



Broadband Policy & Development

Office of the Governor of the CNMI

INTERNET FOR ALL

Initial Proposal Volume 2

CNMI



Commonwealth of the Northern Mariana Islands

Office of the Governor

Broadband Policy and Development

NTIA acknowledges that formatting throughout the document has been updated in the version that CNMI has posted for public comment, as well as minor additions such as requirement and sub-requirement instructions.

MESSAGE FROM THE OFFICE OF THE GOVERNOR
BROADBAND POLICY AND DEVELOPMENT

Hafa Adai,

The Broadband Policy and Development Office (BPD) of the CNMI is excited to present the draft of the CNMI's Broadband Equity, Access, and Deployment (BEAD) Initial Proposal Volume II to the NTIA. This proposal signifies a significant step toward a transformative vision aimed at overhauling the CNMI's digital infrastructure. Our ambitious goal is to provide every household with affordable, high-speed internet under the Infrastructure Investment and Jobs Act of 2021 (IIJA). With over \$80 million allocated, the BEAD program represents our commitment to serving a territory that is currently 100% unserved.

Our approach centers around a comprehensive, hardened, end-to-end fiber network deployment throughout the CNMI. Volume II of the CNMI's Initial Proposal addresses the first, second, fourth, and eighth through nineteenth requirements of the initial proposal. It also includes the Middle-Class Affordability Plan.

It's worth noting that while each Broadband Office in the States, Puerto Rico, and Washington DC was awarded \$5M for planning activities such as stakeholder engagement and initial proposal drafting, the CNMI was granted a much smaller sum of \$1.2M for the exact same tasks. Also, while the CNMI will receive over \$80M for the implementation of the BEAD program, this amount is less than even the pre-allocation level of \$100M given to every State, Puerto Rico, and Washington DC for the program.

Despite these financial constraints, our commitment remains steadfast. BPD has consistently met all aspects of the BEAD program and plans to maintain this momentum. Since its inception in May 2023, BPD has participated in various CNMI-centric stakeholder meetings, regional conferences, NTIA-hosted stakeholder meetings, and initiated several local coordination efforts.

We have developed our BEAD 5-Year Action Plan and are currently developing our Digital Equity 5-Year Plan with the purpose of achieving universal broadband access and fostering a dynamic digital environment in CNMI. Despite current economic challenges, this funding serves as a catalyst for economic revitalization – creating new jobs, attracting new businesses, and promoting digital literacy programs. We firmly believe that by bridging the digital divide, we can significantly bolster our territory's economic resilience.

Our collaboration with community groups, municipal governments, businesses, and service providers has been instrumental in shaping this proposal. For a period of over 30 days we invited all stakeholders to carefully review this Initial Proposal Volume II and share their feedback either via an online form on our website at <https://bpd.cnmi.gov>, through email at cnmi.bpd@gmail.com or directly with us. Their input was essential in refining this plan before this final submission to NTIA for approval.

For any inquiries or clarifications related to this proposal, please contact us at glen.hunter@gov.mp or (670) 287-4765. We eagerly anticipate your continued support and collaboration as we embark on this journey to create a digitally inclusive CNMI.



Glen Hunter
Special Assistant to the Governor for Broadband Policy and Development

Initial Proposal Volume II Overview

This document reflects the current draft of the CNMI Initial Proposal Volume II for submission to the NTIA as mandated in the BEAD NOFO. BPD received public input from the community as well as two rounds of pre-review from the NTIA. The CNMI made adjustments after considering input from these various stakeholders, including ISPs, NGOs, government agencies, the general public, and others.

Note regarding potential non-deployment subgrants using BEAD funding:

The CNMI has been allocated \$80 million in BEAD funds, representing less than 0.2% of the total available funds for distribution. The average BEAD funding allocated to each state exceeds \$740 million. Given the existence of 10,331 unserved BSLs and over 100 potential CAIs in the CNMI, we do not anticipate any remaining BEAD funds for Non-Deployment Subgrant purposes.

The inequality in the funding becomes evident when you examine the District of Columbia as an example: despite having only 184 unserved locations, it was allocated over \$100 million. Delaware and Rhode Island, both with approximately 2,000 unserved locations, received about \$107 million each. States with around 10,000 unserved BSLs were each allocated approximately \$150 million, nearly double that of the CNMI.

In assessing the potential costs associated with deploying a CNMI-wide, climate-hardened, end-to-end fiber network, we consulted the NTIA for Eligible Entity Toolkit NPV data, reviewed previous federally funded opportunities, and sought feedback from community stakeholders. Toolkits based on current cost data indicate a shortfall of more than \$5 million in BEAD Funding needed to serve all 10,331 BSLs in the CNMI. A local RDOF Grant awarded years ago estimated a per passing cost of over \$7,000. BPD anticipates that network deployment costs will increase exponentially in the coming year. With the first sub-grants not expected to be awarded until late 2024 or early 2025, it's challenging to estimate how much further the funding shortfall will extend.

Almost all of the CNMI has been designated as "high-cost locations" by the NTIA. Although this designation should provide us with flexibility to waive or reduce match requirements for subgrant applicants, we do not anticipate any subgrant award with less than a 25% match. This strategy is intended to compensate for the anticipated shortfall and achieve a 100% served status by the end of the BEAD program.

BPD will formally request that Congress address the glaring inequality in allotment funding and provide the CNMI with at least an additional \$19 million in BEAD Program funding to put us on par with the rest of America.

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Volume II Initial Proposal Requirements

2.1 Objectives (Requirement 1)

2.1.1. Text Box: *Outline the long-term objectives for deploying broadband; closing the digital divide; addressing access, affordability, equity, and adoption issues; and enhancing economic growth and job creation. Eligible Entities may directly copy objectives included in their Five-Year Action Plans.*

CNMI's overall goals for broadband planning for investment of federal broadband program funds are to:

- (a) **Broadband Program Establishment** - Establish a program through the Broadband Office to manage subgrant applications and implementation efforts that ensure sustainable, robust, reliable, and affordable access to the internet for residents of the CNMI;
- (b) **Ensuring Service and Affordability.** The CNMI Community is "100% Served" by Affordable Broadband;
- (c) **Expanding Digital Inclusion and Digital Equity** - Expand on efforts to enable digital inclusion and digital equity for all residents of the CNMI; and
- (d) **Building Digital Literacy** - Build community capacity to achieve digital literacy including online safety and security training for all CNMI residents through statewide initiatives.
- (e) **Enhancing Economic Growth and Job Creation** - Leverage broadband deployment to enhance economic growth and job creation within the CNMI by fostering a digitally-enabled workforce, stimulating the establishment and expansion of businesses, and attracting remote industries that rely on high-quality internet access.

Specific, measurable, achievable, realistic, and time bound objectives to achieve these cross-cutting goals include:

Broadband Program Establishment - By 2025, the CNMI Broadband Policy and Development Office (BPD) is fully staffed and sustainably funded to support ongoing program implementation and five-year plan updates of the 2025-2030 Broadband Plan.

Broadband Service - BPD leads planning and implementation efforts to complete work plan development for priorities identified in the 2023 BEAD Five-Year Action Plan with a focus on ensuring sustainable efforts that result in improvements of the CNMI's coverage and service level such that by the end of 2024 there is an implementation plan with dedicated funding by 2025 to achieve 100% "broadband

served” population by 2028 with a goal of “fully served” by 2030 (100Mb download and 20Mb upload speeds).

Broadband Affordability - BPD leads planning and implementation efforts with a focus on working to define “affordability” of broadband services in the CNMI, collect necessary data, and develop programmatic interventions to ensure equitable and affordable costs that result in improvements of the CNMI’s affordability and service level such that by the end of 2024 there is a supporting implementation plan with dedicated funding by 2025 to achieve 100% “affordability” with sustainable funding for necessary support and / or subsidy programs as needed by 2028.

Expanding Digital Inclusion and Digital Equity - By 2025, BPD and Broadband Stakeholders have expanded on implementation of objectives for Digital Inclusion and Digital Equity reflected in this five-year plan and subsequent updates that lower access costs and improve accessibility which are formalized in a dedicated Digital Equity Plan that is submitted to the Planning and Development Advisory Council for review and inclusion in the 2025 update of the CNMI’s Comprehensive Sustainable Development Plan, with metrics established and baseline data being tracked for plan updates for the next five year update.

Building Digital Literacy - By 2025, BPD and Broadband Stakeholders have expanded on implementation of objectives for Digital Literacy reflected in this five-year plan and subsequent updates that increase community understanding and use of digital tools including providing training and expanding accessibility and support services on the islands of Saipan, Tinian, and Rota, with plan updates submitted to the Planning and Development Advisory Council for review and inclusion in the 2025 update of the CNMI’s Comprehensive Sustainable Development Plan, with metrics established and baseline data being tracked for plan updates for the next five year update.

Goal: Broadband Program Establishment

The CNMI Broadband Policy and Development Office (BPD) is established and fully staffed through the National Telecommunications and Information Administration’s (NTIA) Broadband Equity, Access, and Deployment (BEAD) Program, to implement broadband deployment and equity planning and implementation opportunities.

Performance measures:

- Total FTEs hired and retained for the CNMI Broadband Program
- Total additional grant funding identified, applied for, and obtained

Objectives:

To expand access to more affordable, high-speed internet that connects them to information and to the tools and resources they need to thrive in their jobs, their studies, business growth, or their organizational missions:

- *By or before October 31, 2023, BPD will have an affordable office to house BPD employees.*
 - *Performance Measure: Commercial office space cost savings*
- *By or before October 31, 2023, BPD will have all the necessary staff in place to run and fulfill the BEAD, DE, Capital Projects Fund (CPF), and USDA's BTA grants as applicable and support establishment of dedicated funding to sustain the office and support subgrant needs of the program.*
 - *Performance Measure: Positions filled before October 2023; office funding needs assessed and support mechanisms identified by December 2023*
- *By or before November 2023, Administrative Officer and Human Resources Specialist will have received training for Time Keeping, Munis, EEOC, and other relevant training to assist BPD in all administrative processes.*
 - *Performance Measure: Number of trainings received by administrative personnel*
- *On June 19, 2023, BPD submitted a USDA BTA grant application for a grant writer/technical assistance to support CNMI's efforts to improve accessibility and promote equity in CNMI's persistent poverty communities of Saipan, Tinian, and Rota.*
- *On August 26, 2023, BPD submitted the BEAD 5-year plan to the NTIA portal to support ongoing priority development and project implementation.*
- *By or before February 15, 2024, BPD will submit the Digital Equity 5-year plan to the NTIA portal to support ongoing priority development and project implementation.*
- *By or before December 27, 2023, BPD will submit (after public comment period) the BEAD Initial Proposal to the NTIA Portal initiating funded projects.*
- *By or before December 31, 2024, BPD will submit (after public comment period) the BEAD Final Proposal to the NTIA Portal for remaining funded projects.*
 - *Performance measures: # of stakeholder engagements, public comments, federal review, local coordination meeting, project selection matrix, number of projects funded, number of projects initiated, number of projects implemented*
- *By February 1, 2024, BPD has assessed program needs and submits local funding requests to CNMI government to support staffing and program implementation needs to support sustainable funding needs and address needs that are unmet by federal funding.*

- *By June 30, 2024, remaining unmet needs are identified and efforts to address them are underway through pursuit of appropriate grants and/or public private partnerships or other funding mechanisms or technical support agreements.*
 - *Performance measure: Annual program costs assessment completed and included in 2024 budget request; # of grants obtained, # of staff supported by federal and/or local funds; # of public-private partnerships or Memorandums of Understanding executed to fill capacity gaps and support program sustainability and implementation needs*
- *By 2027 the CNMI Broadband Office reconvenes Broadband Planning stakeholders to review and update this five-year plan.*
 - *Performance measures: # of stakeholder engagements, public comments*
- *By August 30, 2028, BPD will submit the BEAD 5-year plan update to the NTIA portal to support ongoing priority development and project implementation.*
 - *Performance measures: # of stakeholder engagements, public comments, federal review, local coordination meeting, project selection matrix, number of projects implemented*

Goal: Expanding Broadband Service

The CNMI Broadband Policy and Development Office leads planning and implementation efforts to complete work plan development for priorities identified in this 2023 BEAD Five-Year Action Plan with a focus on ensuring sustainable efforts that result in improvements of the CNMI's coverage and service level such that by the end of 2024 there is an implementation plan with dedicated funding by 2025 to achieve 100% "broadband served" population through broadband serviceable location (BSLs) by 2028 with a goal of "fully served" by 2030 (100Mb download and 20Mb upload speeds). All inhabited areas of the CNMI have established and reliable internet connections available.

Performance measure: % CNMI Population considered "served"

Objectives:

BPD leads planning and implementation efforts to complete work plan development for priorities identified in the 2023 BEAD Five-Year Action Plan with a focus on ensuring sustainable efforts that result in improvements of the CNMI's coverage and service level such that by the end of 2024 there is an implementation plan with dedicated funding by 2025 to implement priorities to achieve 100% "broadband served" population by 2028 with a goal of "fully served" by 2030 (100Mb download and 20Mb upload speeds).

Priorities and Implementation Support - Prioritizing investments to achieve Broadband goals

- First Mile - To ensure reliable broadband connections in critical areas of the state that lack access to high-speed internet, a first mile connectivity feasibility study shall be conducted to include identification and initial environmental analysis of TransPacific Cable Landing in the CNMI and deployment support. This feasibility study will include assessment of costs and make recommendations for proposal development that will address latency challenges and meet identified accessibility and equity needs.
- Middle Mile - Program development and project implementation shall support Carrier Neutral Network Neutral Internet eXchange Point (IXP) Development and Open CLS Development to support network neutral station deployment to reduce user costs and improve broadband latency and reliability.
- Last Mile - Program development and project implementation shall support improvement of connections between the Service Providers and end users to reduce user costs and improve broadband latency and reliability.
- Remote Area Connectivity (i.e.: Inhabited Northern Islands) - Identify Broadband Serviceable Locations (BSL) not currently included in the FCC datasets and ensure inclusion in future updates. Determine needed technology to establish internet connectivity for unserved households located in extremely remote areas. Prioritize internet connectivity for these regions.
- To support expanded service objectives, the BPD will work with the reinvigorated Public Utilities Commission and revisit Public Law 12-39, repealed by Public Law 15-35, forming the Commonwealth Public Utilities Commission to develop and implement service solutions throughout the CNMI.

Goal: Expanding Broadband Affordability

BPD leads planning and implementation efforts to complete work plan development for priorities identified in the 2023 BEAD Five-Year Action Plan with a focus on working to define “affordability” of broadband services in the CNMI, collect necessary data, and develop programmatic interventions to ensure equitable and affordable costs that result in improvements of the CNMI’s affordability and service level such that by the end of 2024 there is a supporting implementation plan with dedicated funding by 2025 to achieve 100% “affordability” with sustainable funding for necessary support and / or subsidy programs as needed by 2028.

Performance measures: Definition of “affordability” adopted by 100% of BSLs and CAls; % CNMI Population considered to have “affordable” access to broadband

Objectives:

BPD leads planning and implementation efforts to complete work plan development for priorities identified in the 2023 BEAD Five-Year Action Plan with a focus on ensuring

sustainable efforts that result in improvements of the CNMI's affordability of broadband services such that by the end of 2024 there is an implementation plan with dedicated funding by 2025 to implement priorities to achieve 100% "broadband served" population by 2028 with a goal of "fully served" with "affordable" access by 2030.

Goal: Expanding Digital Inclusion and Digital Equity

BPD leads planning and implementation efforts to complete work plan development for priorities identified in the 2023 BEAD Five-Year Action Plan with a focus on ensuring sustainable efforts that result in improvements of the CNMI's all-inclusive of first-, middle- and last-mile infrastructure, combined with robust, community-based services supporting digital equity and literacy, as well as online security and data management awareness and support for a digitally literate workforce of the future.

Performance measure:

- CNMI's Five-year Broadband Plan is completed in 2023 and reviewed and updated as needed by 2028 for inclusion in forthcoming updates of the CNMI's Resources Report and 2021-2030 Comprehensive Sustainable Development Plan (CSDP)'s 2031-2040 update;
- Total additional grant funding identified, applied for, and obtained
- Number of active entities in CNMI's Community Anchor Institution (CAI) registry
- Number of qualifying CAI projects submitted and funded

Objectives:

5-year Plan - Supporting Broadband Deployment and Equity Planning and Implementation

- *To achieve access to robust, reliable and affordable high-speed Internet bolstered by a dedicated DE planning and prioritized CPF implementation that enables all of our residents to succeed in the digital space*
 - *By 2025 all CAIs in the CNMI will be registered, mapped, and tracked by the Broadband Program so that by 2030 all tracked CAIs will have at least gigabit fiber internet connections available to them at an annual cost no higher than 150 percent the national average on a per Megabit per Second basis.*
 - *By 2027 the CNMI Broadband Office reconvenes Broadband Planning stakeholders to review and update this five-year plan for submission to NTIA by 2028; and*

- *The CNMI Broadband Office Addresses gross inequalities on Digital Equity (DE), BEAD, and CPF by building a sustainable broadband program that ensures plan development and achievement of critical action items so that by 2030 all residents of Saipan, Tinian, and Rota will have reliable access to the internet through broadband connection or cell service provider in home or at a convenient community anchor institution. Critical action items are identified and furthered through DE planning and priority project implementation.*

Digital Equity - Advancing access, literacy, and equity

- *To expand equity planning and further implementation priorities that advance the following three pillars of digital equity: 1. Access - Affordable, quality broadband for all; 2. Literacy - A baseline of digital competence for all; and 3. Livelihood - Societal systems effectively leveraging digital opportunities to improve lives.*
 - *By 2024, the CNMI Broadband Program supports the development and endorsement of CNMI's Digital Equity Declaration which reflects a definition of "digital equity" that is right-sized for CNMI and supports working group meetings to identify additional implementation opportunities and program needs, with integrated and coordinated support of tele-health deployment with CHCC and tele-education with PSS, NMC, NMTech, and other education partners;*
 - *By 2025, long-term goals, mid-term objectives, and short-term action items identified by the CNMI Broadband Program and Digital Equity Working Group are reflected in a targeted DE Plan and incorporated into the 2025 update of the CNMI's Comprehensive Sustainable Development Plan;*
 - *By 2026, additional funding to support implementation of priorities identified in the 2025 DE Plan have been submitted to support project implementation from 2026 - 2028; and*
 - *By December 2027, unmet needs from the DE Plan are assessed and included in the Five-year Broadband Plan update.*

Goal: Building Digital Literacy and Security

Build community capacity to achieve digital literacy including online safety and security training for all CNMI residents through statewide initiatives that align with school curriculum and community education programs.

