



Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF BROADBAND
JB Pritzker, Governor



UNIVERSITY OF ILLINOIS SYSTEM

Closing the Digital Divide in Illinois

BEAD Deep-Dive Webinar: Subgrantee Selection Process Overview

October 16, 2024

BEAD Deep Dive Webinar Series:

Context and Goals



Context:

To align with NTIA requirements, BEAD-funded Connect Illinois Round 4 **differs from Connect Illinois Rounds 1-3**

The Illinois Office of Broadband aims to **help all interested applicants get familiar** with these requirements ahead of the subgrantee process



Goals:

Breaking down the BEAD process

- Walk through key elements and requirements of the Connect Illinois Round 4 subgrantee process
- Clarify specific components of the BEAD program requirements ahead of the subgrantee process
- Provide regular updates on Connect Illinois Round 4

Topics for Discussion Today

1

Recap of BEAD and progress to date

2

Subgrantee Selection Process Overview

1

Recap of BEAD and progress to date

BEAD is a \$42B federal grant program that aims to bring high-speed internet to all Americans

\$42.45 billion

Funds provided for BEAD

The Broadband Equity, Access, and Deployment (BEAD) Program is a federal grant program that aims to get all Americans online by funding partnerships between states or territories, communities, and stakeholders to build infrastructure where high-speed internet is currently unavailable

Program highlights

Eligible entities

- All 50 States, District of Columbia, and Puerto Rico
- Other Territories: U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands

Example eligible uses of funds

- Planning for the deployment of high-speed Internet, including conducting research, collecting data, outreach, and training
- Deploying or upgrading Internet in un/underserved areas
- Improving service to community anchor organizations
- Installing Internet and Wi-Fi in multi-unit residential buildings
- Workforce development, including Registered Apprenticeships and pre-apprenticeships, community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades

What are the goals of BEAD?



The BEAD Program awarded Illinois \$1.04 billion to connect all unserved and underserved locations to broadband over the next 5 years



Ensure universal coverage across all un/underserved locations in the state, maximizing deployment of end-to-end fiber, and only using non-fiber where fiber costs are extremely high¹



Prioritize projects providing broadband access to unserved and underserved locations and community anchor institutions, Wi-Fi equipment for Multi-Dwelling Units (MDUs) then other digital equity and inclusion priorities²



Run subgrantee selection process within one year of approval of the Initial Proposal, and complete implementation within four years of receipt of funds³



Focus on improving broadband affordability through a low-cost broadband service option, and a middle-class affordability plan⁴

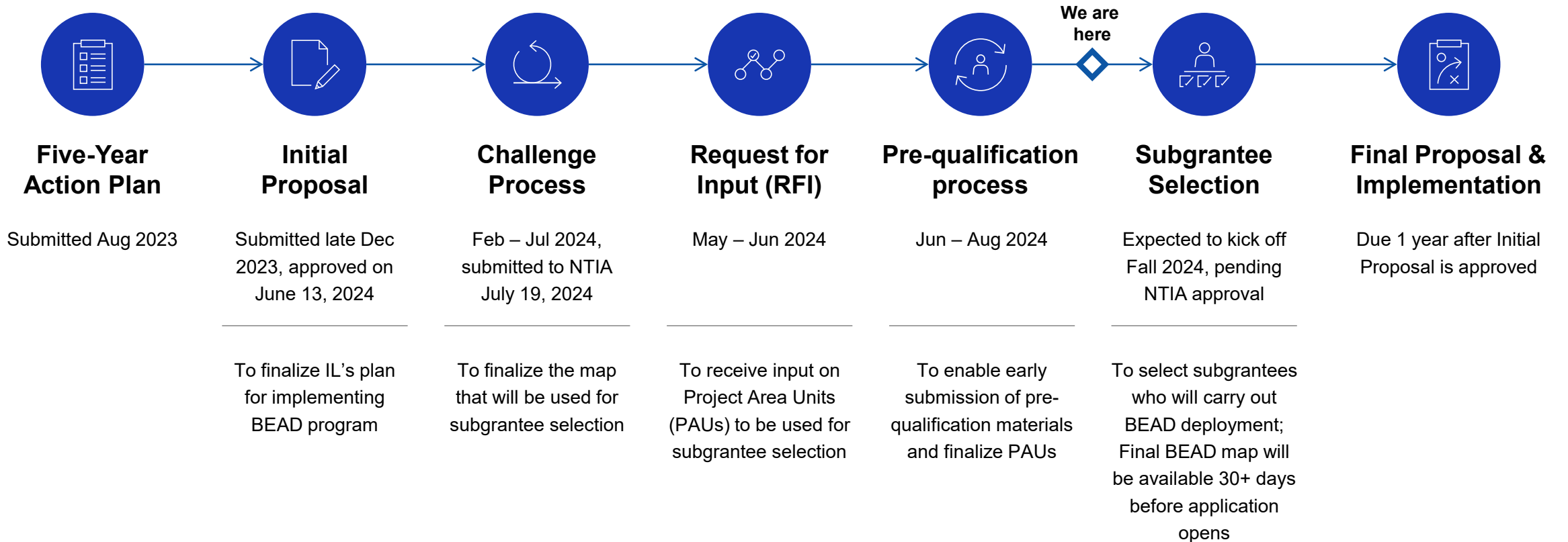
1. Page 14 of BEAD NOFO, on the definition of Priority Broadband Project
2. Page 33 of BEAD NOFO, on the allocation of grant funds
3. Page 65 of BEAD NOFO, on deployment deadlines and benchmarks
4. Page 42-46 of BEAD NOFO, on inclusion of affordability in the BEAD scoring criteria

