards are made.