Performance Measure: % Adoption as a core curriculum K-12, # of schools participating; # technical instructors that complete “digital literacy” training and certification

Objectives:

- *By December 2023 the CNMI Broadband Office has assessed funding needs and curricula options to work with the CNMI Public School System (PSS) and interested private school partners to include digital literacy coursework development and provide sustainable funding to support curricula implementation in the 2024-2025 school year;*
- *By December 2024, BPD will leverage DE funding for “train the trainer” or other training for technical program curriculum development and capacity building;*
- *By 2025, the CNMI Broadband Office has collaborated with PSS, Northern Marianas College (NMC), and Northern Marianas Technical Institute (NMTech) to further develop digital literacy training support for technical specialists (teachers) to establish “core coursework” for K-12 education as well as support continuing education coursework considering opportunities to promote training on technology and software tools that can assist business efficiencies and growth in the public and private sectors;*
- *By 2026, community-wide literacy trainings are available to fill training gaps that are identified through coursework development with partnering educational and community anchor institutions with regular programming offered annually to build literacy and equity outcomes that safeguard end users and address software and hardware needs to support online security and ensure community competencies in online content and data management;*
- *By December 2027, CNMI Broadband Partners have held at least three qualifying trainings that enhance digital literacy and identify user needs, employing a “pre-” and “post-” user training survey to identify and address remaining gaps to further literacy and equity goals that are incorporated as action items as appropriate in the 2028 plan update; and*
- *By the year 2028, the CNMI Public School System and NMC/NMTech will improve its infrastructure and instructional technology services to provide equitable digital learning and literacy programs to 100% of K-12 students in an accessible, secure and safe learning environment through the support of highly trained teachers, administrators, and other educational staff.*

Goal: Enhancing Economic Growth and Job Creation

Leverage broadband deployment to enhance economic growth and job creation within the CNMI by fostering a digitally-enabled workforce, stimulating the establishment and

expansion of businesses, and attracting remote industries that rely on high-quality internet access.

- **Broadband as an Economic Catalyst** - By 2025, develop and launch a CNMI-centric online portal for digital entrepreneurship, providing resources such as business planning tools, e-commerce platforms, and digital marketing strategies to assist local businesses in scaling up their operations globally. **Performance Measure:** Number of CNMI businesses registered on the portal; percentage increase in online sales for registered businesses.
- **Workforce Development** - By 2026, in partnership with local educational institutions and industry stakeholders, establish a workforce training program focused on digital skills relevant to emerging sectors and the digital economy, aiming to certify at least 500 residents in high-demand areas such as data analysis, cybersecurity, and software development. **Performance Measure:** Number of residents enrolled in training programs; number of residents obtaining certification; job placement rates post-certification.
- **Remote Work Infrastructure** - By 2028, create at least three co-working spaces equipped with high-speed broadband and modern facilities to attract and retain remote workers and freelancers, thus contributing to job diversification within the CNMI. **Performance Measure:** Number of co-working spaces established; occupancy rates; number of remote jobs created.
- **Business Incentives for Broadband Utilization** - By 2028, introduce incentive programs for businesses that actively utilize broadband for growth, such as tax credits for companies offering telecommuting options or investing in digital infrastructure. **Performance Measure:** Number of businesses availing incentives; quantifiable economic impact (e.g., jobs created, revenue growth).
- **Tech Industry Attraction** - By 2029, collaborate with the CNMI Department of Commerce to attract at least two technology companies to establish operations in CNMI by showcasing the robust broadband infrastructure and digitally skilled workforce. **Performance Measure:** Number of tech companies establishing in CNMI; number of jobs created through these companies.

Read together, these goals and objectives will further the mandates of the Broadband Office, support ongoing implementation of the Broadband Program, and ensure progress towards the CNMI's telecommunications accessibility, equity, and literacy goals. The inclusion of these objectives underlines the commitment to not only provide broadband access but also to leverage this infrastructure for tangible improvements in economic prospects and job opportunities for the residents of CNMI.

2.2 Local, Tribal, and Regional Broadband Planning Processes (Requirement 2)

2.2.1. Text Box: *Identify and outline steps that the Eligible Entity will take to support local, Tribal, and regional broadband planning processes or ongoing efforts to*

deploy broadband or close the digital divide. In the description, include how the Eligible Entity will coordinate its own planning efforts with the broadband planning processes of local and Tribal Governments, and other local, Tribal, and regional entities. Eligible Entities may directly copy descriptions in their Five-Year Action Plans.

On Monday, May 23, 2022, the CNMI-Broadband Team, part of the CNMI Office of Planning and Development (OPD) under the CNMI Office of the Governor, held Public Listening Sessions at the CNMI Multipurpose Center. The primary purpose of this meeting was to listen to public comments, concerns, goals, and aspirations for internet connectivity, digital equity, and broadband-related technologies, activities, and business within the CNMI. This effort re-initiated the broadband planning stakeholder engagement process. Extensive community outreach was conducted to identify relevant stakeholders and develop an initial contact list as well as support initial mapping of potential “community anchor institutions”.

Numerous one-on-one and subject-specific stakeholder calls and meetings continued since the formation of the OPD’s CNMI-Broadband Team.

In April 2023, the Broadband Policy Development Program was established, creating the Broadband Policy and Development Office (BPD) through the appointed Special Assistant. BPD worked closely with OPD’s CNMI-Broadband Team to solicit and incorporate all existing broadband plans.

Additional meetings with local and regional stakeholders have been ongoing, and the BPD staff has kept close ties with OPD throughout the BEAD planning efforts. BPD has also been in close communication with program support staff and leadership from NTIA and other implementation support partners at the national level.

On Friday, July 7, 2023, BPD convened a stakeholder follow-up meeting to discuss goals and priorities identified in the plan and obtain additional feedback, and weekly stakeholder meetings as well as one-on-one meetings continued to support the development of this plan and support priority implementation actions. The weekly CNMI-Centric stakeholder meetings were open to the public and accessible both in person and online. Weekly meetings include all ISPs, Island Mayors, Government Agencies, Community Groups and residents.

BPD continues to study our network conditions, engage with our institutions and businesses, and to communicate with the public.

Ongoing engagement efforts include:

- CNMI Stakeholder Meetings: Holding weekly communications with all CNMI stakeholders.
- Semi-Annual Rota and Tinian Stakeholder Meetings: Twice a year the BPD physically visits the communities of Rota and Tinian for face-to-face stakeholder engagements.

- Pacific Territories Stakeholder Meetings: Broadband Brunch meetings with all stakeholders throughout the Pacific Region. Conducted by the NTIA FPO.
- Annual Broadband/Digital Equity Fiesta: BPD Annual Event bringing together all stakeholders for a day of festivities and outreach events.
- Annual Chamber of Commerce Presentation
- Annual Rotary Club Presentation
- Annual Lions Club Presentation
- BPD Website and social media sites launched for engagement purposes.
- Marianas Broadband Outreach: Holding monthly communications with institutions like schools, libraries, hospitals and community centers; providing Federal Subsidy consulting for our institutions; community outreach to our residents; and, partnering with other agencies on internet-related technical and work initiatives.
- Broadband Mapping: Working to build comprehensive public maps and data about internet service for our local community, our peer territories and Insular Areas, and our federal partners.

BPD has been in direct contact with the mayors of the 4 municipalities (Rota, Tinian, Saipan and the Northern Islands) to ensure that Municipal concerns were addressed in our BEAD and DE planning efforts.

Together these efforts will support the CNMI Broadband Office to continue work to identify and engage broadband stakeholders and form the CNMI Broadband Working Group that will co-develop work plans and strategic plan updates to meet the vision, goals, and objectives reflected in this plan.

2.3 Local Coordination (Requirement 4)

2.3.1. Text Box: *Describe the coordination conducted, summarize the impact such coordination has on the content of the Initial Proposal, and detail ongoing coordination efforts. Set forth the plan for how the Eligible Entity will fulfil the coordination associated with its Final Proposal.*

Established under Directive 2023-003 on April 21, 2023, the CNMI Broadband Policy and Development Office (BPD) is at the forefront of expanding and enhancing broadband services throughout the Northern Mariana Islands. The office's mandates are comprehensive, emphasizing the development of strategies, projects, and plans that are grounded in thorough research, robust data collection, extensive community outreach, and specialized training. The overarching aim is to revolutionize the Commonwealth's internet infrastructure by making it more reliable, affordable, accessible, and swift.

To support this transformation, the BPD collaborates closely with the Department of Finance, the Office of Information Technology, the Office of Planning and Development, the Department of Commerce, and other pertinent executive departments and agencies, including key executives and leaders of public corporations and autonomous entities. This collaboration seeks to unite all Commonwealth resources to facilitate a coordinated approach to upgrading broadband infrastructure and services across the islands.

A critical component of these efforts is the BPD's commitment to inclusive stakeholder engagement, which involves not just the public and private sectors but also spans every geographic area of the Northern Mariana Islands. This ensures that even remote and underserved communities have a voice in shaping broadband services. In-depth consultations have been conducted with a broad spectrum of stakeholders, including legislative members, municipal government leaders, utilities, healthcare providers, educators, businesses, and sectors such as agriculture, fisheries, tourism, public safety, nonprofit organizations, consumers, community leaders, and broadband service providers.

The BPD has also prioritized direct outreach to covered populations—underserved and vulnerable groups that are often hindered in accessing high-quality broadband. Through targeted discussions with local non-profits, healthcare organizations, educational institutions, and public safety authorities, the BPD gains valuable insights into the unique needs of these communities. This allows for the creation of equitable strategies that address specific challenges and expand opportunities for broadband access for all.

To keep all stakeholders up-to-date on these broadband initiatives, the BPD has introduced a dedicated website. This online platform not only informs the community about ongoing broadband efforts but also invites feedback through an online comment form. It features regular updates on broadband program announcements and showcases the BEAD Five Year Action Plan. Moreover, it serves as a portal for public commentary on the BEAD Initial Proposal.

In line with the office's dedication to comprehensive and equitable program development, numerous direct meetings with Telecommunications Providers have taken place since the BEAD Program's launch. Additionally, discussions with entities representing covered populations and meetings with potential Community Anchor Institution (CAI) locations are regular occurrences. The attached Local Engagement Tracker provides detailed accounts of these essential interactions.

The coordination described above informed the development of both volumes of the CNMI's Initial Proposal, as well as the Five-Year Plan. Aside from the mandated BEAD NOFO requirements, each element of this proposal that the BPD had the flexibility to structure is meant to balance the interests of our invaluable community of stakeholders. Each requirement enumerated in this proposal is the product of robust stakeholder engagement, summarized above, local coordination efforts, and iterative development to ensure that the interests, concerns, constraints, and priorities of local governments, broadband providers, community groups, and individuals are accounted for to the greatest extent possible while meeting the requirements established by Congress and

the NTIA. Furthermore, the BPD plan is to continue and enhance these ongoing local coordination efforts throughout the BEAD Program's performance period.

Summary

- **Total Engagements:** 60
- **Date Range:** 5/01/2023 - 11/29/2023
- **Main Topics Discussed:**
 - BEAD Plan Development
 - DE Plan Development
 - Network Deployment
 - Digital Equity (DE)
 - IT Career Paths
 - Data Collection Methods
 - Connectivity and Infrastructure Needs
 - Workforce Development
 - Educational Programs and Curriculum
 - Various Department/Organization Specific Needs
- **Engagement Types:** in person and online meetings/presentations.
- **Location:** Various locations in CNMI and Worldwide.
- **Average Number of Participants:** Varied with weekly online meetings averaging 20 participants.
- **Target Audience:**
 - BEAD/Digital Equity initiatives
 - Local population of the CNMI
- **Key Target Audience Characteristics Engaged:**
 - Incarcerated Individuals
 - Veterans
 - Individuals with Disabilities
 - Individuals with Language Barriers
 - Racial or Ethnic Minorities
 - Rural Residents
 - Aging Individuals
- **Notable Engagements:**

- In-depth consultation with all regional ISPs (IT&E, Docomo Pacific, PDS, GTA and Citadel Pacific) on a regular on-going basis.
- Weekly Online Stakeholder meetings started on 7/6/2023 with comprehensive engagement across all audience characteristics.
- Saipan Chamber of Commerce had the highest participation with 80 individuals engaged.
- The Department of Corrections, CNMI Judiciary, and Congressman Gregorio Kilili Sablan's engagements focused on specific projects like the Street Address project and jail management systems.
- Educational institutions like Northern Marianas College, NM Technical Institute, and CNMI Public School System were engaged to discuss IT and digital equity in education.
- Meetings with organizations like the Division of Youth Services, Substance Abuse Addiction and Recovery, and various departments focused on collaboration and specific needs including technology upgrades and outreach.
- Multiple meetings with all local Mayors

● **Actions and Feedback:**

- Discussed the current state of internet networks with ISPs regularly and challenges that must be addressed and overcome.
- Discussions on re-entry programs, career paths, core curriculum integration of IT, digital navigator needs, and data collection methods.
- Presentations on Digital Equity to various clubs and organizations.
- Needs assessment for technology, databases, and community outreach across several departments.
- Proposals for new programs/projects and committee memberships with a focus on workforce development and digital equity.

Each engagement had a specific focus, with many discussing digital equity, program needs, collaborations, and how to better serve various populations within the Saipan community.

2.3.1.1. Attachment: *As a required attachment, submit the Local Coordination Tracker Tool to certify that the Eligible Entity has conducted coordination, including with Tribal Governments, local community organizations, unions and work organizations, and other groups.*

See Attachment

CNMI_BEAD_Local_Coordination_Documentation_Tracker_2023.xlsx

2.3.2. Text Box: *Describe the formal tribal consultation process conducted with federally recognized Tribes, to the extent that the Eligible Entity encompasses federally recognized Tribes. If the Eligible Entity does not encompass federally recognized Tribes, note "Not applicable."*

Not applicable.

2.3.2.1. *Optional Attachment:* *As a required attachment only if the Eligible Entity encompasses federally recognized Tribes, provide evidence that a formal tribal consultation process was conducted, such as meeting agendas and participation lists.*

Not applicable.

2.4 Deployment Subgrantee Selection (Requirement 8)

Deployment Projects Subgrantee Selection Process & Scoring Approach

2.4.1. *Text Box:* *Describe a detailed plan to award subgrants to last-mile broadband deployment projects through a fair, open, and competitive process.*

BPD's plan comprises various elements intended to foster a fair, open, and highly competitive award process with broad participation. It also includes rules that fully implement all subgranting Accountability Procedures as mandated by NTIA. These procedures encompass disbursement, claw-back rights, subgrantee reporting, and ongoing monitoring.

Overview of Planned Subgrantee Selection Process

The following is BPD's planned Subgrantee Selection Process for ensuring a fully fiber broadband network for 100 percent of all CNMI locations that are currently unserved or underserved, as well as unserved or underserved Community Anchor Institutions.

BPD will initiate a Subgrantee Application Process, followed by the receipt and scoring of subgrant applications for fiber-to-the-premises network deployment. BPD's analysis suggests that if an adequate competitive dynamic is created for the application process, the BEAD funds will likely be sufficient to finance fiber-to-the-premises deployment to all unserved and underserved locations in the CNMI.

This approach is based on the economics of fiber deployment and operations, as well as the financial contributions that applicants are expected to commit through a match. Given this analysis and BPD's strong preference for fiber-to-the-premises as the superior communications infrastructure, BPD intends to restrict its initial round of BEAD subgrant funding to end-to-end fiber deployment projects.

If it becomes necessary to establish an Extremely High-Cost Per Location Threshold (EHCLT) or if the initial funding round doesn't result in commitments to deploy to all unserved and underserved addresses in the CNMI, BPD will consider non-priority or alternative technologies in a second round.

Safeguards in the Subgrantee Selection Process

To ensure the integrity of the subgrantee selection process, BPD will implement several safeguards designed to prevent collusion, bias, conflicts of interest, and arbitrary decision-making. These measures are critical to maintaining a transparent and equitable system for awarding subgrants and will include the following actions:

- **Transparent Scoring Criteria:**
 - A clear and objective scoring system will be developed and published prior to the application intake process.
 - The scoring criteria will be based on measurable project outcomes, financial viability, technical feasibility, and community impact.
- **Application Training and Q&A Sessions:**
 - Prior to the application period, BPD will offer training sessions for potential applicants, detailing how to submit proposals and explaining the scoring criteria and the application process timeline to ensure a level playing field.
 - Regular Q&A sessions will be held to address any concerns or clarifications regarding the application process and timeline.
- **Documented Review Process:**
 - Each step in the review process, from initial application screening to final decision-making, will be documented.
 - All panel deliberations will be recorded, and a summary of decision rationales will be made available upon the completion of the selection process.
- **Conflict of Interest Policies:**
 - BPD staff and panel members involved in the selection process will be subject to strict conflict of interest policies.
 - Procedures for disclosing potential conflicts and steps for recusal where conflicts exist will be clearly defined and enforced.
- **Public Disclosure of Decisions:**
 - BPD will publicly disclose the recipients of subgrants, including the scores received and an explanation of why they were selected.
 - Any denied applications will receive feedback on their scores as well as guidance for future submissions.
- **Monitoring and Accountability Measures:**
 - Post-award, subgrantees will be subject to ongoing monitoring to ensure adherence to project timelines, budgets, and stated objectives.

- BPD will reserve the right to claw back funds from subgrantees who fail to meet their commitments or who are found to have violated the terms of their agreements.

By putting these safeguards in place, BPD commits to a rigorous and fair selection process that mitigates risks of unethical behavior while promoting the best outcomes for broadband expansion in CNMI.

Application Intake Process

Once the BPD has completed the BEAD challenge process and the NTIA has approved Volume II of the Initial Proposal, the BPD will execute the final deduplication of BSLs. Following this, it will publish a list of unserved and underserved BSLs eligible for grants, along with CAIs identified for 1Gbps symmetrical provisioning. At this stage, Project Funding Areas will be created using the process outlined below. It should be noted that the BPD will not entertain any challenges to the Project Funding Areas or BSLs post this point.

The results of the Challenge Process, the BSLs eligible for grants, the identified CAIs, and the Project Funding Areas will all be posted for a period of 30 calendar days before the grant application period commences. During this time, the BPD will host a virtual session to address any queries related to the posted information.

When it comes to defining Project Funding Areas (PFAs), the BPD has decided to use Tract grouping from the NTIA Subgrant Selection Tool to define each PFA boundary. This decision will result in 21 PFAs. PFAs would include only those BSLs deemed to be unserved and underserved after the challenge process has been completed.

Project Area	# Areas BEAD Eligible	Avg. # Eligible BSLs	Avg. # BSLs
Municipality	3	3,357	3,444
Tract	21	480	492
BlockGroup	53	190	195
Block	713	14	14
BSL	10,072	1	1

Subgrantee Grant Application Process

BPD will open the Subgrantee Application Process for BEAD Funding no less than 30 calendar days following the publishing of PFAs. Prior to and throughout this application period, BPD may issue guidance clarifying this Initial Proposal, new or clarifying guidance from the NTIA, or in response to queries received during the application process itself to streamline project development and clarify requirements for applicants. All clarifications and updates will be posted to the BPD website.