Source: [BEAD NOFO](#)

Overview of the BEAD-funded Connect Illinois Round 4 timeline

PRELIMINARY TIMELINE - SUBJECT TO CHANGE

INFORMATION PROVIDED ON AN INFORMATIONAL BASIS AND DOES NOT SUPERCEDE ORIGINAL DOCUMENTS



2

Subgrantee Selection Process Overview

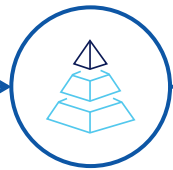
The subgrantee selection process consists of up to three waves, concluding with a final review of all preliminary selections



Wave 1

Focus: hard-to-serve areas

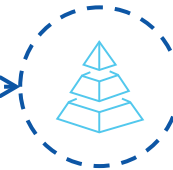
- **End-to-end fiber projects are prioritized** (as required by BEAD)
- **Only the applications including sufficient hard-to serve areas** will be processed
- **Where there are conflicting applications, the higher scoring application will prevail**



Wave 2

Focus: all remaining locations

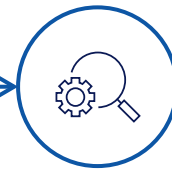
- **The State will determine the cost threshold (EHCPLT)** after the application window closes, above which the State may choose to select non-fiber over fiber projects
- Providers will be asked by the State to **remove Project Area Units (PAUs) overlapping with other higher-scoring applications**



Optional Wave 3

Focus: all remaining locations

- **For remaining unserved or underserved areas**, applicants will have a final opportunity to submit a proposal
- The State will negotiate coverage for remaining unbid locations