To ensure that potential subgrantees are well-informed about the BEAD funding application process, a multifaceted outreach strategy will be employed. This will include personalized email notifications to contacts from initial BPD stakeholder outreach efforts, targeted press releases to local media, and informative demonstrations at weekly stakeholder meetings targeting possible subgrant participants. Additionally, webinars will be organized, supplemented by a robust social media campaign to broaden reach. Collaboration with local government agencies will further disseminate information through their established channels. Professional associations connected to infrastructure and economic development will be engaged to share information with their members, while public service announcements on radio and television will provide widespread notice. Local businesses and community organizations will be approached to assist in spreading the word.

The BEAD Subgrantee Application Process will remain open for applications for 45 calendar days. BPD will post all applications and submitted materials for each application on the BPD webpage as submitted after all network deployment sub-grants are awarded. Any information included with the BEAD subgrant application deemed confidential by the applicant must be individually (by page or electronic file) marked as confidential. All protections offered by the CNMI Open Government Act (OGA) to prevent disclosure will be applied. These exceptions can be found in 1 CMC §§ 9901 – 9916. Individual Non-Disclosure Agreements (NDAs) may also be executed with BPD if so desired. To prevent delays to any Subgrantee Application Process, any NDAs must be requested no less than 45 days prior to the beginning of the BEAD Subgrantee Application process. The responsibility to request an NDA and to seek completion of that NDA rests with the applicant seeking the Agreement.

Once the submission window has closed, BPD will review the applications to ensure all required documentation has been submitted. Any missing or incomplete information will be documented, and one written request will be sent to the applicant requesting cure within three calendar days. Failure to provide the required documentation will result in rejection.

Grant applications will be evaluated against the BEAD Scoring Rubric by BPD staff or their subcontractors. After initial reviews are completed for each PFA, the results shall be combined by BPD and recommendations for each proposal in a PFA shall be made based on cumulative scoring total (ie. awarded, denied, requires modification, etc).

BPD shall perform due diligence on every application to confirm the proposal, timelines, and service milestones are reasonable, and that the provider is capable of successful delivery.

If an existing award commitment (i.e., from state general funds or another federal infrastructure program) that was not identified prior is found within a PFA, or if a new award commitment from state general or another federal infrastructure program is made during the subgrantee process, all applications for that PFA will be notified and given 14

calendar days to resubmit, withdraw, or attest that no BEAD funds will be used for BSLs covered by the previous commitment.

Based upon the availability of funding, if there is only one eligible application for a PFA, it shall be awarded.

If more than one eligible application is submitted for a PFA, all priority broadband deployment applications will be scored using the Priority Broadband Project Scoring rubric below and the eligible application with the highest-scoring priority bid will be the preliminary winner.

Grant award winners and unsuccessful applicants will be notified by BPD when allowed by the NTIA.

Each applicant applying under BEAD will be required to complete a technical application narrative to satisfy the requirements outlined in this document and the BEAD NOFO that are specifically related to PFA design, technology commitments, redundancy and business continuity plans, speeds offered, latency expectations, equipment providers and inventory management, staffing and workforce readiness, service plans and pricing, service and billing commitments, and timelines for deployment by specific progress milestones. The technical components of applications are required for PFAs across the CNMI and can be templated for the applicant unless the applicant wishes to change their narrative responses for different PFAs. This process avoids requiring applicants to complete application narratives for each proposal. Along with the narrative component of the application, applicants must submit capital, operating cost, and revenue estimates to serve each specific PFA. Applicants must outline the requested dollar amount to separately serve all unserved locations, underserved locations, and unserved or underserved Community Anchor Institutions in that PFA, as well as the matching funds slated to be contributed to the build. This allows BPD, in the case of a funding shortfall, to prioritize awards based on unserved locations without revisiting proposals.

BPD established a fair, open, equitable, and competitive subgrantee selection process with adequate safeguards to protect the integrity of the BEAD program, including measures against collusion, bias, and conflicts of interest.

2.4.2. *Text Box: Describe how the prioritization and scoring process will be conducted and is consistent with the BEAD NOFO requirements on pages 42 – 46*

BPD's scoring rubric is consistent with NTIA's rules, which specify three primary criteria that together must account for 75 percent of scoring, as well as secondary criteria that are based on CNMI's own public policy priorities. BPD will begin its evaluation of proposals by ensuring that the Applicant provided all required materials. Incomplete proposals will not be considered. Following a determination of completeness, BPD will review and evaluate the proposals based on the following criteria, which can add up to a total score of 100.

Priority Broadband Project Scoring

Primary Criteria

Minimal BEAD program funds outlay: Up to 50 points Applications will be scored based on cost-effectiveness, relative to the number of unserved and underserved locations in the Project Funding Area. BPD allot 50 points to the lowest BEAD Program Outlay request for each Project Funding Area (PFA). Other Applicants will receive a percentage of the 50 points in line with the percentage of increase away from the lowest outlay.

Formula to be used:
$\frac{(\text{Lowest Bead Fund Outlay Amount Requested for PFA} / \text{Competing Higher BEAD Outlay Amount Requested for PFA})}{2} \times 100$

Applicants should be mindful that the cost is for end-to-end fiber to the premises. In other words, there will be no additional funding for a long driveway. If given an award, Applicants will be required to build the network all the way to the customer's door. All costs, including the drop to the door of the house, should be built into the binding cost proposal. There will be no additional funding for any middle-mile needed to connect each BSL solely by fiber to an IXP or point of aggregation. All needed costs needed to achieve this must also be built into the binding cost proposal.

Applicants will need to certify that they understand their cost commitment is binding, and that after pre-award negotiations occur, BPD will not be able to award any additional funds for long driveway drops, end-to-end fiber deployment or other unexpected costs. Applicants will be encouraged to build in a contingency line item into their budget planning. Applicants will be encouraged to account for future cost increases in supply and workforce, as no additional funding will be given to any Applicant once the award is made and default due to poor cost planning may have serious legal and financial repercussions on the defaulting Applicant.

Affordability: Up to 20 points available.

Broadband residential service at or above 1 Gbps symmetrical is not and has never been available in the CNMI. Some enterprise locations have been quoted \$10,000 per month for an upload speed of 1 Gbps service download only speed with limited upload. To arrive at what we believe to be a realistically affordable price for this level of service on a future BEAD funded network we evaluated current package offerings and had thorough discussions with the existing ISPs in the CNMI and the region.

While prioritizing affordability, CNMI is also cognizant of the importance of maintaining the financial sustainability of BEAD-funded projects. Ensuring that pricing does not undermine the revenue models and long-term viability of these projects is crucial. Given the unique challenges faced by ISPs in CNMI, there is a recognition of the need for flexibility in setting affordable rates. This flexibility is vital to ensure the broadest reach in the deployment of broadband infrastructure, thus effectively addressing both accessibility and affordability for CNMI residents.

Due to these conditions, to showcase affordability on BEAD funded networks in the CNMI, all applicants must submit the price for 1 Gbps/1 Gbps service that will be offered to all BSLs within the service area after deployment is completed. The price point to receive all 20 points would be less than or equal to \$350 per month. Prices ranging from \$351 to \$450 per month would receive 15 points. \$451 to \$550 would receive 10 points, and \$551 to \$650 would receive 5 points. Pricing from \$651 to \$750 would earn 2 points. No points will be awarded for pricing over \$750 per month.

1 Gbps/1 Gbps	POINTS
less than \$350/month	20
\$351 to \$450/month	15
\$451 to \$550/month	10
\$551 to \$650/month	5
\$651 to \$750/month	2

Fair Labor Practices: Applicants will receive **up to 15 points**. Applicants will receive 9 points for demonstrated compliance with federal labor laws over the last three years, as described in Section 2.7.1 of this document. Applicants without three years of operational experience can receive 9 points by signing a certification of future compliance. 9 points for not having any violations within the last 3 years.

Applicants are eligible to earn one point for each of the six NTIA requirements they meet, as detailed in section 2.7.2, with the potential to accumulate a maximum of six points for fulfilling all requirements.

# of Violations and #NTIA Req. Met	POINTS
0 violations 6 NTIA Req Met	15
0 violations 5 NTIA Req Met	14
0 violations 4 NTIA Req Met	13
0 violations 3 NTIA Req Met	12
0 violations 2 NTIA Req Met	11
0 violations 1 NTIA Req Met	10
0 violations 0 NTIA Req Met	9
1 or more violations 6 NTIA Req Met	6
1 or more violations 5 NTIA Req Met	5
1 or more violations 4 NTIA Req Met	4
1 or more violations 3 NTIA Req Met	3

1 or more violations 2 NTIA Req Met	2
1 or more violations 1 NTIA Req Met	1
1 or more violations 0 NTIA Req Met	0

Secondary Criteria

Speed to deployment: Up to 10 points. Any application that certifies, including binding commitments and assumption of contractual liability for penalties established by the state for non-compliance, that deployment to all included eligible locations will be completed in less than the 48 months required by BEAD shall receive additional points as follows:

- $[48 - (\text{number of months to complete deployment, rounded up to the next whole month})] / 5$ (For example, a project that certifies completion in 8 months receives 8 additional points.

Formula to be used:
$48 - (\text{number of months to complete deployment, rounded up to the next whole month}) / 5$

Additional Criteria

Open Access: 5 Points will be allocated to projects that ensure the provision of open-access wholesale broadband service throughout the lifespan of BEAD-funded networks, offering fair, equitable, and unbiased terms to all prospective retail providers.

Open Access Network	POINTS
Yes	5
No	0

Non-Priority / Other Last-Mile Broadband Project Scoring

If after the initial round of the SubGrant Process there is a lack of eligible applications in one or more PFAs or if even after subgrantee negotiations there remains an overall shortage of available funding for the applications received to serve all unserved and underserved locations with fiber to the premises, BPD will conduct a second round subgrant process which does not limit network deployment to end-to-end fiber for affected PFAs. In that event, BPD adopts the scoring criteria and weight of each respective criteria below for the purposes of evaluating proposals of Other Last-Mile Broadband Deployment Projects under the BEAD program. These criteria abide by the guidelines set forth for project scoring in the Notice of Funding Opportunity. Evaluation criteria are outlined below each scoring category.

Primary criteria

Minimal BEAD program funds outlay: Up to 50 points Applications will be scored based on cost-effectiveness, relative to the number of unserved and underserved locations in the Project Funding Area. BPD allot 50 points to the lowest BEAD Program Outlay request for each Project Funding Area (PFA). Other Applicants will receive a percentage of the 50 points in line with the percentage of increase away from the lowest outlay.

Formula to be used:
$\frac{(\text{Lowest Bead Fund Outlay Amount Requested for PFA} / \text{Competing Higher BEAD Outlay Amount Requested for PFA})}{2} * 100$

Applicants should be mindful that the cost is for end-to-end fiber to the premises or other BEAD approved non-priority technology. In other words, there will be no additional funding for a long driveway. If given an award, Applicants will be required to build the network all the way to the customer's door. All costs, including the drop to the door of the house, should be built into the binding cost proposal. There will be no additional funding for any middle-mile needed to connect each BSL solely by fiber to an IXP or point of aggregation. All needed costs needed to achieve this must also be built into the binding cost proposal.

Applicants will need to certify that they understand their cost commitment is binding, and that after pre-award negotiations occur, BPD will not be able to award any additional funds for long driveway drops, end-to-end fiber deployment or other unexpected costs. Applicants will be encouraged to build in a contingency line item into their budget planning. Applicants will be encouraged to account for future cost increases in supply and workforce, as no additional funding will be given to any Applicant once the award is made and default due to poor cost planning may have serious legal and financial repercussions on the defaulting Applicant.

Affordability: Up to 20 points available.

Broadband service at or above 100/20 Mbps is not and has never been available in the CNMI. To arrive at what we believe to be a realistically affordable price for this level of service on a future BEAD funded network we evaluated current package offerings and had thorough discussions with the existing ISPs in the CNMI and the region.

While prioritizing affordability, CNMI is also cognizant of the importance of maintaining the financial sustainability of BEAD-funded projects. Ensuring that pricing does not undermine the revenue models and long-term viability of these projects is crucial. Given the unique challenges faced by ISPs in CNMI, there is a recognition of the need for flexibility in setting affordable rates. This flexibility is vital to ensure the broadest reach in the deployment of broadband infrastructure, thus effectively addressing both accessibility and affordability for CNMI residents.

All applicants must submit the price for the 100/20 Mbps service option that will be offered to all BSLs within the service area after deployment is completed. The price point to receive all 20 points would be less than or equal to \$35/month. \$36- \$45/ month

would receive 15 points. \$46 - \$55 would receive 10 points and \$56 - \$65 would receive 5 points. \$66 to \$75 would get 2. No points will be awarded for pricing over \$75/month.

100/20 Mbps	POINTS
less than \$35/month	20
\$36 to \$45/month	15
\$46 to \$55/month	10
\$56 to \$65/month	5
\$66 to \$75/month	2

Fair Labor Practices: Applicants will receive **up to 15 points**. Applicants will receive 9 points for demonstrated compliance with federal labor laws over the last three years, as described in Section 2.7.1 of this document. Applicants without three years of operational experience can receive 9 points by signing a certification of future compliance. 9 points for not having any violations within the last 3 years.

Applicants are eligible to earn one point for each of the six NTIA requirements they meet, as detailed in section 2.7.2, with the potential to accumulate a maximum of six points for fulfilling all requirements.

# of Violations and #NTIA Req. Met	POINTS
0 violations 6 NTIA Req Met	15
0 violations 5 NTIA Req Met	14
0 violations 4 NTIA Req Met	13
0 violations 3 NTIA Req Met	12
0 violations 2 NTIA Req Met	11
0 violations 1 NTIA Req Met	10
0 violations 0 NTIA Req Met	9
1 or more violations 6 NTIA Req Met	6
1 or more violations 5 NTIA Req Met	5
1 or more violations 4 NTIA Req Met	4
1 or more violations 3 NTIA Req Met	3
1 or more violations 2 NTIA Req Met	2
1 or more violations 1 NTIA Req Met	1
1 or more violations 0 NTIA Req Met	0

Secondary criteria

Speed to deployment: **Up to 10 points.** Any application that certifies, including binding commitments and assumption of contractual liability for penalties established by the state for non-compliance, that deployment to all included eligible locations will be completed in less than the 48 months required by BEAD shall receive additional points as follows:

- $[48 - (\text{number of months to complete deployment, rounded up to the next whole month})] / 5$ (For example, a project that certifies completion in 8 months receives 8 additional points.

Formula to be used:
$48 - (\text{number of months to complete deployment, rounded up to the next whole month}) / 5$

Non-Priority Deployment Criteria

Speed of network and other technical factors: **Up to 5 points** as follows:

BPD must consider the speeds, latency, and other technical capabilities of the technologies proposed by prospective subgrantees seeking to deploy projects that are not Priority Broadband Projects. Applications proposing to use technologies that offer greater scalability with lower future investment costs and whose capital assets have longer usable lives should be given additional consideration over those proposing technologies with higher upgrade costs and shorter capital asset lifecycles.

Speed of Network and Sufficient Capacity: **2 points** will be awarded to applications that demonstrate that the proposed project can reliably deliver **speeds of over 100/20 Mbps** broadband service to unserved locations in the proposed service area. Applications must detail the selection of technology and particular hardware configurations in both backbone and last-mile segments, including any assumptions and/or calculations around capacity oversubscription, limitations imposed by terrain, and geographic constraints, to definitively demonstrate the connection speed and network capacity requirements can be met. Applicants that do not make this demonstration will be awarded zero points for Speed of Network and Sufficient Capacity.

Scalability: **2 points** will be awarded to applications that demonstrate that the proposed infrastructure will be capable of delivering higher speeds in the future, including that the infrastructure will be scalable with respect to capacity to support higher speeds to unserved locations in the proposed service area. Applications must detail the specific approach to scalability both in backbone and last-mile segments of the network, such as increased wireless base station sectorization, hardware upgrades, addition of towers, etc., to include projected capital costs per location associated with upgrades necessary to deliver increased service level thresholds of the applicant's choosing (i.e., 100/100 Mbps, 500/100 Mbps, 1000/1000 Mbps). Applications that do not make this demonstration will be awarded zero points for Scalability.

Cost-effective future upgrade and capital investment path: **1 point** will be

awarded to applications that demonstrate a cost-effective projected technical upgrade path, including a capital investment timeline and costs for equipment refresh and replacement cycles.

Speed and Technical Ranking	POINTS
Speed of Network and Sufficient Capacity	2
Scalability	2
Cost-effective future upgrade and capital investment path	1

2.4.2.1. Attachment: *As a required attachment, submit the scoring rubric to be used in the subgrantee selection process for deployment projects. Eligible Entities may use the template provided by NTIA, or use their own format for the scoring rubric.*

See Attachment

2.4.3. Text Box: *Describe how the proposed subgrantee selection process will prioritize Unserved Service Projects in a manner that ensures complete coverage of all unserved locations prior to prioritizing Underserved Service Projects followed by prioritization of eligible CAIs.*

Based on cost projections, we anticipate that the funding available under the BEAD program, in conjunction with subgrantee matches, will cover deployment costs for all unserved and underserved community anchor institutions lacking broadband access, as defined by the BEAD program. The definitive total of required investments for achieving universal broadband access in CNMI will be finalized once BEAD subgrant applications are submitted by applicants, following the challenge and application process. If concerns arise about the availability of funds to bridge the remaining gaps in broadband access after this point, BPD may need to modify the subgrant process to ensure network deployment to all locations that are unserved, underserved, or are Community Anchor Institutions, as defined by the BEAD program.

2.4.4. Text Box: *If proposing to use BEAD funds to prioritize non-deployment projects prior to, or in lieu of the deployment of services to eligible CAIs, provide a strong rationale for doing so. If not applicable to plans, note "Not applicable."*

Not Applicable.

2.4.5. Text Box: *The proposed subgrantee selection process is expected to demonstrate to subgrantees how to comply with all applicable Environmental and Historic Preservation (EHP) and Build America, Buy America Act (BABA) requirements for their respective project or projects. Describe how the Eligible Entity will communicate EHP and BABA requirements to prospective subgrantees, and how EHP and BABA requirements will be incorporated into the subgrantee selection process.*

The CNMI is deeply committed to the public policy purposes of environmental and historic preservation. BPD plans to highlight the criticality of these requirements for potential Applicants during the application workshops and in the various application materials—and will require that all Applicants certify their intention to comply with all related requirements in the prequalification phase of the BEAD grant program. BPD will also require Applicants to certify that they have no history of failure to comply with environmental and historic preservation requirements, to the extent applicable. In addition, all applicants must provide in their applications a detailed outline of their plan for EHP compliance.

Any Applicant that cannot certify a track record of full compliance will be required to provide detailed narrative and documentation regarding its histories of challenges or noncompliance. In Addition, BPD intends that it will actively use its subgrantee monitoring program post-award to verify that Applicants are indeed compliant with these requirements.

As for BABA, BPD will inform all subgrant awardees of the current Pacific Territories waiver from BABA but encourage them to make every effort to Build America, Buy America whenever possible.

Last-Mile Broadband Deployment Project Areas

2.4.6. Text Box: *Describe how the Eligible Entity will define project areas from which they will solicit proposals from prospective subgrantees. If prospective subgrantees will be given the option to define alternative proposed project areas, describe the mechanism for de-conflicting overlapping proposals to allow for like-to-like comparisons of competing proposals.*

When it comes to defining Project Funding Areas (PFAs), the BPD has decided to use Tract grouping from the NTIA Subgrant Selection Tool to define each PFA boundary. This decision will result in 21 PFAs. PFAs would include only those BSLs deemed to be unserved and underserved after the challenge process has been completed.

BPD will not allow prospective subgrantees the ability to define alternative PFA boundaries. As such, there should be no partial overlap of PFAs between subgrant proposals.

Potential subgrantees must submit a separate proposal for each PFA. Any identical information with each proposal can be templated unless the applicant wishes to change

their narrative responses for different PFAs. This process avoids requiring applicants to complete application narratives for each proposal.

Project Area	# Areas BEAD Eligible	Avg. # Eligible BSLs	Avg. # BSLs
Municipality	3	3,357	3,444
Tract	21	480	492
BlockGroup	53	190	195
Block	713	14	14
BSL	10,072	1	1

2.4.7. Text Box: *If no proposals to serve a location or group of locations that are unserved, underserved, or a combination of both are received, describe how the Eligible Entity will engage with prospective subgrantees in subsequent funding rounds to find providers willing to expand their existing or proposed service areas or other actions that the Eligible Entity will take to ensure universal coverage.*

If no proposal, or no viable proposal, is received for a given PFA, BPD plans to implement any or all of the following processes, depending on the circumstances:

- BPD will begin negotiations with one or more applicants who have applied for adjacent areas to determine if other applicants would be willing to assume commitments to fund these locations, based on costs negotiated between the applicant and BPD.
- BPD may also choose to negotiate with one or more applicants to maximize the chances of finding solutions for these locations.
- Depending on circumstances, BPD may opt to conduct a second (and possibly third) competitive process to formally attract applicants for these locations.

During any negotiation period, BPD reserves the right to make necessary modifications to subgrant applications after consulting with NTIA. Potential alterations may include aerial deployment or a combination of underground and aerial non-fiber deployment, a hybrid of non-fiber and fiber, waiving some or all of the 25% matching fund requirement, or modifications to PFA.

2.4.8. Text Box: *Describe how the Eligible Entity intends to submit proof of Tribal Governments' consent to deployment if planned projects include any locations on Tribal Lands.*

Not applicable.

Extremely High Cost Per Location Threshold

2.4.9. Text Box: *Identify or outline a detailed process for identifying an Extremely High Cost Per Location Threshold to be utilized during the subgrantee selection process. The explanation must include a description of any cost models used and the parameters of those cost models, including whether they consider only capital expenditures or include operational costs for the lifespan of the network.*

BPD expects to have sufficient funding from the BEAD allocation and the subgrantee match requirement to deploy an end-to-end fiber network to all unserved, underserved, and CAI locations. Following the initial subgrant selection process, it may be necessary for BPD to establish an Extremely High-Cost Per Location Threshold (EHCPLT) if there is a lack of eligible applications in one or more PFAs or if there is an overall shortage of available funding for the applications received to serve all unserved and underserved locations with fiber to the premises. Any decision on the threshold will be purely cost-based and will be made after the initial round of funding applications. At this point, BPD will determine whether the BEAD allocation is sufficient to rely solely on end-to-end fiber network deployment. If an EHCPLT is needed, BPD intends to use the functionality within the Eligible Entity Planning Tool to support the identification of EHCPLT, along with the dataset provided by the NTIA.

As stated, BPD acknowledges the inherent uncertainties of this entire subgrant process—including higher-than-anticipated costs in specific areas or the scenario where some locations might not attract viable applications due to varying circumstances. As such, BPD will reserve the setting of an EHCPLT until a thorough evaluation of all submissions has been conducted.

Upon completion of the preliminary review of subgrant applications, BPD will undertake a comprehensive assessment to determine if every unserved location has been allocated FTTH service. Should there be locations that remain unserved, BPD will critically analyze all FTTH proposals from the most to the least costly per location.

Determining the EHCPLT will then involve identifying a cost threshold which negotiating with existing eligible subgrant applicants who bid on the PFA to reduce BEAD outlay below the EHCPLT or selecting non-FTTH proposals could lead to a greater number of unserved locations gaining access to reliable service. In instances where the selection of a non-FTTH project is warranted due to financial constraints, BPD will run a second round and prioritize objective scores but will also consider coverage expansion as a critical factor.

BPD's ultimate goal is to ensure that the CNMI's broadband infrastructure is both comprehensive and fiscally responsible. By adopting a dynamic EHCPLT mechanism we aim to facilitate an inclusive and technology-neutral broadband deployment strategy.

This approach ensures that BPD remains committed to maximizing coverage for all eligible locations while adhering closely to BEAD regulations and optimizing our allocation in a manner that reflects actual on-the-ground needs as revealed by submitted proposals.

By choosing to define the EHCPLT in this responsive manner, BPD aims to communicate its dedication to engaging various broadband providers and embracing a holistic technology approach for the benefit of CNMI's residents. This deliberate strategy underscores BPD's commitment to achieving 100% broadband coverage across eligible areas by using actual subgrant proposals as a guide rather than relying solely on theoretical cost assessments.

2.4.10. Text Box: *Outline a plan for how the Extremely High Cost Per Location Threshold will be utilized in the subgrantee selection process to maximize the use of the best available technology while ensuring that the program can meet the prioritization and scoring requirements set forth in Section IV.B.6.b of the BEAD NOFO. The response must describe:*

- a. The process for declining a subgrantee proposal that exceeds the threshold where an alternative technology is less expensive.*
- b. The plan for engaging subgrantees to revise their proposals and ensure locations do not require a subsidy.*
- c. The process for selecting a proposal that involves a less costly technology and may not meet the definition of Reliable Broadband.*

BPD first will score, rank, de-conflict and provisionally select all subgrant applications for each PFA, and then assess the overall results in terms of BEAD budget expenditure and coverage of eligible locations. However, no subgrant applicant will receive any notification of this internal-only "provisional" award status.

If gaps in coverage of eligible locations remain, BPD will then execute the EHCPLT process described above in section 2.4.9. If in any specific case BPD identifies an opportunity to expand coverage of at least non-priority reliable broadband service via the establishment of an EHCPLT value at certain level, BPD will first offer the FTTH proposal at issue (with an average per-location funding request in that PFA above the EHCPLT level) the opportunity to reduce its requested BEAD outlay for that PFA to the EHCPLT level or lower.

For example, if the initial subgrant process is unable to fund subgrant awards providing service to all eligible locations, priority broadband project FTTH proposals in PFAs above the EHCPLT may be offered the opportunity to adjust their proposals and reduce requested BEAD funds.

Should the provisionally awarded FTTH proposal in a PFA decline the option to amend their proposal, BPD will retract its provisional offer. At this point, if any other eligible Priority Deployment proposals were received for that PFA, BPD will offer the next

highest scoring priority proposal the opportunity to reduce the requested BEAD outlay for that PFA to the EHCPLT level or lower.

If at this point, no eligible priority proposal can be amended, BPD will then conduct a second-round subgrant application process for these specific PFAs, using the Non-Priority / Other Last Mile Broadband Scoring Rubric and consider reliable non-fiber and non-reliable technologies for these broadband deployment proposals. BPD will only consider alternative technology for a PFA if there are no applications for reliable broadband technologies.

This strategic approach by BPD aims to diminish the risk of seemingly arbitrary decisions while striving for the ultimate BEAD objective: attaining total coverage with optimal technology, prioritizing FTTH projects where feasible.

BPD will persist in this iterative review until the final FTTH provisional award determination is made. The definitive EHCPLT will be set at the lowest viable figure based on the actual FTTH proposals considered. Essentially, BPD will methodically assess provisionally approved FTTH applications from the most to least expensive, adjusting the EHCPLT values downward as each new potential coverage expansion is identified. This may necessitate certain adjustments to proposals or adjustments in provisional award statuses as necessary to ensure universal broadband service.

BPD will only consider alternative technology for a PFA if there are no applications for reliable broadband technologies.

Deployment Subgrantee Qualifications

2.4.11. Text Box: *Describe how the Eligible Entity will ensure prospective subgrantees deploying network facilities meet the minimum qualifications for financial capability as outlined on pages 72 – 73 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. Detail how the Eligible Entity will require prospective subgrantees to certify that they are qualified to meet the obligations associated with a Project, that prospective subgrantees will have available funds for all project costs that exceed the amount of the grant, and that prospective subgrantees will comply with all Program requirements, including service milestones. To the extent the Eligible Entity disburses funding to subgrantees only upon completion of the associated tasks, the Eligible Entity will require each prospective subgrantee to certify that it has and will continue to have sufficient financial resources to cover its eligible costs for the Project until such time as the Eligible Entity authorizes additional disbursements.*

- b. Detail how the Eligible Entity plans to establish a model letter of credit substantially similar to the model letter of credit established by the FCC in connection with the Rural Digital Opportunity Fund (RDOF).*
- c. Detail how the Eligible Entity will require prospective subgrantees to submit audited financial statements.*
- d. Detail how the Eligible Entity will require prospective subgrantees to submit business plans and related analyses that substantiate the sustainability of the proposed project.*

BPD is committed to ensuring that applicants seeking to deploy network facilities undergo thorough vetting and meet the minimum qualifications for financial capacity as stated in the BEAD NOFO.

BPD will incorporate response requirements for Section 2.4.11.a-d into the subgrant application, and these responses will be assessed during the application process. It is BPD's responsibility to ensure that all potential subgrantees are informed about these requirements through the methods mentioned in the detailed subgrant application process. Applicants who fail to meet the minimum requirements specified in this section of the subgrant application will not be eligible for BEAD funding.

- a. BPD will require prospective subgrantees to certify by an authorized officer of the prospective subgrantee and be approved by their governing board that the Prospective Subgrantee:
 - Is qualified to meet all obligations associated with a project.
 - Has available funds for all project costs that exceed the amount of the grant.
 - Will comply with all program requirements including service milestones. BPD will provide service milestones for each PFA in advance.

BPD will only disburse funds to a prospective subgrantee when they complete service milestones and their associated tasks for each Project Funding Area.

BPD will require, prior to disbursements, the prospective subgrantee to certify by an authorized officer of the prospective subgrantee and approved by their governing board that the:

- Prospective Subgrantee has available funds to cover its eligible costs until BPD authorizes additional disbursements upon completion of service milestones and their associated tasks

BPD will follow federal and state requirements for disbursement of funds.

- b. Prospective subgrantees are required to submit a letter of credit committing to issue an irrevocable standby letter of credit in a value of no less than 25 percent of the subaward amount. In alignment with the programmatic waiver of the Letter of Credit from NTIA, BPD expands permissible alternatives to the LOC requirements to allow:

- i. Allow Credit Unions to Issue LOCs: The NOFO requires subgrantees to obtain an LOC from a U.S. bank with a safety rating issued by Weiss of B- or better. The waiver permits subgrantees to fulfill the LOC Requirement (or any alternative permitted under the waiver) utilizing any United States credit union that is insured by the National Credit Union Administration and that has a credit union safety rating issued by Weiss of B- or better.
 - ii. Allow use of Performance Bonds: The waiver permits a subgrantee to provide a performance bond equal to 100% of the BEAD subaward amount in lieu of a letter of credit, provided that the bond is issued by a company holding a certificate of authority as an acceptable surety on federal bonds as identified in the Department of Treasury Circular 570.
 - iii. Allow Eligible Entities to Reduce the Obligation Upon Completion of Milestones: The waiver allows an Eligible Entity to reduce the amount of the letter of credit obligation below 25% over time, or reduce the amount of the performance bond below 100% over time, upon a subgrantee meeting deployment milestones specified by the Eligible Entity.
 - iv. Allow for an Alternative Initial LOC or Performance Bond Percentage: The NOFO requires that the initial amount of the letter of credit be 25% of the subaward (or the initial amount of the performance bond be 100% of the subaward under the option described above). The waiver allows the initial amount of the letter of credit or performance bond to be 10% of the subaward amount during the entire period of performance when an Eligible Entity issues funding on a reimbursable basis consistent with Section IV.C.1.b of the NOFO and reimbursement is for periods of no more than six months each.
- c. BPD will require subgrantees to submit financial statements from the prior fiscal year that are audited by an independent certified public accountant. If the potential subgrantee has not been audited during the ordinary course of business, in lieu of submitting audited financial statements it must submit unaudited financial statements from the prior fiscal year, with a certification that it will provide financial statements from the prior fiscal year that are audited by an independent certified public accountant as soon as it is made available to the subgrantee.
 - d. BPD will require applicants to submit business plans and related analyses that substantiate the sustainability of the proposed project. This can be provided in the form of pro forma statements or analyses, inclusive of cash flow and balance sheet projections and should include at least three years of operating cost and cash flow projections post targeted completion of project.

BPD will integrate these requirements into the subgrantee selection process through their inclusion in contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements. Any subgrant application

that fails to meet the minimum qualifications for financial capability, as detailed on pages 72-73 of the BEAD NOFO, will not be eligible for BEAD funding. BPD will not authorize any subgrant for the deployment or upgrade of network facilities unless it determines that the submitted documents demonstrate the prospective subgrantee's financial capability in relation to the proposed project.

NOTE: *the BPD acknowledges that at the time of drafting this Initial Proposal, NTIA is considering input on any exemptions from the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards that might help facilitate the implementation of the Broadband Equity, Access and Deployment (BEAD) Program. To account for this uncertainty, BPD will adopt the final guidance as published by NTIA.*

2.4.11.1. Optional Attachment: *As an optional attachment, submit application materials related to the BEAD subgrantee selection process, such as drafts of the Requests for Proposals for deployment projects, and narrative to crosswalk against requirements in the Deployment Subgrantee Qualifications section.*

Not applicable

2.4.12. Text Box: *Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for managerial capability as outlined on pages 73 – 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. Detail how the Eligible Entity will require prospective subgrantees to submit resumes for key management personnel.*
- b. Detail how it will require prospective subgrantees to provide a narrative describing their readiness to manage their proposed project and ongoing services provided.*

BPD is committed to ensuring that applicants seeking to deploy network facilities undergo thorough vetting and meet the minimum qualifications for managerial capability requirements as outlined in the BEAD NOFO.

Applicants will be required to submit resumes for all key management personnel, along with any necessary project organizational chart(s) and detailed corporate relationships, including all parent companies, subsidiaries, and affiliates.

Each applicant should also provide a narrative describing their readiness to manage a broadband services network. The narrative should detail the experience and qualifications of key management for undertaking this project, their experience with similar projects, recent and upcoming organizational changes such as mergers and acquisitions, and relevant organizational policies.

BPD will not approve any subgrant for the deployment or upgrading of network facilities unless it determines that the submitted documents demonstrate the applicant's managerial capability for the proposed project. These requirements will be incorporated into the subgrantee selection process through contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements.

BPD will also communicate requirements stipulated below to all prospective subgrantees prior to the selection process. This will be completed by conducting outreach efforts to participating stakeholders (webinars, in-person meetings, etc.), posting a list of regulations on the BPD website and including the requirements in grant application instructions and grant agreement terms, conditions and monitoring program requirements.

If necessary, BPD will hire additional staff or source contractor support to ensure there is appropriate capacity and expertise to adequately review the documentation and provide a third-party perspective of the managerial capability of the prospective subgrantee.

2.4.13. Text Box: *Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for technical capability as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. Detail how the Eligible Entity will require prospective subgrantees to certify that they are technically qualified to complete and operate the Project and that they are capable of carrying out the funded activities in a competent manner, including that they will use an appropriately skilled and credentialed workforce.*
- b. Detail how the Eligible Entity will require prospective subgrantees to submit a network design, diagram, 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 certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project.*

BPD is committed to ensuring that applicants seeking to deploy network facilities undergo thorough vetting and meet the minimum qualifications for technical capabilities as outlined in the BEAD NOFO.

Applicants must provide certification to BPD, attesting to their technical qualifications to complete and operate the project. They must also prove their capability to carry out the funded activities competently, including the use of a skilled and credentialed workforce.

BPD requires all applicants to submit a network design, diagram, project costs, build-out timeline, milestones for project implementation, and a capital investment schedule. This information should evidence complete build-out and the initiation of service within four years of the date on which the entity enters into a contract. All this must be certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the project.

BPD will not approve any subgrant for the deployment or upgrading of network facilities unless it determines that the submitted documents demonstrate the applicant's technical capabilities for the proposed project. These requirements will be incorporated into the subgrantee selection process through contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements.

Applications that fail to meet the minimum qualifications for managerial capability as outlined on page 74 of the BEAD NOFO will not be considered for BEAD funding.

2.4.14. Text Box: *Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for compliance with applicable laws as outlined on page 74 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. Detail how the Eligible Entity will require prospective subgrantees to demonstrate that they are capable of carrying out funded activities in a competent manner in compliance with all applicable federal, state, territorial, and local laws.*
- b. Detail how the Eligible Entity will require prospective subgrantees to permit workers to create worker-led health and safety committees that management will meet with upon reasonable request.*

BPD is committed to ensuring that applicants seeking to deploy network facilities are thoroughly vetted and meet the minimum qualifications concerning compliance with applicable laws as outlined in the BEAD NOFO.

Applicants must demonstrate that they can carry out funded activities in a competent manner, adhering to all relevant Federal, CNMI, and local laws. To establish this, applicants are required to submit a narrative that the BPD can place on record.

In order to ensure compliance with occupational safety and health requirements, BPD will mandate that applicants allow workers to form worker-led health and safety committees, which management will meet with upon reasonable request. BPD will not approve any subgrant for the deployment or upgrading of network facilities unless it determines that the submitted documents demonstrate the applicant's ability to comply with all applicable laws for the proposed project.

These requirements will be incorporated into the subgrantee selection process through contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements. Applications that do not meet the minimum qualifications or fail to illustrate the ability to execute funded activities competently, in compliance with all applicable federal, CNMI, and local laws as outlined on page 74 of the BEAD NOFO, will not be considered for BEAD funding.

Documentation related to the above requirements will be collected and reviewed by qualified BPD personnel. If necessary, BPD will hire additional staff or contractors to ensure there is sufficient capacity and expertise for correct implementation methods.

BPD will communicate the aforementioned requirements to all prospective subgrantees before the selection process. This communication will be achieved by conducting outreach efforts with participating stakeholders (webinars, in-person meetings, etc.), posting a list of regulations on the BPD website, and including the requirements in both grant application instructions and grant agreement terms, conditions, and monitoring program requirements.