Final review

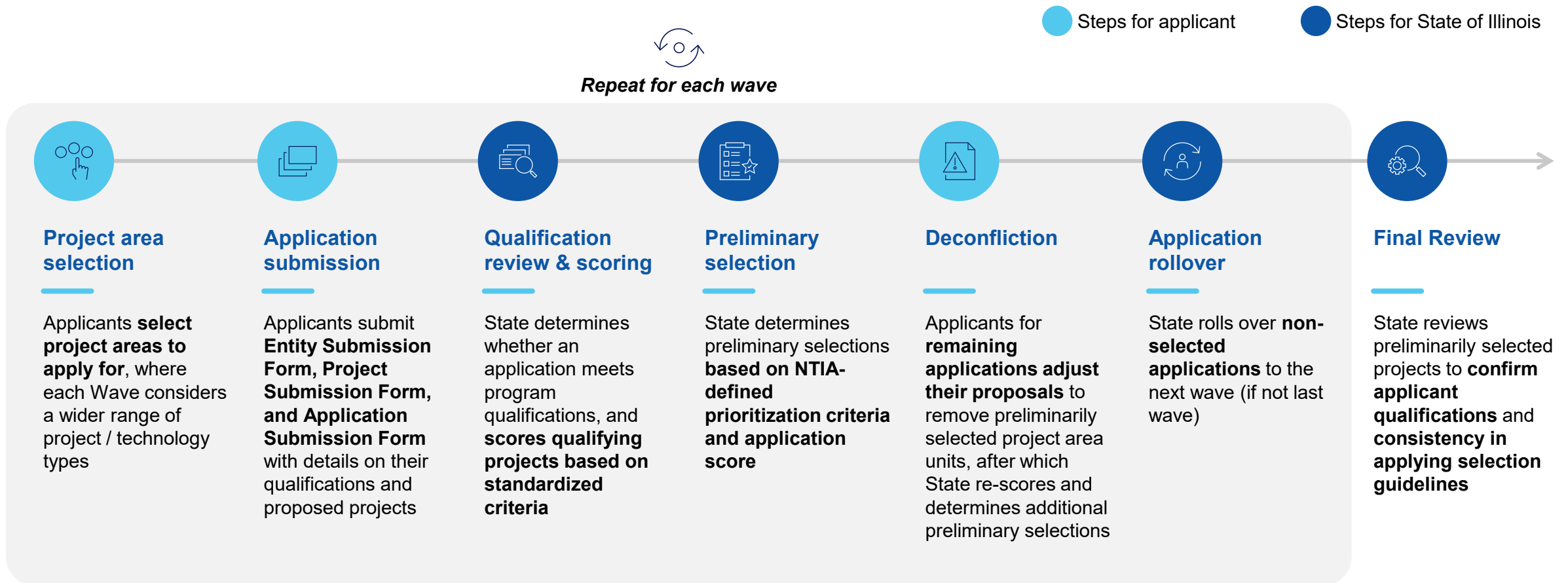
Focus: all preliminary selections

- All preliminarily selected projects will be reviewed to **confirm financial, operational, technical, and managerial capabilities**
- The State will review preliminarily selected projects to check **consistency with prioritization outlined in BEAD Initial Proposal Volume II and BEAD NOFO**

Note: Timeline is subject to NTIA approval of the BEAD Challenge Process results

Source: Connect Illinois Initial Proposal Volume II

Each wave has a series of key steps to determine preliminary selections, and a final review will occur after the completion of the last wave



Deep dives to follow on all phases ►



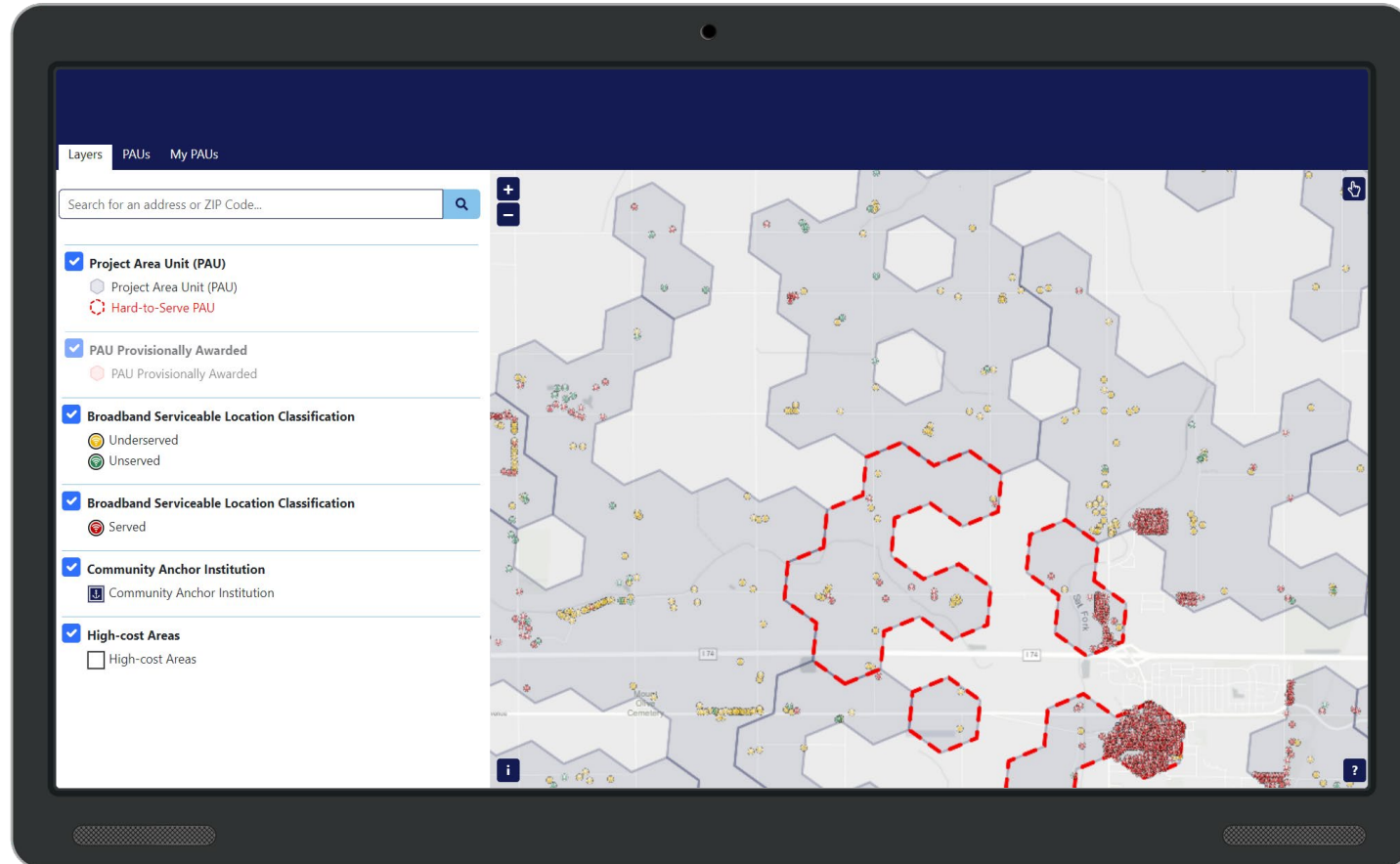
Project Selection: The PAU Selector Tool allows applicants to select and export PAUs for their applications' proposed project areas