2.4.15. Text Box: *Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for operational capability as outlined on pages 74 – 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. Detail how the Eligible Entity will require prospective subgrantees to certify that they possess the operational capability to qualify to complete and operate the Project.*
- b. Detail how the Eligible Entity will require prospective subgrantees to submit a certification that they have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of their application submission or that they are a wholly owned subsidiary of such an entity and attest to and specify the number of years the prospective subgrantee or its parent company has been operating.*
- c. Detail how the Eligible Entity will require prospective subgrantees that have provided a voice and/or broadband service, to certify that it has timely filed Commission Form 477s and the Broadband DATA Act submission, if applicable, as required during this time period, and otherwise has complied with the Commission's rules and regulations.*
- d. Detail how the Eligible Entity will require prospective subgrantees that have operated only an electric transmission or distribution service, to submit qualified operating or financial reports, that it has filed with the relevant financial institution for the relevant time period along with a*

certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.

- e. In reference to new entrants to the broadband market, detail how the Eligible Entity will require prospective subgrantees to provide evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities.*

BPD is committed to ensuring that applicants seeking to deploy network facilities are thoroughly vetted and meet the minimum qualifications for operational capabilities as outlined in the BEAD NOFO.

- a. Prospective subgrantees are required to provide details including, but not limited to, the following:
- Years of experience providing internet service
 - Current subscribers (households, businesses, and community anchor institutions)
 - Completed federally funded deployment projects, including their source of funding and completion timeframe
 - Penalties paid by the prospective subgrantee, a subsidiary or affiliate of the prospective subgrantee or the holding company of the prospective subgrantee in relation to deployment projects
 - The number of times a prospective subgrantee has been a defendant in a criminal proceeding or civil litigation relevant to deploying broadband infrastructure
 - Any defaults on a federal or state obligation to deploy broadband infrastructure by the prospective subgrantee, along with a summary if applicable.
- b. If a prospective subgrantee has provided voice, broadband, and/or electric transmission or distribution service for at least two consecutive years prior to application submission or is a wholly-owned subsidiary of such an entity, it must submit a certification attesting to these facts. This certification should specify the number of operational years of the prospective subgrantee or its parent company.
- c. In case the prospective subgrantee has provided voice and/or broadband service, it must certify having timely filed Commission Form 477s and the broadband DATA Act submission (if applicable), while also maintaining compliance with the Commission's rules and regulations. Alternatively, any pending or completed enforcement action, civil litigation, or other matter where

compliance with the commission's rules or regulations was failed or alleged to have been failed should be explained.

- d. For those who have operated only an electric transmission or distribution service, it is required to submit qualified operating or financial reports that it has filed with relevant financial institutions for the relevant time period. A certification that the submission is an accurate copy of the reports provided to the financial institution is also necessary.
Alternatively, a prospective subgrantee should explain any pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with the commission's rules or regulations.
- e. New entrants to the broadband market must provide sufficient evidence demonstrating that the newly formed entity has secured sufficient operational capabilities through internal or external resources. Such evidence may include resumes from key personnel, project descriptions from contractors, subcontractors or other partners with relevant operational experience or equivalent evidence.

BPD will review all these required documents with qualified personnel; if required, additional staff or contractor support will be sourced for appropriate capacity and expertise.

These requirements will be integrated into the subgrantee selection process via contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements. Applications that fail to meet these minimum qualifications or fail to illustrate their operational capability as outlined on pages 74 - 75 of the BEAD NOFO will not be considered for BEAD funding.

2.4.16. Text Box: *Describe how the Eligible Entity will ensure that any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on ownership as outlined on page 75 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. *Detail how the Eligible Entity will require prospective subgrantees to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7).*

BPD is committed to ensuring that prospective subgrantees seeking to deploy network facilities meet the minimum qualifications for providing information on ownership, as outlined in the BEAD NOFO.

BPD will require prospective subgrantees to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7) including:

1. List the real party or parties in interest in the applicant or application, including a complete disclosure of the identity and relationship of those persons or entities directly or indirectly owning or controlling (or both) the applicant;
2. List the name, address, and citizenship of any party holding 10 percent or more of stock in the applicant, whether voting or nonvoting, common or preferred, including the specific amount of the interest or percentage held;
3. List, in the case of a limited partnership, the name, address and citizenship of each limited partner whose interest in the applicant is 10 percent or greater (as calculated according to the percentage of equity paid in or the percentage of distribution of profits and losses);
4. List, in the case of a general partnership, the name, address and citizenship of each partner, and the share or interest participation in the partnership;
5. List, in the case of a limited liability company, the name, address, and citizenship of each of its members whose interest in the applicant is 10 percent or greater;
6. List all parties holding indirect ownership interests in the applicant as determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain, that equals 10 percent or more of the applicant, except that if the ownership percentage for an interest in any link in the chain exceeds 50 percent or represents actual control, it shall be treated and reported as if it were a 100 percent interest; and
7. List any FCC-regulated entity or applicant for an FCC license, in which the applicant or any of the parties identified in paragraphs (a)(1) through (a)(5) of this section, owns 10 percent or more of stock, whether voting or nonvoting, common or preferred. This list must include a description of each such entity's principal business and a description of each such entity's relationship to the applicant (e.g., Company A owns 10 percent of Company B (the applicant) and 10 percent of Company C, then Companies A and C must be listed on Company B's application, where C is an FCC licensee and/or license applicant). (b) Designated entity status. In addition to the information required under paragraph (a) of this section, each applicant claiming eligibility for small business provisions, or a rural service provider bidding credit shall disclose the following: (1) On its application to participate in competitive bidding (i.e., shortform application (see 47 CFR 1.2105)):
 - i. List the names, addresses, and citizenship of all officers, directors, affiliates, and other controlling interests of the applicant, as described in § 1.2110, and, if a consortium of small businesses or consortium of very small businesses, the members of the conglomerate organization;
 - ii. List any FCC-regulated entity or applicant for an FCC license, in which any controlling interest of the applicant owns a 10 percent or greater

interest or a total of 10 percent or more of any class of stock, warrants, options or debt securities. This list must include a description of each such entity's principal business and a description of each such entity's relationship to the applicant;

- iii. List all parties with which the applicant has entered into agreements or arrangements for the use of any of the spectrum capacity of any of the applicant's spectrum;
- iv. List separately and in the aggregate the gross revenues, computed in accordance with § 1.2110, for each of the following: The applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests; and if a consortium of small businesses, the members comprising the consortium;
- v. If claiming eligibility for a rural service provider bidding credit, provide all information to demonstrate that the applicant meets the criteria for such credit as set forth in § 1.2110(f)(4); and
- vi. If applying as a consortium of designated entities, provide the information in paragraphs (b)(1)(i) through (v) of this section separately for each member of the consortium.

These requirements will be integrated into the subgrantee selection process via contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements. Applications that fail to meet these minimum qualifications or fail to illustrate their operational capability as outlined on page 75 of the BEAD NOFO will not be considered for BEAD funding.

2.4.17. Text Box: *Describe how the Eligible Entity will ensure any prospective subgrantee deploying network facilities meets the minimum qualifications for providing information on other public funding as outlined on pages 75 – 76 of the BEAD NOFO. If the Eligible Entity opts to provide application materials related to the BEAD subgrantee selection process, the Eligible Entity response may reference those to outline alignment with requirements for this section. The response must:*

- a. *Detail how it will require prospective subgrantees to disclose for itself and for its affiliates, any application the subgrantee or its affiliates have submitted or plan to submit, and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds.*
- b. *At a minimum, the Eligible Entity shall require the disclosure, for each broadband deployment project, of: (a) the speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules), (b) the geographic area to be covered, (c) the number of*

unserved and underserved locations committed to serve (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage), (d) the amount of public funding to be used, (e) the cost of service to the consumer, and (f) the matching commitment, if any, provided by the subgrantee or its affiliates.

BPD is committed to ensuring that prospective subgrantees seeking to deploy network facilities meet the minimum qualifications for providing information on other public funding, as outlined in the BEAD NOFO. Numerous federal and state publicly funded programs are listed in BPD's Initial Proposal, Volume 1, Requirement 3. BPD has identified prospective applicants who are recipients of these public funds. Moreover, BPD will survey local government entities regarding any broadband deployment projects funded for locally funded broadband initiatives.

- a. BPD will require each prospective subgrantee to disclose, for itself and for its affiliates, any application the subgrantee or its affiliates have submitted or plan to submit, and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed to undertake at the time of the application using public funds including but not limited to any awarded FCC RDOF funding or USDA ReConnect funds.
- b. BPD shall require the disclosure, for each broadband deployment project, of:
 - The speed and latency of the broadband service to be provided (as measured and/or reported under the applicable rules)
 - The geographic area to be covered
 - The number of unserved and underserved locations to be served (or, if the commitment is to serve a percentage of locations within the specified geographic area, the relevant percentage)
 - The amount of public funding to be used
 - The cost of service to the consumer
 - The matching commitment, if any, provided by the subgrantee or its affiliates.

These requirements will be integrated into the subgrantee selection process via contract negotiation records, subgrant agreement terms and conditions, and subgrant monitoring program requirements. Applications that fail to meet the minimum qualifications for providing information on other public funding as outlined on pages 75 - 76 of the BEAD NOFO will not be considered for BEAD funding.

2.5 Non-Deployment Subgrantee Selection (Requirement 9)

2.5.1. Text Box: *Describe a fair, open, and competitive subgrantee selection process for eligible non-deployment activities. Responses must include the objective means, or process by which objective means will be developed, for selecting subgrantees for eligible non-deployment activities. If the Eligible Entity does not intend to subgrant for non-deployment activities, indicate such.*

The CNMI has been allocated \$80 million in BEAD funds, representing less than 0.2% of the total available funds for distribution. The average BEAD funding allocated to each state exceeds \$740 million. Given the existence of 10,331 unserved BSLs and over 100 potential CAIs in the CNMI, we do not anticipate any remaining BEAD funds for Non-Deployment Subgrant purposes.

The inequality in the funding becomes evident when you examine the District of Columbia as an example: despite having only 184 unserved locations, it was allocated over \$100 million. Delaware and Rhode Island, both with approximately 2,000 unserved locations, received about \$107 million each. States with around 10,000 unserved BSLs were each allocated approximately \$150 million, nearly double that of the CNMI.

In assessing the potential costs associated with deploying a CNMI-wide, climate-hardened, end-to-end fiber network, we consulted the NTIA for Eligible Entity Toolkit NPV data, reviewed previous federally funded opportunities, and sought feedback from community stakeholders. Toolkits based on current cost data indicate a shortfall of more than \$5 million in BEAD Funding needed to serve all 10,331 BSLs in the CNMI. A local RDOF Grant awarded years ago estimated a per passing cost of over \$7,000. BPD anticipates that network deployment costs will increase exponentially in the coming year. With the first sub-grants not expected to be awarded until late 2024 or early 2025, it's challenging to estimate how much further the funding shortfall will extend.

Almost all of the CNMI has been designated as "high-cost locations" by the NTIA. Although this designation should provide us with flexibility to waive or reduce match requirements for subgrant applicants, we do not anticipate any subgrant award with less than a 25% match. This strategy is intended to compensate for the anticipated shortfall and achieve a 100% served status by the end of the BEAD program.

BPD will formally request that Congress address the glaring inequality in pre-allotment funding and provide the CNMI with at least an additional \$19 million in BEAD Program funding to put us on par with the rest of America.

BPD's priority is to utilize our BEAD allocation to extend broadband infrastructure to every unserved location, underserved location, and Community Anchor Institutions without gigabit symmetrical connectivity in the CNMI. BPD we will revisit the non-deployment activities pending availability of funds after prioritizing unserved, underserved, and CAIs" to allow flexibility.

2.5.2. Text Box: *Describe the Eligible Entity's plan for the following:*

- a. *How the Eligible Entity will employ preferences in selecting the type of non-deployment initiatives it intends to support using BEAD Program funds.*
- b. *How the non-deployment initiatives will address the needs of residents within the jurisdiction.*
- c. *The ways in which engagement with localities and stakeholders will inform the selection of eligible non-deployment activities.*
- d. *How the Eligible Entity will determine whether other uses of the funds might be more effective in achieving the BEAD Program's equity, access, and deployment goals.*

Should any funds remain after thorough deployment activities. Any potential remaining funds may be used to fund non-deployment programs related to addressing the digital divide beyond access in CNMI.

BPD is currently developing a Digital Equity 5 Year Action Plan in which programmatic efforts will be leveraged to identify non-deployment areas of need, and design solutions to address them via not only Digital Equity Capacity and potential Competitive Grant funding but also through potential BEAD-funding for non-deployment administered programs and subgrant programs. Should any BEAD funding remain after all unserved and underserved BSLs are provided for, and CAIs with a desire for gigabit symmetrical service are adequately catered to, the BPD may consider awards for non-deployment activities as follows:

- a. Specific criteria for evaluating applications for subgrants will be developed later in close coordination with the Digital Equity Planning and Capacity Grant Program. The preferences for selecting non-deployment initiatives that the BPD intends to support with BEAD Program funds will align with the Digital Equity 5-Year Plan. In this plan, the BPD aims to establish priorities for Digital Equity funding. All CNMI residents face barriers such as inadequate broadband availability, challenges of affordability, limitations in device accessibility, and gaps in foundational digital skills. The lack of technical support, awareness of cybersecurity, and confidence in navigating digital resources only exacerbates these disparities. As a result, crucial functions like completing job applications, accessing online DMV services, submitting necessary documentation for employment and social services, accessing educational resources, querying about public services, researching health information access, and sustaining social connections all become more challenging.
- b. The populations covered—defined in the Digital Equity Act as aging individuals, individuals with disabilities, rural residents, English language learners, racial/ethnic minorities, low-income households, veterans, and incarcerated individuals—are disproportionately affected by the economic and societal costs of the digital divide. All CNMI residents belong to one or more of these NTIA-defined covered population groups. Non-deployment activities identified as eligible in the BEAD NOFO and aligned with the Digital Equity 5-Year Plan will address adoption and digital inclusion-related needs that the BPD identified

during the needs assessment process. Non-deployment initiatives will help residents access the internet, afford a monthly residential broadband service, acquire a connected device, and gain the digital skills and support needed to work, learn, and thrive safely and securely. All non-deployment activities will be adapted to meet the needs of the community receiving funding.

- c. BPD is currently developing the CNMI Digital Equity 5-Year Plan, the primary deliverable of the Digital Equity Act Planning Grant. The plan will synthesize the results of extensive local coordination, stakeholder engagement and research on the digital divide into an implementation strategy to address identified gaps with funding for digital opportunity and non-deployment programs and will inform the recommended approach to closing the digital divide in the CNMI.
- d. BPD is currently engaged with countless local governments, non-profits, community organizations, and residents across the CNMI to ensure a wide array of input is included in the Digital Equity planning process. These efforts will continue as the BPD works to develop non-deployment programs under BEAD and to conduct outreach for the Digital Equity 5-Year Plan. BPD will rely on input from stakeholders and partners to determine how best to use remaining BEAD funds to effectuate the goals of the BEAD program.

Lastly, the BPD plans to request approval from the NTIA to use a portion of any remaining BEAD funds after deployment to address significant First-Mile issues in the CNMI, such as the critical need for direct landings of carrier-neutral Trans-Pacific submarine cables. Potential non-deployment projects that BPD hopes could be funded by BEAD include:

- Consulting costs for submarine fiber optics
- Feasibility studies for submarine fiber optics
- Development of Cable Landing Stations
- Deployment of submarine fiber optic spurs

If the NTIA permits, such funding would adhere to local and federal procurement laws.

2.5.3. Text Box: *Describe the Eligible Entity's plan to ensure coverage to all unserved and underserved locations prior to allocating funding to non-deployment activities.*

Almost all of the CNMI has been designated as "high-cost locations" by the NTIA. Although this designation should provide us with flexibility to waive or reduce match requirements for subgrant applicants, we do not anticipate any subgrant award with less than a 25% match. This strategy is intended to compensate for the anticipated shortfall and achieve a 100% served status by the end of the BEAD program.

BPD will formally request that Congress address the glaring inequality in pre-allotment funding and provide the CNMI with at least an additional \$19 million in BEAD Program funding to put us on parity with the rest of America.

Through the Subgrantee Selection Process, BPD will create Project Funding Areas covering all unserved and underserved locations in the CNMI. Until all unserved and underserved BSLs are served — through BEAD or other funding sources— BPD will not award subgrants to any non-deployment activities.

2.5.4. Text Box: *Describe how the Eligible Entity will ensure prospective subgrantees meet the general qualifications outlined on pages 71 – 72 of the BEAD NOFO.*

If by chance some BEAD funding does still remain after all unserved and underserved BSLs are served, and CAIs desiring 1Gbps symmetrical service are adequately provisioned, BPD may consider awards for non-deployment activities.

BPD will follow a process similar to that of the Subgrantee Selection Process,

BPD shall ensure any prospective subgrantee:

1. Can carry out activities funded by the subgrant in a competent manner and in compliance with all applicable federal, state, and local laws
2. Has the financial and managerial capacity to meet the commitments of the subgrant, program requirements, and any other requirements prescribed by the Assistant Secretary or the Eligible Entity
3. Has the technical and operations capability to provide the services committed to in the subgrant and award. To be eligible for an award, BPD will require prospective subgrantees for non-deployment activities to:
 - a. Provide two (2) years of acceptable historical performance in similar projects
 - b. Certify their operational and technical capabilities to hit service milestones, compete and operate the project in a competent manner, and use an appropriately skilled and credentialed workforce
 - c. Provide a verifiable plan to cure any shortfall to the proposed project plan
 - d. Certify enough funds are available to cover the entire grant amount or the eligible reimbursable costs for the project, whichever is greater
 - e. Acquire a letter of credit or other acceptable for of creditworthiness approved by the NTIA
 - f. Submit resumes for key management personnel for the project
 - g. Provide a narrative of the entity's readiness to manage the proposed project and any ongoing services provided
 - h. Submit two (2) years of audited financial statements
 - i. Submit a business plan, and related financial analyses, to substantiate the long-term sustainability of the proposed project

Disbursement of funds for non-deployment activities will only occur upon verified completion of milestones and tasks laid out in the subgrant and award.

2.6 Eligible Entity Implementation Activities (Requirement 10)

2.6.1. Text Box: *Describe any initiatives the Eligible Entity proposes to implement as the recipient without making a subgrant, and why it proposes that approach.*

The BPD possesses the capability to manage initiatives and perform activities associated with the BEAD program without resorting to subgrant distribution. These efforts can be classified into two categories: administrative tasks and non-deployment activities pertaining to digital equity. Important to note, BPD will not undertake any deployment activities as an Eligible Entity without a subgrant process.