ALL DATA, VISUALIZATIONS, AND PROJECT AREA UNIT CHARACTERISTICS PRESENTED ARE ILLUSTRATIVE AND DO NOT REFLECT FINAL ELIGIBLE LOCATIONS AND/OR PROJECT AREA UNITS

Key features of the PAU Selector Tool

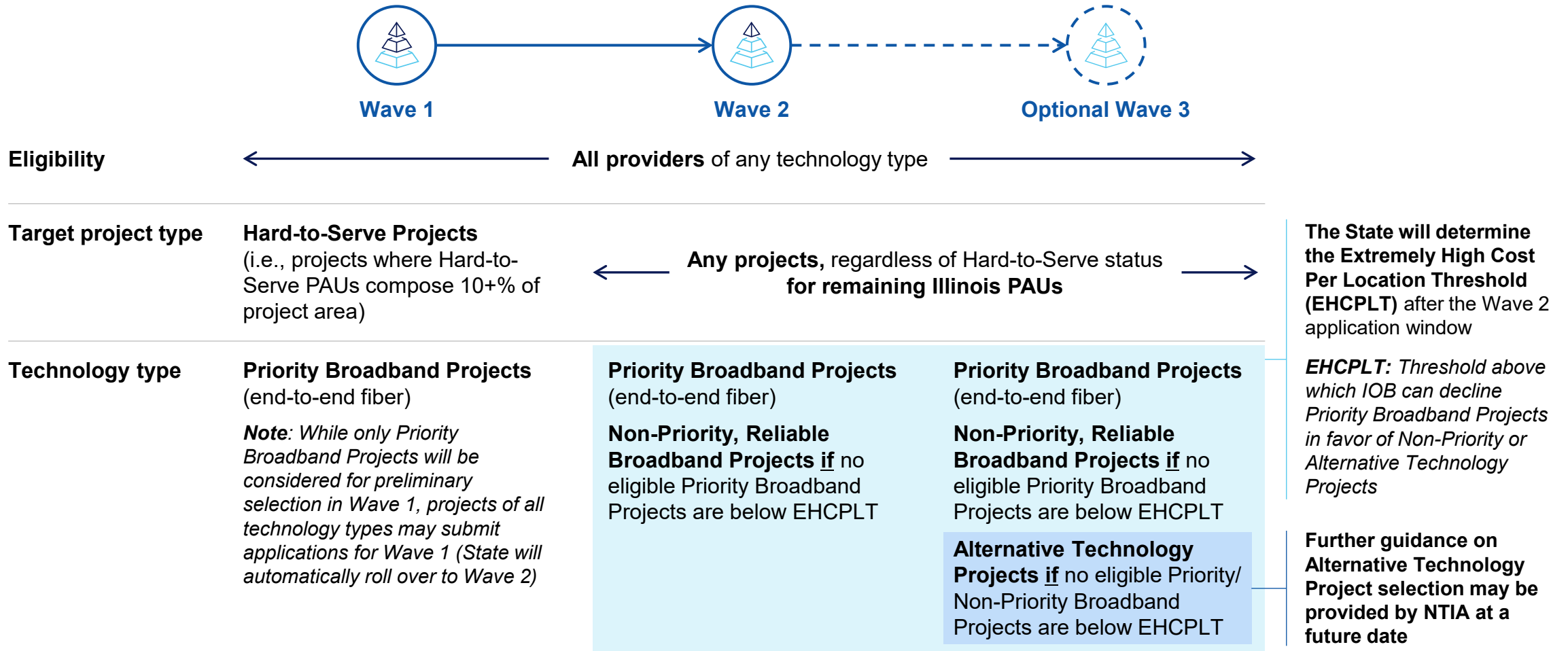
- **Visualization of PAUs and their respective statistics** (e.g., number and location of unserved, underserved, and served BSLs / CAIs)
- Identification of **“High-cost areas,”** where the 25% match requirement will be waived
- Identification of State-defined **Hard-to-serve PAUs**, of which Wave 1 applications must include a designated portion
- **Search functionality** at the address, ZIP code, or other geographic level, augmented by **live navigation** on the map
- **Export** of selected data to State-standardized CSV files

In-depth overview of the PAU Selector Tool available in 10/02 Webinar





Project Selection: Each wave has different criteria for eligible applications for preliminary selection





Application Submission: Applicants must submit three forms to complete an application for Connect Illinois Round 4



Entity Submission Form

Purpose

Ensures entities applying for Connect Illinois Round 4 **meet NTIA BEAD qualification requirements**

Example materials to submit

- Entity-specific qualifications
- IL Conflict of Interest disclosure
- IL Mandatory Disclosures
- W-9 form

Submission frequency

Once per entity, regardless of number of projects to be submitted

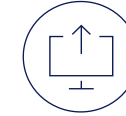


Project Submission Form

Ensures submitted **projects meet NTIA BEAD qualification requirements** and collects materials to be reviewed during the **Merit Review Scoring Process**

- Project-specific qualifications
- Project-specific scoring materials
- IL Project budget template
- IL Uniform Grant Application Form

Once per project



Application Submission Form

Serves as the **official submission of the application** to the State of Illinois, specifying the Entity / Project submissions to be reviewed by the State

- Entity Submission Form ID
- Project Submission Form ID

Once per project

In-depth guidance on each form to be provided at a future date



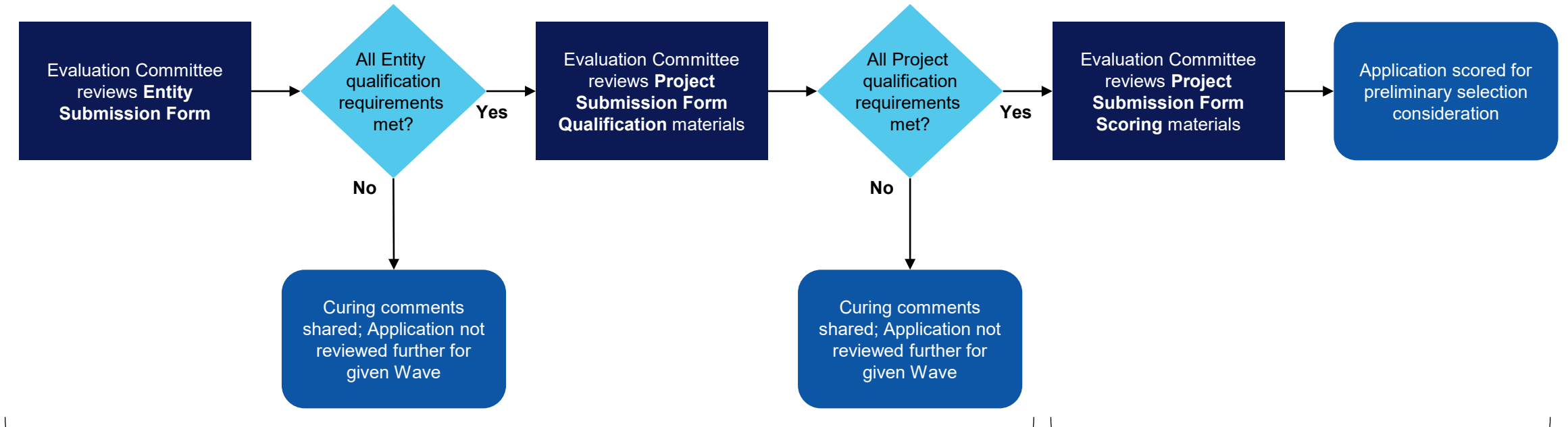
Qualification Review & Scoring: All applicants must pass qualification reviews for their application to be scored



Entity Submission Form



Project Submission Form



A Deep dive on **qualifications** to follow

B Deep dive on **scoring** to follow



A. Qualification Review: Both the Entity Submission Form and Project Submission Form include mandatory qualifications

■ Qualifications included in pre-qualification phase

■ Qualifications not included in pre-qualification phase

Entity application qualifications

A **Financial capabilities**

B **Managerial capabilities**

C **Technical capabilities**

D **Compliance with law**

E **Operational capabilities**

F **Ownership capabilities**

G **Other public funding**

H **Risk management**

J **Regulatory information**

Qualifications approved during the pre-qualification process generally do not need to be resubmitted, but the State reserves the right to re-assess the qualifications, capabilities, and resources of all prospective subgrantees

Project application qualifications

A **Project overview and locations impacted**

B **Technical project-based qualifications**

C **Financial project-based qualifications**

D **Labor project-based qualifications**

E **Environmental, historical, climate-related project-based qualifications**

F **Other project-based qualifications**

Regardless of pre-qualification status, **all applicants must submit project-based qualification materials**