The proposed administrative tasks that BPD aims to implement, excluding subgrant issuance, consist of:

- a. Overseeing the BEAD subgrant application and execution process.
- b. Conducting outreach activities for potential subgrantees, including webinars.
- c. Managing subgrant agreement procedures, contract finalization, and fund disbursement.
- d. Monitoring subgrantee performance, reporting, and ensuring compliance.
- e. Evaluating program effectiveness and executing public outreach schemes.
- f. Closing out the program and maintaining continual stakeholder engagement.
- g. Ensuring synergy and coordination with the Digital Equity Program.

These pursuits form the backbone of BPD's role. Should deployment activities be finalized, any remaining funds may be allocated for Eligible Entity non-deployment activities. Given its state-wide purview and the duty to supervise the BEAD program, BPD is ideally positioned to act as a facilitator, establish connections to broaden the scope and effect of broadband and digital equity initiatives, and guarantee that the BEAD program fulfills its intended goals while maintaining public accountability.

Details about non-deployment activities will be provided in the CNMI Digital Equity Five-Year Plan. In this plan, BPD will delineate potential non-deployment activities to be financed through State Digital Equity Capacity Grant (SDECG) funds. BPD may directly perform some of these tasks, while others might require subgrants. Depending on available funding post deployment to unserved locations and community anchor institutions, BPD could further bolster non-deployment tasks performed by BPD and intended to be financed by SDECG.

Non-deployment initiatives that BPD aims to execute without subgrant issuance include:

- a. Assigning digital navigators.
- b. Encouraging ACP awareness and enrollment.
- c. Engaging public and community on digital equity matters, involving reports, dashboards, and presentations.

- d. Evaluating program performance.
- e. Workforce Development Program Overview

Objective: BPD in partnership with NMTech (Northern Mariana Trade Academy) and the CNMI Department of Labor, is committed to developing a robust workforce in the CNMI to support the BEAD program for network deployment. This initiative will focus on essential training in network engineering and fiber optic installation to ensure local job retention and readiness for upcoming projects.

Partnership Structure:

A Memorandum of Understanding (MOU) will be executed between BPD, NMTech, and the CNMI Department of Labor. This strategic alliance aims to leverage each partner's strengths to address critical labor shortages and skill gaps, ensuring a well-prepared workforce for broadband expansion to unserved and underserved Broadband Service Locations (BSLs).

Workforce Needs Assessment

Identified Roles:

Feedback from carriers has identified vital but underserved roles within the current workforce, including but not limited to:

- **Operators and Laborers:** MicroTrench Operator CDL, Vac Truck Laborer, Conduit CDL Laborer
- **Specialized Roles:** Fiber Foreman, Fiber Splicer/Technician, Network Equipment Operator / CDL, GIS Specialist
- **Support Roles:** Fast Patch, Boxes Laborer, Fiber Splice Foreman

Training Program Framework

Comprehensive training programs for Operators, Laborers, Specialized Roles and Support Roles.

Enrollment Goal: 300 individuals

Duration:

Two structured programs that will run in parallel:

- A 3-month intensive course focused on foundational skills.
- A 6-month comprehensive training for advanced competencies.

Timeline:

Scheduled to start before August 2024, the program aims to have trained personnel ready by Q1 2025, aligning with the subgrant awards for network deployment.

Budget and Resource Allocation

To ensure the effective implementation of the Workforce Development Program, the budget will be allocated across various critical components:

1. Curriculum Development:

- **Research and Development:** to engage industry experts and academic professionals to create a contemporary, relevant curriculum.
- **Material Creation:** for the production of training manuals, digital content, and interactive modules.

2. Trainer Recruitment and Compensation:

- **Recruitment Costs:** for the process of identifying, hiring and possibly relocating qualified trainers.
- **Salaries:** to provide competitive compensation to trainers over the course of the training program.

3. Training Facilities and Equipment:

- **Rental of Training Space (if needed):** for leasing of appropriate venues equipped to handle high-tech training needs.
- **Equipment Purchase:** for buying state-of-the-art tools and technology necessary for hands-on training in fiber optics and network engineering.
- **Maintenance and Utilities:** for upkeep of the facilities and utilities during the training sessions.

4. Materials and Tools for Training Sessions:

- **Training Kits:** for individual tool kits for each trainee, including safety gear and basic fiber optic installation tools.
- **Supplementary Materials:** for additional consumables used during the training like cables, connectors, and other expendables.

5. Stipends for Trainees:

- **Living Stipends:** to provide participants with a modest stipend to help cover living expenses during their training period, ensuring that financial barriers do not hinder participation.

6. Contingency Fund:

- This fund is allocated to address unforeseen costs or necessary adjustments in the training program's duration or scope. It ensures flexibility and responsiveness to dynamic training needs or unexpected challenges.

Justification

The detailed allocation of the budget is designed to cover all aspects of the training program comprehensively:

- **Curriculum development** ensures that the training is up-to-date with current technological standards and industry demands.
- **Trainer recruitment and compensation** are crucial for attracting skilled professionals who can effectively transfer knowledge to trainees.
- **Investment in facilities and equipment** gives trainees hands-on experience, which is essential for mastering practical skills in fiber optics and network engineering.
- **Materials and tools** are vital for ensuring that each participant has the necessary resources to learn effectively during the course.
- **Stipends** make the program accessible to a broader range of participants by alleviating financial burdens during their training period.
- The **contingency fund** provides a buffer that allows for adaptive responses to any challenges or opportunities that arise during the implementation phase.

This comprehensive planning is aimed at maximizing the effectiveness of the training program and ensuring that it meets its objectives of developing a skilled workforce ready to support broadband deployment in the CNMI.

Objectives

1. **Skill Development:** Equip participants with critical skills in network engineering and fiber optic installation.
2. **Job Retention:** Enhance employment opportunities through specialized training, promoting long-term job retention in the CNMI.
3. **Broadband Deployment Readiness:** Prepare a competent workforce to efficiently handle broadband deployment projects.

Note: This enhanced framework for the Workforce Development Program not only addresses immediate needs but also lays the groundwork for sustainable skill development within the telecommunications sector of CNMI.

BPD acknowledges that a single funding source won't bridge the digital divide. Hence, it will harness funding from multiple sources to execute various initiatives, including those aforementioned. Interweaving funding from BEAD, if available post addressing unserved locations and CAIs, with other funding sources can amplify program outcomes. In certain instances, BPD is already executing or plans to execute some non-deployment activities independently. Adding BEAD Program funds, if available, will empower BPD to scale up and widen the impacts of existing programs.

2.7 Labor Standards and Protection (Requirement 11)

2.7.1. Text Box: *Describe the specific information that prospective subgrantees will be required to provide in their applications and how the Eligible Entity will weigh that information in its competitive subgrantee selection processes. Information from prospective subgrantees must demonstrate the following and must include information about contractors and subcontractors:*

- a. Prospective subgrantees' record of past compliance with federal labor and employment laws, which:*
 - i. Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;*
 - ii. Should include a certification from an Officer/Director-level employee (or equivalent) of the prospective subgrantee evidencing consistent past compliance with federal labor and employment laws by the subgrantee, as well as all contractors and subcontractors; and*
 - iii. Should include written confirmation that the prospective subgrantee discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.*
- b. Prospective subgrantees' plans for ensuring compliance with federal labor and employment laws, which must address the following:*
 - i. How the prospective subgrantee will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:*
 - 1. Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network; and*
 - 2. How the subgrantee will ensure the implementation of workplace safety*

committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

BPD will require applicants to submit the following information during the application period of the competitive subgrantee selection process:

- a. Applicants' record of past compliance with federal labor and employment laws, which:
 - i. Must address information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years;
 - ii. Should include a certification from an Officer/Director-level employee (or equivalent) of the applicant evidencing consistent past compliance with federal labor and employment laws by the applicant, as well as all contractors and subcontractors; and
 - iii. Should include written confirmation that the applicant discloses any instances in which it or its contractors or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.

Any applicant certifying and demonstrating full compliance with all applicable fair labor and employment laws, boasting an exemplary record of consistency with no violations within the last three years, will receive the maximum score for the corresponding components of scoring rubric.

- b. Applicants' plans for ensuring compliance with federal labor and employment laws, which must address the following:
 - i. How the applicant will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including:
 - i. Information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network; and
 - ii. How the applicant will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects.

2.7.2. Text Box: *Describe in detail whether the Eligible Entity will make mandatory for all subgrantees (including contractors and subcontractors) any of the following and, if required, how it will incorporate them into binding legal commitments in the subgrants it makes:*

- a. *Using a directly employed workforce, as opposed to a subcontracted workforce;*

- b. Paying prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collecting the required certified payrolls;*
- c. Using project labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors that govern terms and conditions of employment for all workers on a construction project);*
- d. Use of local hire provisions;*
- e. Commitments to union neutrality;*
- f. Use of labor peace agreements;*
- g. Use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded);*
- h. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and*
- i. Taking steps to prevent the misclassification of workers.*

BPD is deeply dedicated to ensuring that subgrantees, contractors, and subcontractors adhere to stringent labor standards and protections. BPD will mandate that potential subgrantees provide a detailed narrative outlining the measures they will implement to ensure all members of their project workforce possess the necessary credentials. An effective compliance plan with federal labor and employment laws might include an applicant's commitment to robust labor standards and protections for the project workforce (including contractors and subcontractors). The following elements are highly desired, but not required, and will be scored under the Fair and Safe Labor Practices scoring criterion:

- a. Use a directly employed workforce, as opposed to a subcontracted workforce;
- b. Pay prevailing wages and benefits to workers, including compliance with Davis-Bacon and Service Contract Act requirements, where applicable, and collect the required certified payrolls;
- c. Use of local hire provisions;
- d. Use of an appropriately skilled workforce (e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded);
- e. Use of an appropriately credentialed workforce (i.e., satisfying requirements for appropriate and relevant pre-existing occupational training, certification, and licensure); and
- f. Take steps to prevent the misclassification of workers

2.8 Workforce Readiness (Requirement 12)

2.8.1. Text Box: *Describe how the Eligible Entity and their subgrantees will advance equitable workforce development and job quality objectives to develop a skilled, diverse workforce. At a minimum, this response must clearly provide each of the following, as outlined on page 59 of the BEAD NOFO:*

- a. A description of how the Eligible Entity will ensure that subgrantees support the development and use of a highly skilled workforce capable of carrying out work in a manner that is safe and effective;*
- b. A description of how the Eligible Entity will develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions and worker organizations, and community-based organizations that provide relevant training and wrap-around services to support workers to access and complete training (such as child care, transportation, mentorship, etc.), to attract, train, retain, or transition to meet local workforce needs and increase high-quality job opportunities;*
- c. A description of how the Eligible Entity will plan to create equitable on-ramps into broadband-related jobs, maintain job quality for new and incumbent workers engaged in the sector; and continually engage with labor organizations and community-based organizations to maintain worker voice throughout the planning and implementation process; and*
- d. A description of how the Eligible Entity will ensure that the job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers.*

The CNMI Broadband Policy and Development Office (BPD) aims to support a highly skilled, diverse, and inclusive workforce through close collaboration with the CNMI Department of Labor and educational institutions within the CNMI. Key strategies include leveraging apprenticeship programs, initiating career pathway programs with comprehensive support services, and fostering sector-based partnerships. The BPD also prioritizes maintaining job quality and continuous skill development in the broadband sector, involving labor organizations and community-based organizations in planning and implementation. To ensure opportunities from the BEAD Program and other broadband funding programs reach a diverse pool of workers, policies promoting diversity and inclusion will be implemented.

- a. To ensure that subgrantees support the development and use of a highly skilled workforce, BPD will work closely with the CNMI Department of Labor and educational institutions. We will leverage apprenticeship programs and other workforce development programs to develop a pipeline of skilled workers, particularly focusing on telecommunications and broadband technology. These programs provide practical training in a manner that is safe and effective.

Subgrantees will be mandated to integrate a telecommunications and broadband-specific focus into their existing workforce development initiatives. This is to build a workforce that is skilled, diverse, and resilient through partnerships with public and private entities, as well as quasi-governmental institutions such as academic entities.

Subgrantees are also obliged to work collaboratively with local organizations, industry experts, educational institutions, and professional organizations to create and strengthen workforce training opportunities. These opportunities are designed to equip workers with the necessary skills to succeed in the broadband sector. Our goal is to foster a workforce that is not only highly skilled but also diverse and inclusive. The BPD aims to develop and promote sector-based partnerships among different stakeholders.

In addition, BPD will monitor subgrantee workforce and safety practices as part of their project reports to ensure adherence to guidelines and standards for effective training and workplace safety.

- b. The BPD aims to develop and promote sector-based partnerships among employers, education and training providers, the public workforce system, unions, worker organizations, and community-based organizations. In alignment with the CNMI WIOA Plan, which addresses industry needs by anticipating current and future workforce requirements, we plan to initiate career pathway programs that provide relevant training and wrap-around services such as childcare, transportation, and mentorship. These programs are designed to attract, train, retain, or transition workers to meet local workforce needs and increase high-quality job opportunities. BPD will work closely with local public, private sectors, non-profit and community organizations, and relevant stakeholders to support the CNMI's vision. This collaboration includes establishing technical training at Northern Marianas College, NMTech, and other institutions, as well as developing IT professional workforce training and development career pathways with the Public School System. Our approach is centered on collaboration, aiming to meet the needs of the local community and the broadband sector. The BPD is committed to creating equitable on-ramps into broadband-related careers.
- c. BPD is committed to creating equitable on-ramps into broadband-related jobs. We plan to maintain job quality for new and incumbent workers engaged in the sector through targeted training and continuous skill development programs. BPD will continue to engage with ISPs and our local community to understand their hiring and staffing needs and challenges, aligning employer needs with workforce preparedness and development initiatives. Regular engagement with labor organizations and community-based organizations will be a cornerstone of our strategy, allowing us to maintain worker voice throughout the planning and implementation process.

In our efforts to maintain job quality, BPD will engage in initiatives and activities that maintain job qualifications, including but not limited to:

- i. Collaborations to create jobs that meet the basic needs and offer conditions that promote equity, inclusiveness, and opportunities for career advance;
 - ii. Highlighting the significance of broadband and technology career opportunities in the CNMI;
 - iii. Coordinating the development of local laws that promote creating jobs in broadband and telecommunications.
- d. To ensure that job opportunities created by the BEAD Program and other broadband funding programs are available to a diverse pool of workers, our office will implement policies that promote diversity and inclusion. We will work closely with the CNMI Department of Labor and educational institutions to reach out to a broad spectrum of potential candidates, and the BPD will require subgrantees to make intentional efforts to recruit from diverse populations and local training and apprenticeship programs. By creating pipelines from high school and college to the workforce through training opportunities, we aim to enhance the skill set of our local workforce. Furthermore, we will provide support for networking and exposure opportunities so that diverse candidates may have access to professional networks, thereby increasing their visibility in the job market. We encourage employers to create inclusive recruiting strategies that consider diverse needs or alternative pathways to jobs, such as non-traditional educational backgrounds or work experiences. By creating partnerships with local stakeholders, we aim to ensure that these opportunities are accessible to all, irrespective of their background or experience level.

2.8.2. Text Box: *Describe the information that will be required of prospective subgrantees to demonstrate a plan for ensuring that the project workforce (including contractors and subcontractors) will be an appropriately skilled and credentialed workforce. These plans should include the following:*

- a. The ways in which the prospective subgrantee will ensure the use of an appropriately skilled workforce, e.g., through Registered Apprenticeships or other joint labor-management training programs that serve all workers;*
- b. The steps that will be taken to ensure that all members of the project workforce will have appropriate credentials, e.g., appropriate and relevant pre-existing occupational training, certification, and licensure;*
- c. Whether the workforce is unionized;*
- d. Whether the workforce will be directly employed or whether work will be performed by a subcontracted workforce; and*

- e. *The entities that the proposed subgrantee plans to contract and subcontract with in carrying out the proposed work.*

If the project workforce or any subgrantee's, contractor's, or subcontractor's workforce is not unionized, the subgrantee must also provide with respect to the non-union workforce:

- a. *The job titles and size of the workforce (FTE positions, including for contractors and subcontractors) required to carry out the proposed work over the course of the project and the entity that will employ each portion of the workforce;*
- b. *For each job title required to carry out the proposed work (including contractors and subcontractors), a description of:*
 - i. *Safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training as relevant depending on title and work), including whether there is a robust in-house training program with established requirements tied to certifications, titles; and*
 - ii. *Information on the professional certifications and/or in-house training in place to ensure that deployment is done at a high standard.*

To ensure the successful implementation of our projects to the highest standards, the BPD requests the following information from potential subgrantees:

- a. **Workforce Skill Assurance:** Please provide details on how you plan to ensure that your workforce possesses the necessary skills for the project. This may involve the use of Registered Apprenticeships, joint labor-management training programs, or other initiatives aimed at enhancing the skills and capabilities of all workers.
- b. **Credential Verification:** Please outline the measures you will take to confirm that all members of your project workforce hold the necessary credentials. This could involve verifying prior occupational training, certification, or licensure relevant to the project.
- c. **Union Status:** Please indicate whether your workforce is unionized. This information is crucial for understanding labor relationships and potential impacts on project timelines or negotiations.
- d. **Employment Structure:** Please specify whether your workforce will be directly employed or if the work will be carried out by a subcontracted workforce. Understanding the structure of your workforce helps us anticipate potential project management complexities.
- e. **Contractual Entities:** Please list the entities you plan to contract and subcontract with in executing the proposed work. This is vital in understanding your project's ecosystem and for due diligence purposes.

Furthermore, if your project workforce or any subgrantee, contractor, or subcontractor's workforce is not unionized, we require additional information about the non-union workforce:

- a. **Job Titles and Workforce Size:** Please provide details on the job titles and size of the workforce required for the proposed work over the duration of the project (including contractors and subcontractors). Also specify which entity will employ each segment of the workforce.
- b. **Job Description:** For every job title required for the proposed work (including contractors and subcontractors), please provide:
 - i. **Safety Training Requirements:** Describe any safety training, certification, and/or licensure requirements (e.g., OSHA 10, OSHA 30, confined space, traffic control, etc.). Also indicate whether you have a comprehensive in-house training program with established requirements tied to certifications and titles.
 - ii. **Professional Certifications and Training:** Provide information on any professional certifications and/or in-house training procedures in place to ensure that deployment is executed to a high standard.

2.9 Minority Business Enterprises (MBEs)/ Women's Business Enterprises (WBEs)/ Labor Surplus Firms Inclusion (Requirement 13)

2.9.1. Text Box: *Describe the process, strategy, and the data tracking method(s) the Eligible Entity will implement to ensure that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are recruited, used, and retained when possible.*

BPD is dedicated to ensuring that minority businesses, women-owned business enterprises (WBEs), and labor surplus area firms are actively recruited, utilized, and retained when possible. We are steadfastly committed to promoting diversity and inclusion in all aspects of our operations, including procurement and contracting processes. Our strategy comprises multiple facets to ensure the inclusion of Minority Business Enterprises (MBEs), Women's Business Enterprises (WBEs), and Labor Surplus Firms. Our approach will include:

- **Outreach and Recruitment:** We will proactively seek out MBEs, WBEs, and Labor Surplus Firms for potential opportunities within BPD. This effort will involve attending trade shows, conducting information sessions, and forging partnerships with local chambers of commerce and other business organizations to identify potential collaborators. We will also consult with local agencies and associations such as the SBA's Small Business Development Center to create a comprehensive inventory of business contacts, outreach needs, technical assistance, and guidance.
- **Vendor Education:** We offer resources to assist these firms in comprehending how to conduct business with BPD. These resources encompass workshops on the bidding process, contract management, and other pertinent topics. Resources will also be available on our website for potential subgrantees to

facilitate their understanding of how to engage with our organization.

- **Contracting Policies:** We will establish policies that promote the use of MBEs, WBEs, and Labor Surplus Firms whenever feasible. This may include integrating diversity goals into our larger subgrant applications and shaping scopes of work to make it feasible for smaller firms to successfully apply. We will ensure our commitment aligns with federal guidelines, including 2 C.F.R. §200.32115, and any appropriate local policies.
- **Data Tracking and Evaluation:** To ensure the success of our efforts, BPD will monitor our progress in engaging MBEs, WBEs, and Labor Surplus Firms. BPD will collect data on the number of subgrants awarded to these businesses, the financial value of these contracts, and the overall percentage of our procurement spending allocated to these firms. This data will be regularly evaluated to pinpoint areas for improvement.
- **Fair Labor Practices:** During the application review process, BPD includes evaluation criteria for fair labor practices. Priority will be given to projects based on a prospective subgrantee's demonstrated record of and plans to comply with federal labor and employment laws. New entrants without a record of labor compliance may mitigate this by making specific commitments to strong labor standards and protections for BEAD-funded projects.

By deploying this comprehensive strategy, BPD is confident in our ability to successfully recruit, utilize, and retain minority businesses, women-owned business enterprises, and labor surplus area firms in our subgrant activities while adhering to federal guidelines and fostering an environment that ensures equal opportunity for contracted work within the broadband deployment initiative.

2.9.2. Check Box: *Certify that the Eligible Entity will take all necessary affirmative steps to ensure minority businesses, women's business enterprises, and labor surplus area firms are used when possible, including the following outlined on pages 88 – 89 of the BEAD NOFO:*

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists;*
- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;*
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;*

- d. *Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;*
- e. *Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and*
- f. *Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.*

Yes, BPD certifies that it will take all necessary affirmative steps to ensure minority businesses, women's business enterprises, and labor surplus area firms are used when possible, including the following outlined on pages 88 – 89 of the BEAD NOFO:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- f. Requiring subgrantees to take the affirmative steps listed above as it relates to subcontractors.

2.10 Cost and Barrier Reduction (Requirement 14)

2.10.1. Text Box: *Identify steps that the Eligible Entity has taken or will take to reduce costs and barriers to deployment. Responses may include but not be limited to the following:*

- a. *Promoting the use of existing infrastructure;*
- b. *Promoting and adopting dig-once policies;*
- c. *Streamlining permitting processes;*
- d. *Streamlining cost-effective access to poles, conduits, easements; and*
- e. *Streamlining rights of way, including the imposition of reasonable access requirements.*

Current Cost and Barrier Reduction in place in the CNMI:

- **One-Start Permitting Process:** A streamlined permitting process (https://www.deq.gov.mp/assets/www-forms/one_start_application_commercial.pdf) aimed at ensuring efficiency and timely review and approval of land-clearing permits. It allows applicants to submit the application at DEQ with all the necessary requirements, such as the site map and land title, and route those copies of the application packet to other regulatory agencies for review. Once completed, DEQ then issues the permit with agency conditions that permittees must adhere to. Through the One-Start permit, permittees are assured that all regulatory requirements from CRM, HPO, DFW, DEQ, and their respective federal counterparts have been met, and land clearing may commence. Also included in the One-Start Permitting Process Agreement are the Governor's Cabinet-level department heads including the Secretary of Lands and Natural Resources Sylvian O. Igisomar, Secretary of Community and Cultural Affairs Mary S. Sablan, and the Administrator of the Bureau of Environmental and Coastal Quality (BECQ) Eli C. Cabrera.

Established in May 2023, BPD is committed to reducing costs and barriers to the deployment of broadband infrastructure. In our efforts to strengthen our team and enhance local coordination, we are implementing specific actions to realize our goals:

- **Promoting the Use of Existing Infrastructure** - To avoid unnecessary expenditures, we are identifying and cataloging available infrastructure assets, engaging in dialogue with entities such as the Commonwealth Utilities Corporation (CUC), the Department of Public Works (DPW), and other agencies to chart out a comprehensive utilization plan. Through these partnerships, we aim to establish formal agreements by Q4 2024 for shared use that will maximize existing assets and eliminate the need for new construction.

To prioritize the usage of existing infrastructure, BPD is initiating a multi-faceted approach that includes the following detailed steps:

- **Infrastructure Audit and Asset Mapping** - Conduct a thorough audit of the current infrastructure within our jurisdiction to create a comprehensive database that maps out all existing poles, conduits, and easements. This will include the physical condition, capacity, and location of each asset. By Q1 2024, we aim to have this digital map available for all stakeholders, which will facilitate better planning and utilization.
- **Engaging Stakeholders for Collaborative Use** - Host a series of meetings with infrastructure owners such as utilities, government agencies, and private entities to explore collaborative use agreements. The goal is to establish Memoranda of Understanding (MOUs) by Q2 2024

that outline terms for shared usage, maintenance responsibilities, and cost-sharing models.

- **Developing Standardized Pole Attachment Agreements** - Draft standardized pole attachment agreements that define the technical specifications, safety requirements, and attachment processes. We plan to have these templates vetted by legal experts and ready for use by Q3 2024 to expedite negotiations and approvals for attaching equipment to existing poles.
- **Establishing a One-Stop Shop for Access Requests** - Create an online portal by Q4 2024 where broadband providers can submit requests for pole attachments, conduit use, and easement access. This portal will streamline the application process, provide transparency on status and requirements, and reduce administrative delays.
- **Conduit Sharing Initiatives** - Evaluate existing conduits for spare capacity that can be leased to broadband providers. By Q2 2024, BPD plans to offer a standardized process for conduit sharing, complete with pricing models and an expedited review process that ensures swift access for interested parties.
- **Easement Rights Negotiation** - Identify strategic easements that are essential for expanding broadband coverage and negotiate rights with property owners. We aim to secure pre-arranged easement agreements by Q3 2024 that would allow swift deployment of infrastructure without individual case-by-case negotiations.
- **Pole Upgrade and Make-Ready Work** - Facilitate and co-fund pole upgrade and make-ready work where necessary to ensure poles can support additional attachments. BPD intends to allocate a budget and begin make-ready projects by Q3 2024 to accommodate new entrants in the market without delay.
- **Capacity-Building Workshops** - Offer workshops and training sessions for local government bodies and potential subgrant awardees on best practices for accessing and utilizing existing infrastructure efficiently. The first series of workshops is scheduled for Q3 2023.
- **Policy Development for Long-Term Infrastructure Sharing** - Formulate policies that incentivize the long-term sharing of infrastructure between entities. By Q4 2024, we will introduce incentives such as tax breaks or subsidies for entities that facilitate shared usage of their infrastructure, fostering a culture of collaboration.

These detailed steps demonstrate BPD's commitment to fully leveraging existing infrastructure in a strategic and methodical manner, ensuring that every opportunity for cost-effective deployment is utilized to its fullest potential.

- **Adopting Dig-Once Policies** - BPD is proactively working towards institutionalizing dig-once policies. We have drafted a policy proposal that outlines the procedures for concurrent installations which we will submit to CNMI lawmakers by Q1 2024. Our goal is to have this policy legislated and in effect by Q3 2024, to ensure future construction is efficient and non-disruptive.
- **Further Streamlining Permitting Processes** - We have begun a comprehensive review of the current permitting process and identified key areas for improvement. By Q2 2024, we aim to introduce an integrated online permitting system with dashboards and standardized templates, developed in collaboration with permitting agencies, to expedite reviews and approvals.
- **Streamlining Cost-Effective Access to Poles, Conduits, Easements** - To simplify access to critical infrastructure, BPD is conducting negotiations for bulk-access agreements that leverage economies of scale. We anticipate finalizing these agreements with utility companies and private owners by Q3 2024, ensuring that our subgrant awardees can secure necessary infrastructure access at reduced rates.
- **Simplifying Rights of Way and Imposing Reasonable Access Requirements** BPD is revising current rights of way guidelines to remove ambiguities and streamline the application process. By Q3 2024, we will publish a clear framework outlining reasonable access requirements, designed to speed up the deployment process while balancing the interests of all stakeholders involved.

These targeted measures, complete with timelines for implementation, reflect BPD's strategic approach to reducing operational costs and removing barriers toward efficient broadband deployment.

2.11 Climate Assessment (Requirement 15)

2.11.1. Text Box: *Describe the Eligible Entity's assessment of climate threats and proposed mitigation methods. If an Eligible Entity chooses to reference reports conducted within the past five years to meet this requirement, it may attach this report and must provide a crosswalk narrative, with reference to page numbers, to demonstrate that the report meets the five requirements below. If the report does not specifically address broadband infrastructure, provide additional narrative to address how the report relates to broadband infrastructure. At a minimum, this response must clearly do each of the following, as outlined on pages 62 – 63 of the BEAD NOFO:*

- Identify the geographic areas that should be subject to an initial hazard screening for current and projected future weather and*

climate-related risks and the time scales for performing such screenings;

- b. Characterize which projected weather and climate hazards may be most important to account for and respond to in these areas and over the relevant time horizons;*
- c. Characterize any weather and climate risks to new infrastructure deployed using BEAD Program funds for the 20 years following deployment;*
- d. Identify how the proposed plan will avoid and/or mitigate weather and climate risks identified; and*
- e. Describe plans for periodically repeating this process over the life of the Program to ensure that evolving risks are understood, characterized, and addressed, and that the most up-to-date tools and information resources are utilized.*

The Northern Mariana Islands (CNMI) Broadband Office has undertaken an exhaustive evaluation of potential climate hazards and strategies for their mitigation. This assessment specifically focuses on the forthcoming underground Fiber-to-the-Home (FTTH) network, funded by the BEAD program, targeting the islands of Saipan, Tinian, and Rota.

a. Geographic Conditions and Hazard Evaluations

Located in the Pacific Ocean, the islands of Saipan, Tinian, and Rota in the CNMI are exposed to unique weather and climate-related risks. To account for these risks impacting the FTTH network, the regions will be subjected to bi-annual hazard screenings. These screenings will consider both current and future risk factors.

b. Anticipated Weather and Climate Threats

The predominant hazards forecasted for these islands include typhoons and a rise in sea level. Such conditions may lead to increased soil saturation and potential flooding, posing challenges to the stability of our underground infrastructure.

c. Risks to Emerging Infrastructure

The BEAD program's funding will facilitate the development of an underground FTTH network in Saipan, Tinian, and Rota. However, this infrastructure faces possible threats from soil erosion and saturation due to extreme weather conditions. Over the following two decades, these elements could interrupt service or inflict physical damage to the infrastructure.

d. Mitigation Strategies

The FTTH network will be installed underground to naturally defend against the high wind speeds associated with typhoons. Additionally, we'll employ moisture-resistant materials and protective casings for the fiber cables to lessen the effects of soil saturation. Regularly scheduled maintenance checks will also be utilized to ensure sustained resilience against these risks.

e. Periodic Reassessment

A reassessment of our strategies and potential risks is scheduled every five years. By leveraging the most up-to-date tools and information resources available, we aim to maintain the robustness of our underground FTTH network against evolving climate conditions throughout the BEAD program's lifespan.

In addition to these strategies, the climate assessments for the Northern islands of the CNMI will also consider concerns regarding potential satellite network deployment. This added layer of precaution will ensure that all possible communication infrastructure options remain viable and resilient against the changing climate conditions.

2.11.1.1. *Optional Attachment:* *As an optional attachment, submit any relevant reports conducted within the past five years that may be relevant for this requirement and will be referenced in the text narrative above.*

No Attachments

2.12 **Low-Cost Broadband Service Option (Requirement 16)**

2.12.1. *Text Box:* *Describe the low-cost broadband service option(s) that must be offered by subgrantees as selected by the Eligible Entity, including why the outlined option(s) best services the needs of residents within the Eligible Entity's jurisdiction. At a minimum, this response must include a definition of low-cost broadband service option that clearly addresses the following, as outlined on page 67 of the BEAD NOFO:*

- a. All recurring charges to the subscriber, as well as any non-recurring costs or fees to the subscriber (e.g., service initiation costs);*
- b. The plan's basic service characteristics (download and upload speeds, latency, any limits on usage or availability, and any material network management practices);*
- c. Whether a subscriber may use any Affordable Connectivity Benefit subsidy toward the plan's rate; and*
- d. Any provisions regarding the subscriber's ability to upgrade to any new low-cost service plans offering more advantageous technical specifications*

The challenges of affordability and accessibility are paramount for bridging the digital divide in the CNMI. Many households in the CNMI are unable to afford or access high-speed internet. This hinders their participation in essential aspects of daily life, such as

education, business, healthcare, and government services. The cost of providing broadband service to CNMI residents is significantly greater than most places in the USA, primarily due to the geographical challenges that add substantially to the costs. Other factors unique to CNMI that affect Internet Service Providers (ISPs) include limited economies of scale, higher costs for importing necessary infrastructure materials, extended shipping times, and vulnerability to natural disasters, all of which can translate to increased pricing for broadband consumers.

To address these issues, CNMI is committed to ensuring that BEAD-funded broadband networks offer services that are financially accessible for all residents. The CNMI is dedicated to developing solutions that not only bridge the digital divide but also ensure the affordability of broadband services despite the higher operational costs associated with this region. A critical component of this strategy is the implementation of a low-cost broadband service option as mandated by the BEAD Notice of Funding Opportunity (NOFO).

Broadband service at or above 100/20 Mbps is not and has never been available in the CNMI. To arrive at what we believe to be a realistically affordable price range for this level of service on a future BEAD funded network we evaluated current package offerings and had thorough discussions with the existing ISPs in the CNMI and the region.

While prioritizing affordability, CNMI is also cognizant of the importance of maintaining the financial sustainability of BEAD-funded projects. Ensuring that low-cost service options do not undermine the revenue models and long-term viability of these projects is crucial. Given the unique challenges faced by ISPs in CNMI, there is a recognition of the need for flexibility in setting affordable rates. This flexibility is vital to avoid discouraging provider participation and to ensure the broadest reach in the deployment of broadband infrastructure, thus effectively addressing both accessibility and affordability for CNMI residents.

The proposed service option is as follows:

1. The proposed broadband service option:
 - a. Costs \$30 per month or less, inclusive of all taxes, fees, and charges. Modifications to offered rate to between \$30 up to \$75 per month or less, inclusive of all taxes, fees, and charges may be granted based on evidence supporting the newly proposed rate:
 - i. Per-subscriber costs in an area indicating that the target effective rate above would be financially unsustainable; and/or
 - ii. 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.

If a modification request is granted, the new modified level shall remain the maximum Not to Exceed offered rate for the provider for the duration of the federal interest.

- b. Allows the end user to apply the Affordable Connectivity Program (ACP) subsidy to the service price. Should ACP end the service price point established above in section (a) will still be maintained.
 - c. Provides download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps
 - d. Provides latency measurements of no more than 100 milliseconds;
 - e. Is not subject to data caps, surcharges, installation or other non-recurring fees, or usage-based throttling, and is subject only to the same acceptable use policies to which subscribers to all other broadband internet access service plans offered to home subscribers by the participating subgrantee must adhere;
 - f. In the event the provider later offers a low-cost plan with higher speeds downstream and/or upstream, permits Eligible Subscribers that are subscribed to a low-cost broadband service option to upgrade to the new low-cost offering at no cost.
2. Subgrantees are required to participate in the Affordable Connectivity Program or any successor program, and Eligible Subscribers who are eligible for a broadband service subsidy can apply the subsidy to the proposed service option.

To balance affordability with financial viability, CNMI will offer a range for the low-cost service option. BPD's proposed low-cost service option is for a rate based on a range between \$30 - \$75 per month, with flexibility to ensure financial viability and widespread participation in the BEAD program via modification requests based on concrete evidence. Providers will have the opportunity to request modifications to their offered rates between the established baseline and an upper limit, based on concrete evidence of financial sustainability concerns. Such flexibility ensures that the low-cost service option remains a means to achieve universal access without deterring provider participation or compromising the financial health of broadband deployment projects.

The BPD set the \$75 per month cap based on the existing subscription packages provided by providers and their associated prices. Since 100/20 Mbps plans are not currently available, considering the capital expenses that BEAD funds will alleviate, the BPD believes that a price range of \$30 to \$75 should be achievable.

In summary, CNMI's approach to implementing a low-cost broadband service option reflects a commitment to affordability while also considering the financial sustainability of broadband infrastructure investments. This methodology is informed by Louisiana's successful model and tailored to address CNMI's unique circumstances.

2.12.2. *Check Box: Yes, BPD will require all subgrantees to participate in the Affordable Connectivity Program or any successor program?*

Yes, all BPD subgrantees must participate in the Affordable Connectivity Program, or any successor program, for the lifespan of the BEAD funded network.

2.13 Middle-Class Affordability Plans

2.13.1. Text Box: *Describe a middle-class affordability plan that details how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices. This response must clearly provide a reasonable explanation of how high-quality broadband services will be made available to all middle-class families in the BEAD-funded network's service area at reasonable prices.*

The affordability of broadband services from BEAD-funded networks for middle-class households is a priority for the BPD. The affordability of internet service plans for middle class households is addressed by the following program elements:

- **BEAD Proposal Scoring Criteria**

The Office's primary means of ensuring affordability for the middle class is the weight of affordability in the scoring criteria established in this proposal. Affordability will comprise 20% of the scoring criteria the Office will use to evaluate proposals to serve a location under the BEAD program. In addition to these requirements, the BPD adopts the following recommendations and requirements below to promote affordability for the middle class.

- **Low-Cost Service Option**

Providers participating in the BEAD program are required to offer to eligible customers the Low-Cost Service Option defined in this Proposal. Broadband service providers are encouraged to ensure that broadband services offered to prospective customers in the BEAD-awarded area are affordable and reasonably accessible to middle class households.