In-depth guidance on each form to be provided at a future date



B. Scoring: Applications meeting qualification requirements will be scored against NTIA-approved criteria

Primary¹

Criteria	How it will be applied	Score Percent
Minimal BEAD Program outlay: non-State match	More points will be assigned to the degree of non-State match over 30%, as a greater non-State match signifies more “skin in the game” and therefore financial risk assumed by the applicant	20%
Minimal BEAD Program outlay: financial need with respect to reference cost	Points will be assigned based on how much the application’s required BEAD outlay deviates from the reference cost published by the State. More points will be assigned to applications with lower BEAD outlay compared to the reference cost	30%
Affordability	Applicants will be scored based on the price they offer for either 1Gbps/1Gbps or 100/20Mbps: 1Gbps/1Gbps for Priority Broadband Projects and 100/20Mbps for other broadband projects	15%
Fair Labor Practices	Applicants will be scored based on their demonstrated record of and plans to be in compliance with federal labor and employment laws, and submission of a Project Labor Agreement	15%

80%

Secondary / additional²

Criteria	How it will be applied	Score Percent
Speed to deployment	Points will be assigned for enforceable deployment plans faster than 48 months	3%
Speed of Network & Technical Capabilities	Points will be assigned based on performance levels and scalability of networks	4%
Open Access	Points will be assigned based on subgrantee’s provision of open access	3%
Local Coordination	Points will be assigned based on the breadth and depth of community support for the project (5%) and financial investment by community members and organizations (5%)	10%

20%

Additional details for each scoring criteria available in the State of Illinois Initial Proposal Volume II

1. I.e., BEAD-stipulated criteria that must collectively account for no less than 75% of total points
2. I.e., Other BEAD-stipulated criteria (Speed to Deployment, Speed of Network and Technical Capability), and additional criteria (Open Access, Local Coordination) that are not required but encouraged per the BEAD NOFO



Preliminary Selection: The BEAD program prioritizes projects based on technology type per NTIA requirements

Degree of prioritization (high to low) per BEAD requirements



Reliable Broadband Service: Priority Broadband Project

End-to-end fiber-optic facilities to each end-user premise



Reliable Broadband Service: Non-Priority, Qualifying broadband

E.g., Cable modem / hybrid fiber-coaxial technology, terrestrial fixed wireless technology using licensed spectrum



Alternative technologies

E.g., Unlicensed Fixed Wireless (ULFW), Low-Earth orbit satellite (LEO)

Key takeaways

BEAD stipulates **Priority Broadband Projects (end-to-end fiber) be prioritized** over non-Priority Broadband Projects for subgrantee selection

Non-Priority, Reliable Broadband Service Projects may be considered if there are no Priority Broadband Project bids below the EHCPLT, or no Priority bids at all in a given area

Alternative technologies similarly may be considered if there are no Priority and non-Priority Reliable Broadband Project bids below the EHCPLT

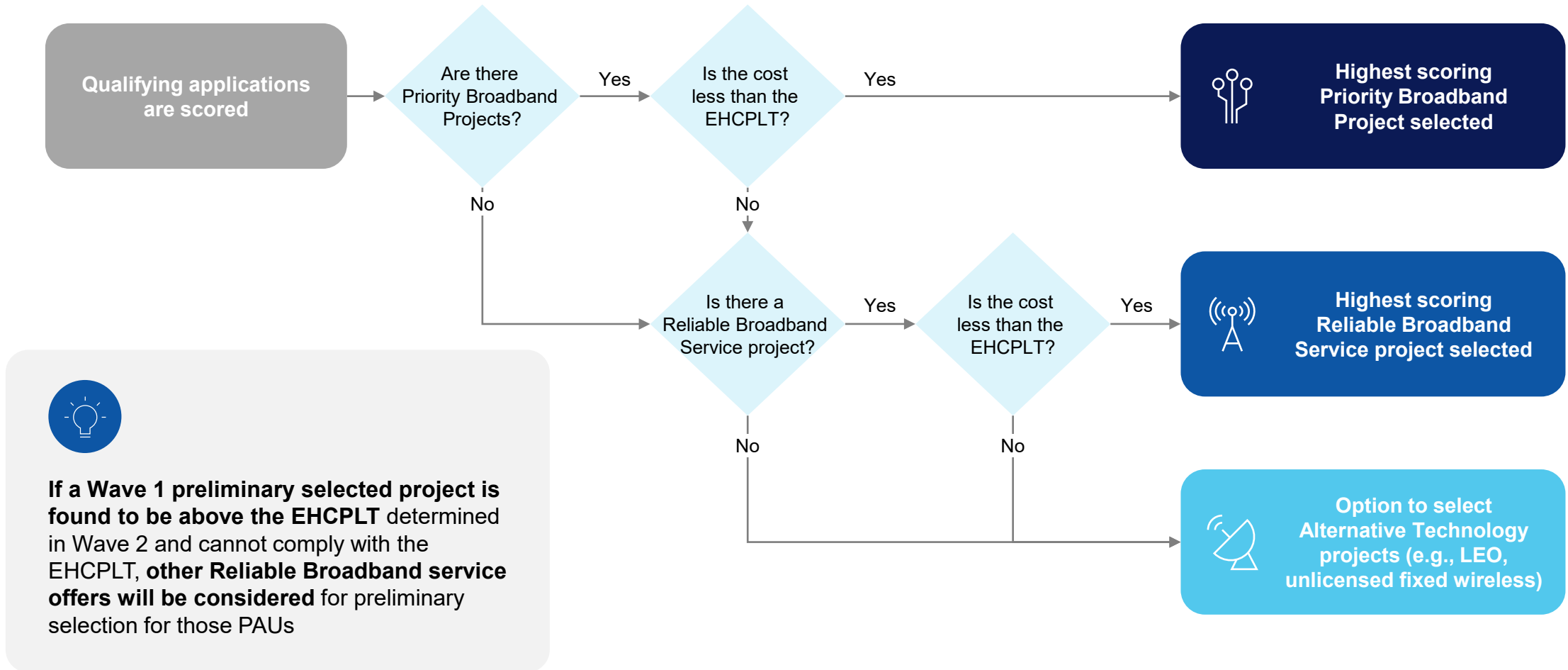
When a PAU receives more than one eligible application, **BEAD stipulates the use of the State's defined competitive scoring process**