- **Shift Drop Costs**

Subgrant participation rules will make clear that drops and network equipment are eligible BEAD costs and should be built into subgrant proposals to avoid inflated subscriber prices. Subgrantees will not be allowed to shift drop and installation costs to the consumer on a BEAD-funded project

2.14 Use of 20 Percent of Funding (Requirement 17)

2.14.1. Text Box: *Describe the Eligible Entity's planned use of any funds being requested, which must address the following:*

- a. If the Eligible Entity does not wish to request funds during the Initial Proposal round, it must indicate no funding requested and provide the rationale for not requesting funds.*

- b. If the Eligible Entity is requesting less than or equal to 20 percent of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use upon approval of the Initial Proposal, the intended use of funds, and how the proposed use of funds achieves the statutory objective of serving all unserved / underserved locations.*
- c. If the Eligible Entity is requesting more than 20 percent (up to 100 percent) of funding allocation during the Initial Proposal round, it must detail the amount of funding requested for use upon approval of the Initial Proposal, the intended use of funds, how the proposed use of funds achieves the statutory objective of serving all unserved / underserved locations, and provide rationale for requesting funds greater than 20 percent of the funding allocation.*

BPD is submitting this BEAD Program Initial Proposal Funding Request to aid our commitment to enhance equitable and universal broadband access and adoption across our service area. This initiative will unfold in partnership with local stakeholders, leveraging insights from our ongoing endeavors outlined in the BEAD Five-Year Action Plan and CNMI Digital Equity 5-Year Plan. To address the imperative need highlighted by the fact that all Broadband Serviceable Locations and Community Anchor Institutions in the CNMI are currently unserved, we are prepared to expedite the deployment of our network infrastructure.

BPD is requesting that 100% of funds available under the BEAD program be obligated to the CNMI. This request is made to reinforce CNMI's promotion of a robust, fair, and competitive Subgrantee Selection Process by instilling industry confidence in the full obligation and future availability of funds.

BPD is requesting that up to 20% of these funds be allocated prior to the Final Proposal for these eligible activities which are integral to our strategy:

- **Administrative Costs (direct/indirect):** These encompass expenditures related to everyday operations by grant recipients or subrecipients that are not specifically associated with a distinct programmatic goal or task. Funding designated for administrative costs is authorized for use before finalizing the challenge and subgrantee selection procedures. These costs include both Admin Subject to the 2% Cap and Admin Not Subject to the 2% Cap.
- **Programmatic Costs:** These are expenditures directly connected to the execution of specific projects, services, or activities by a grantee, aimed at achieving the objectives set by the funding program. Funding for such programmatic costs can also be accessed before the completion of the challenge and subgrantee selection processes.
 - **Challenge and Subgrantee Selection Process Funding:** This category may cover personnel expenses for roles such as a digital equity specialist,

who allocates a certain number of hours to facilitate the subgrantee selection process through a digital equity perspective; contractors engaged for these purposes; technological expenses (including website services to manage these processes); and communication or promotion expenses specifically earmarked for these activities. Funding for these programmatic costs is permitted for use before finalizing the challenge and subgrantee selection procedures.

- **Last-Mile Broadband Deployment Projects:** Funding in this area includes any eligible costs as defined in Section IV.B.7.a.ii and consistent with Section IV.B.8 of the BEAD NOFO. Programmatic cost funding here is likewise available before completing the challenge and subgrantee selection processes. Primary intended use of funds will be 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, as stated in the BEAD NOFO.
- **Non-Deployment Project Funding:** This encompasses any eligible costs as outlined in Section IV.B.7.a.iii and conforming to Section IV.B.8 of the BEAD NOFO. Contrary to other programmatic costs, funding in this category can be allocated following the challenge and subgrantee selection processes.

Our local industry, government, and community partners stand ready to initiate the application of these funds. BPD plans to allocate up to 20 percent of its initial funding towards the aforementioned mix of uses.

A detailed Initial Proposal Funding Request lays out the budgeted amounts anticipated to be needed after Initial Proposal approval and prior to Final Proposal approval and those needed after final proposal approval. Here is a more detailed breakdown of the anticipated funding items:

- **Funds to be used, directly or indirectly, for the administration of the grant**

BPD intends to use funds as part of the Initial Proposal Funding Request for the administration of the grant; specifically, to operationalize and increase efficiency of the State Broadband Office. The below costs do not overlap with those funds requested during the Initial Planning stage; however, they may represent a continuation of those costs vital to the administration of our State Broadband Office. These funds include Personnel, Professional Services, Travel, Office Supplies, and allowable Indirect Costs related to administration of the BEAD program.

- **Funds to be used for administrative purposes, other than the administration of the grant**

BPD intends to use funds as part of the Initial Proposal Funding Request for allowable administrative purposes, other than direct administration of the grant. These administrative purposes would deal with the challenge process and sub-grant process as well as other aspects not directly related to administering the grant itself. These uses will involve personnel costs, travel, equipment, supplies, and other direct costs. They will also include indirect costs associated with these line items.

- **Funds to be used to implement the Challenge Process and Subgrantee Selection Process**

BPD will hire a contractor to implement the Challenge Process outlined in the Initial Proposal. The intended outcomes of the contract are a successfully run Challenge Process that improves the accuracy of our last-mile broadband deployment projects, ensures that activities funded by the BEAD Program reach the areas that need funding the most, and improves transparency and trust in our initiatives. The work is expected to begin as soon as Volume I is approved and Volume II is submitted, and the results of the Challenge Process are expected to be provided to the Broadband Office within three (3) months of award in order for the Subgrantee Selection Process to begin.

In order to support the successful Challenge Process, BPD will utilize funds through the Initial Proposal Funding Request to facilitate in-person local coordination events in order to increase awareness of the Challenge Process--in line with the proposed Challenge Process in the Initial Proposal--in order to increase participation in the Challenge Process and to ensure public buy-in for the activities funded by the BEAD Program. Funds are also requested to cover travel costs, as needed, related to attending Challenge Process-related local coordination events across the CNMI. These events will take place once Volume I is approved through the end of open period of the Challenge Process.

In order to support the Subgrantee Selection Process, the Broadband Office will fund a Digital Equity Specialist (Digital Equity personnel or a Digital Equity consultant) to support the reviews of applications as part of the BEAD Subgrantee Selection Process. The Digital Equity Specialist will be based in the State Broadband Office and their time will be sought in order to provide timely support to ensure that a digital equity perspective is incorporated effectively in the process. The Digital Equity Specialist is expected to be dedicated on a part-time basis throughout the Subgrantee Selection Process.

- **Eligible uses of funding in connection with last-mile broadband deployment projects, subject to the limitations related to unserved locations and high poverty areas for deployment prior to approval of the Final Proposal as outlined in the NOFO, Section IV.B.8**

BPD is requesting financial support for approved last-mile broadband deployment initiatives, as delineated in Section IV.B.7.a.ii of the BEAD NOFO. To facilitate

the BEAD program's implementation in the CNMI, BPD has recognized the importance of securing funding ahead of time for the deployment aspect. This anticipatory funding is critical for fostering a skilled workforce, including training in network engineering, fiber optic termination, and trenching, among other specialized skills. The aim is to maximize local employment opportunities generated by the BEAD program.

These expenditures will go towards creating and enacting training programs essential for workforce enhancement in the telecommunications sector. These programs will cover a broad spectrum of skills, from trenching and GIS mapping to fiber optic splicing. The funds are earmarked for advancing workforce development through avenues such as registered apprenticeship programs, pre-apprenticeship initiatives, and targeted training at community colleges or vocational institutions. The objective is to cultivate a talent pool equipped to support the rollout, ongoing upkeep, and progressive enhancements of networks financed by BEAD. The execution of these deployment projects will be managed by yet-to-be-identified subgrantees.

- **Eligible non-deployment uses, subject to the requirement of a plan to ensure deployment sufficient to serve all unserved and underserved areas as outlined in the NOFO, Section IV.B.8**

At the time of the Initial Proposal Funding Request, BPD has also requested funding to carry out non-deployment uses identified in the BEAD NOFO. BPD is in the process of conducting a planning study to determine if BEAD allocated funding is expected to be able to meet all of the unserved and underserved location broadband deployment commitments. If so, BPD expects to allocate a portion of the available funds to address a lack of internet independence, regional redundancy and national security. Funds would be used for costs associated with securing landing or branching spurs from Trans-Pacific Submarine Fiber Optic Cables passing our region in the near future. BPD also expects to allocate remaining funds to conduct activities identified in the CNMI Digital Equity 5-Year Plan. These funds will supplement, but not duplicate or supplant, funding for activities funded in connection with the Digital Equity Act of 2021 or other Federal funds. The details of these projects are to be determined; however, will be specified following the completion of the Challenge Process and the Subgrantee Selection Process. They will be carried out by subgrantees to be determined.

- **Funds to be used upon approval of the Final Proposal**

As noted above, BPD requests that the Assistant Secretary make the total allocation of funds to be obligated at the Initial Proposal stage of the BEAD Program due to promote a robust, fair, and competitive Subgrantee Selection Process by giving industry confidence in the full allocation and availability of funds. BPD has requested up to 20% of the funds be made available upon the approval of the Initial Proposal. BPD proposes that the allocation of the

remaining funds would be contingent upon Final Proposal approval. These funds will cover eligible last-mile broadband deployment projects identified in the BEAD NOFO, Section IV.B.7.a.ii, eligible non-deployment uses identified in the BEAD NOFO, Section IV.B.7.a.iii, and the remaining funds available for the administration of the grant.

2.14.2. Financial Data Entry: *Enter the amount of the Initial Proposal Funding Request. If not requesting Initial Proposal funds, enter '\$0.00.'*

\$79,546,709.02

2.14.3. Check Box: *Certify that the Eligible Entity will adhere to BEAD Program requirements regarding Initial Proposal funds usage. If the Eligible Entity is not requesting funds in the Initial Proposal round and will not submit the Initial Proposal Funding Request, note "Not applicable."*

Yes, BPD will adhere to BEAD Program requirements regarding Initial Proposal funds usage.

2.15 Eligible Entity Regulatory Approach (Requirement 18)

2.15.1. Text Box:

- a. *Disclose whether the Eligible Entity will waive all laws of the Eligible Entity concerning broadband, utility services, or similar subjects, whether they predate or postdate enactment of the Infrastructure Act that either (a) preclude certain public sector providers from participation in the subgrant competition or (b) impose specific requirements on public sector entities, such as limitations on the sources of financing, the required imputation of costs not actually incurred by the public sector entity, or restrictions on the service a public sector entity can offer.*
- b. *If the Eligible Entity will not waive all such laws for BEAD Program project selection purposes, identify those that it will not waive (using the Excel attachment) and their date of enactment and describe how they will be applied in connection with the competition for subgrants. If there are no applicable laws, note such.*

To the best of BPD's knowledge, the CNMI does not have any laws that (a) prevent specific public sector providers from participating in the subgrant competition for BEAD funding, or (b) impose particular requirements on public sector entities, such as restrictions on funding sources, the necessity to impute costs that the public sector entity has not actually incurred, or limitations on the services that a public sector entity can provide.

2.15.1.1. Optional Attachment: *As a required attachment only if the Eligible Entity will not waive laws for BEAD Program project selection purposes, provide a list of*

the laws that the Eligible Entity will not waive for BEAD Program project selection purposes, using the Eligible Entity Regulatory Approach template provided.

Not applicable

2.16 Certification of Compliance with BEAD Requirements (Requirement 19)

2.16.1. Check Box: *Certify the Eligible Entity's intent to comply with all applicable requirements of the BEAD Program, including the reporting requirements.*

Yes, BPD will comply with all applicable requirements and reporting requirements of the BEAD Program.

2.16.2. Text Box: *Describe subgrantee accountability procedures, including how the Eligible Entity will, at a minimum, employ the following practices outlined on page 51 of the BEAD NOFO:*

- a. Distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis (which would allow the Eligible Entity to withhold funds if the subgrantee fails to take the actions the funds are meant to subsidize);*
- b. The inclusion of clawback provisions (i.e., provisions allowing recoupment of funds previously disbursed) in agreements between the Eligible Entity and any subgrantee;*
- c. Timely subgrantee reporting mandates; and*
- d. Robust subgrantee monitoring practices.*

BPD will align with the practices outlined in the BEAD NOFO to ensure accountability of:

- a. Reimbursable Funding Distribution:** BPD sub-grant agreement will contain clauses that include accountability procedures including but not limited to the distribution of funding to subgrantees for, at a minimum, all deployment projects on a reimbursable basis. This system enables BPD to withhold funds if the subgrantee fails to execute the actions for which the funds were intended.
- b. Inclusion of Clawback Provisions:** Our subgrant agreement with all subgrantees will include comprehensive clawback provisions. These provisions not only ensure that subgrantees execute the actions for which the funds were intended but also safeguard the financial integrity of our projects by allowing for the recoupment of funds previously disbursed. These stipulations include, but are not limited to, the following list of remedies:
 - Suspension of performance

- Termination for breach
 - Withholding of payment
 - Denial of payment
 - Recouping grant funds
- c. **Timely Subgrantee Reporting Mandates:** We will enforce strict reporting timelines for all our subgrantees. These mandates will ensure that we receive timely updates on project progress and can promptly address any issues that may arise.

The following required progress reports will include:

- Broadband Monthly Report
 - This report, due every 30 days, provides a summary of the project's status.
- Closeout Report
 - Upon completion of construction, the subgrantee needs to submit this report to confirm that all contractual obligations have been fulfilled.
- Post Conditional Closeout Reports
 - These reports are required at the 6-month and 12-month marks after closeout. They must include the number of subscribers and speed test results.

Subgrantees who fail to meet a reporting deadline will be marked as non-compliant. Until rectification, no remittance requests or other requests will be approved.

Alongside progress reports, the Office of Broadband will monitor projects using compliance reviews to ensure alignment with applicable state and federal guidelines and regulations.

- d. **Robust Subgrantee Monitoring Practices:** Lastly, we will have robust monitoring practices in place for all our subgrantees. This includes regular check-ins, project reviews, and audits to ensure that all activities align with our expectations and standards.

We believe these procedures will ensure high levels of accountability, thereby maintaining the quality and effectiveness of our broadband deployment projects.

2.16.3. Check Box: *Certify that the Eligible Entity will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.*

Yes, BPD will account for and satisfy authorities relating to civil rights and nondiscrimination in the selection of subgrantees.

2.16.4. Check Box: *Certify that the Eligible Entity will ensure subgrantee compliance with the cybersecurity and supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO to require prospective subgrantees to attest that:*

Cybersecurity

- 1) The prospective subgrantee has a cybersecurity risk management plan (the plan) in place that is either: (a) operational, if the prospective subgrantee is providing service prior to the award of the grant; or (b) ready to be operationalized upon providing service, if the prospective subgrantee is not yet providing service prior to the grant award;*
- 2) The plan reflects the latest version of the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity (currently Version 1.1) and the standards and controls set forth in Executive Order 14028 and specifies the security and privacy controls being implemented;*
- 3) The plan will be reevaluated and updated on a periodic basis and as events warrant; and*
- 4) The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days.*

Supply Chain Risk Management (SCRM)

- 1) The prospective subgrantee has a SCRM plan in place that is either: (a) operational, if the prospective subgrantee is already providing service at the time of the grant; or (b) ready to be operationalized, if the prospective subgrantee is not yet providing service at the time of grant award;*
- 2) The plan is based upon the key practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented;*
- 3) The plan will be reevaluated and updated on a periodic basis and as events warrant; and*

- 4) *The plan will be submitted to the Eligible Entity prior to the allocation of funds. If the subgrantee makes any substantive changes to the plan, a new version will be submitted to the Eligible Entity within 30 days. The Eligible Entity must provide a subgrantee's plan to NTIA upon NTIA's request.*

Yes, BPD hereby certifies that it will take all necessary affirmative steps to ensure compliance with the cybersecurity and supply chain risk management requirements on pages 70 - 71 of the BEAD NOFO to require applicants.

2.17 Volume II Public Comment

2.17.1. Text Box: *Describe the public comment period and provide a high-level summary of the comments received during the Volume II public comment period and how they were addressed by the Eligible Entity. The response must demonstrate:*

- a. The public comment period was no less than 30 days; and*
- b. Outreach and engagement activities were conducted to encourage feedback during the public comment period.*

The public comment period for this Volume 2 was initiated on October 31, 2023 and concluded on December 3, 2023 ensuring a duration of no less than 30 days, as required. During this time, the Eligible Entity conducted extensive outreach and engagement activities to encourage and facilitate feedback from the community.

Outreach efforts included public releases in local newspapers, announcements on the BPD website (<https://bpd.cnmi.gov>) and social media platforms, and community meetings held at various times.

A high-level summary of the comments received is as follows:

Entity Type	Subject	Remedy
ISP1	2.1 Typo	Made adjustments
ISP1	2.1 Objectives - Latency Concerns	No effect - Definition of Latency for this specific program has been established in BEAD NOFO. BPD will not contest that definition at this point.
ISP1	2.1 Objectives - PUC	No effect - Additional Information noted and will be addressed in future dialog between BPD and PUC.

ISP1	2.4.1 - Unserved Locations	No effect
ISP1	2.4.1 and 2.4.6 PFAs	Registered the preference for Municipality or Tract for PFA segmentation. BPD will most likely use Tract.
ISP1	2.4.13 Tech Qualifications	No effect - BPD will discuss concerns with NTIA regarding waiver of professional engineer certification and place of the use of internal network engineer.
ISP1	2.12 and 2.13 Low Cost Service Option and Middle Class Affordability Plan	No Effect - Rubric will address Low Cost scoring concern
Judiciary	CAI Listing	Listing updated to include CAI locations
Scholars	Various General BEAD IP Concerns	Concerns Noted
R.S.	Request to prioritize "back-up timing" for BEAD Grant implementation.	Noted. Will discuss with NTIA.
ISP2	Concern with Lack of two stage sub grant process that appears to unfairly favor wireless ISPs.	Made adjustments to clarify BPD subgrants will be restricted to end to end fiber network deployment. Second round only if needed was detailed for other technologies.
ISP2	Scoring Rubric - Ambiguity regarding "Service in the Marianas" scoring.	Noted and changes made to clarify.
TIA	Require Subgrantee certification to SCS 9001	Noted. Will discuss with NTIA.
ISP3	General Concerns Regarding Latency. Request use of MARIXX and concern for need for enhanced middle mile connectivity between CNMI and GUAM	Noted. Will discuss with NTIA.
NTIA	2 rounds of pre-review comments, suggestions and mandated changes.	Amendments made as instructed.

In summary, each category of comment was carefully reviewed, and where applicable, changes were made to address the concerns and suggestions raised by the public. The Eligible Entity remains committed to transparency and inclusivity.

2.17.2. *Optional Attachment:* *As an optional attachment, submit supplemental materials to the Volume II submission and provide references to the relevant requirements. Note that only content submitted via text boxes, certifications, and file uploads in sections aligned to Initial Proposal requirements in the NTIA*

Grants Portal will be reviewed, and supplemental materials submitted here are for reference only.

Not applicable