Deep dive to follow ►



Preliminary Selection: Per NTIA guidance, applications will be preliminarily selected based on technology, score, and the EHCPLT

Preliminary selection process – *Illustrative*





Deconfliction: The deconfliction process can lead to three potential outcomes for applicants

When does deconfliction occur?

All qualifying applications will be **ranked by score**

Applications that have the **highest score for the given PAU(s) and are above the State’s scoring threshold** will be preliminarily selected

Deconfliction will occur for all remaining applications that overlap with preliminarily selected projects (i.e., those scoring lower than preliminarily selected projects for the same PAU(s))

Resubmitted / remaining applications are **re-scored, re-ranked, and reviewed for preliminary selection**

In-depth guidance to be provided at a future date

Potential scenarios and outcomes of the deconfliction process

	Scenario	Outcome
Option 1.	Overlap with preliminarily selected project on a “must-include” PAU , i.e., a PAU identified by an applicant as necessary for the application to be viable	Applicant is notified which PAU(s) overlap with a preliminarily selected project, and given 10 business days to submit an application among remaining PAUs originally applied for, or withdraw the application from the Wave
Option 2.	No overlap with preliminarily selected project on a “must-include” PAU Overlap with preliminarily selected project on 10+% of applied-for BSLs	
Option 3.	No overlap with preliminarily selected project on a “must-include” PAU Overlap with preliminarily selected project on less than 10% of applied-for BSLs	State directly de-scopes the application using reference cost



Note:

No deconfliction would occur for projects that overlap with projects not preliminarily selected

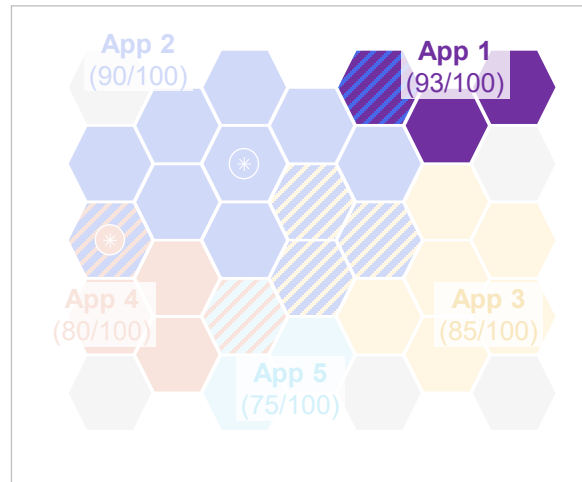


Deconfliction: Illustrative example of deconfliction process

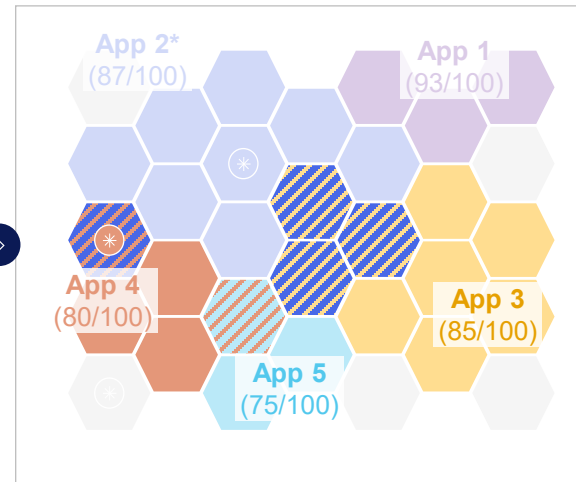
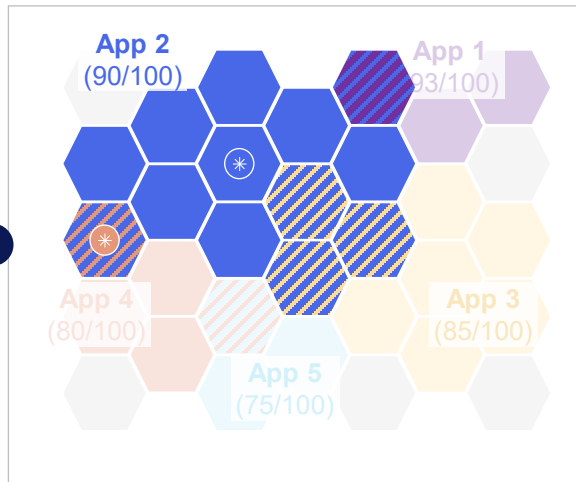
Examples are non-exhaustive and do not demonstrate all possible outcomes

PAU
 Overlapping PAU
 * Must-include PAU

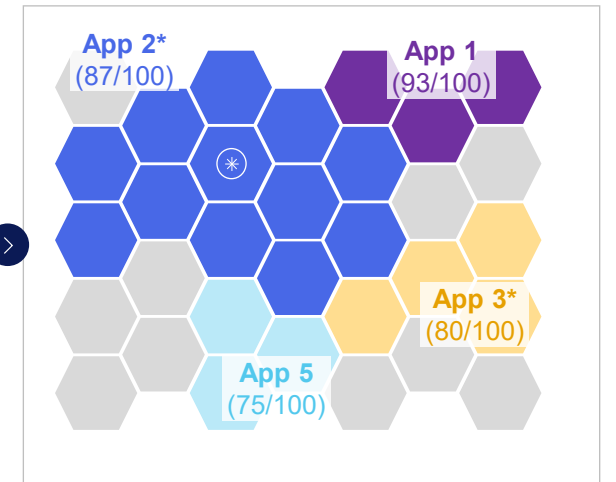
Pre-deconfliction



Deconfliction



Post-deconfliction



■ **App 1 (93/100):**
 Highest score among all apps and highest score for given PAU set – **preliminarily selected**

■ **App 2 (90/100):**
 Next highest score among all apps AND <10% of BSLs overlap with preliminary selection (App 1) – **auto-deconflicted and rescored as 87/100, preliminarily selected**

■ **App 3 (85/100):**
 10+% BSLs overlap with preliminary selection (App 2) – **10 business days to deconflict**

■ **App 4 (80/100):**
 Must-include PAU overlaps with preliminary selection (App 2) – **10 business days to deconflict**

■ **App 5 (75/100):**
 No overlap with preliminary selection (App 1 or 2) – **no action at this stage**

■ **App 3* (80/100):**
 Resubmitted application is rescored (80/100) and is highest score for given PAU set – **preliminarily selected**

■ **App 4:**
 Decides to withdraw application from this Wave and wait for next

■ **App 5 (75/100):**
 No overlap & highest score for given PAU set – **preliminarily selected**

In-depth guidance to be provided at a future date



Application Rollover: Applications not selected in a given wave may automatically roll over to the next wave

Potential application outcomes



- 1 Application is preliminarily selected
- 2 Application is not selected and does not conflict with a preliminary winner
- 3 Application is not selected and conflicts with a preliminary winner
- 4 Application not qualified and thus not scored

Potential applicant actions for next wave



Coordinate with State on any final review as needed

Application automatically rolled over

- Resubmit updated application as desired (e.g., revise BEAD outlay downward, revise match upward)
- Submit new application(s) for additional PAUs if desired

Application **not** automatically rolled over

- Reduce application scope to exclude conflicting PAUs to participate in next Wave
- Submit new application(s) for additional PAUs if desired

Application **not** automatically rolled over

- Address comments in new application for next Wave



Final Review: After all waves conclude, preliminary selections will be reviewed to confirm qualifications and adherence to guidelines

The State will conduct two review processes:

1 Confirmation of applicant and project capabilities

Final confirmation of financial, operational, technical, and managerial qualifications based on full set of awarded PAUs

If concerns remain after engaging with preliminarily selected applicant, State reserves the right to select alternative proposals

2 Confirmation of overall preliminary selection consistency with BEAD criteria

If there is one application that is a Priority Broadband Project that satisfies Connect Illinois Round 4 requirements and is within the EHCPLT, **application will be default winner**

If there are two or more applications that are Priority Broadband Projects that satisfy Connect Illinois Round 4 requirements and are within the EHCPLT, **the standard scoring criteria will apply**

If there is no application that is a Priority Broadband Project that satisfies Connect Illinois Round 4 requirements and is within the EHCPLT, **AND** if Non-Priority Broadband Projects cover the same area, **the standard scoring criteria will apply**

Additional Resources & Helpful Links

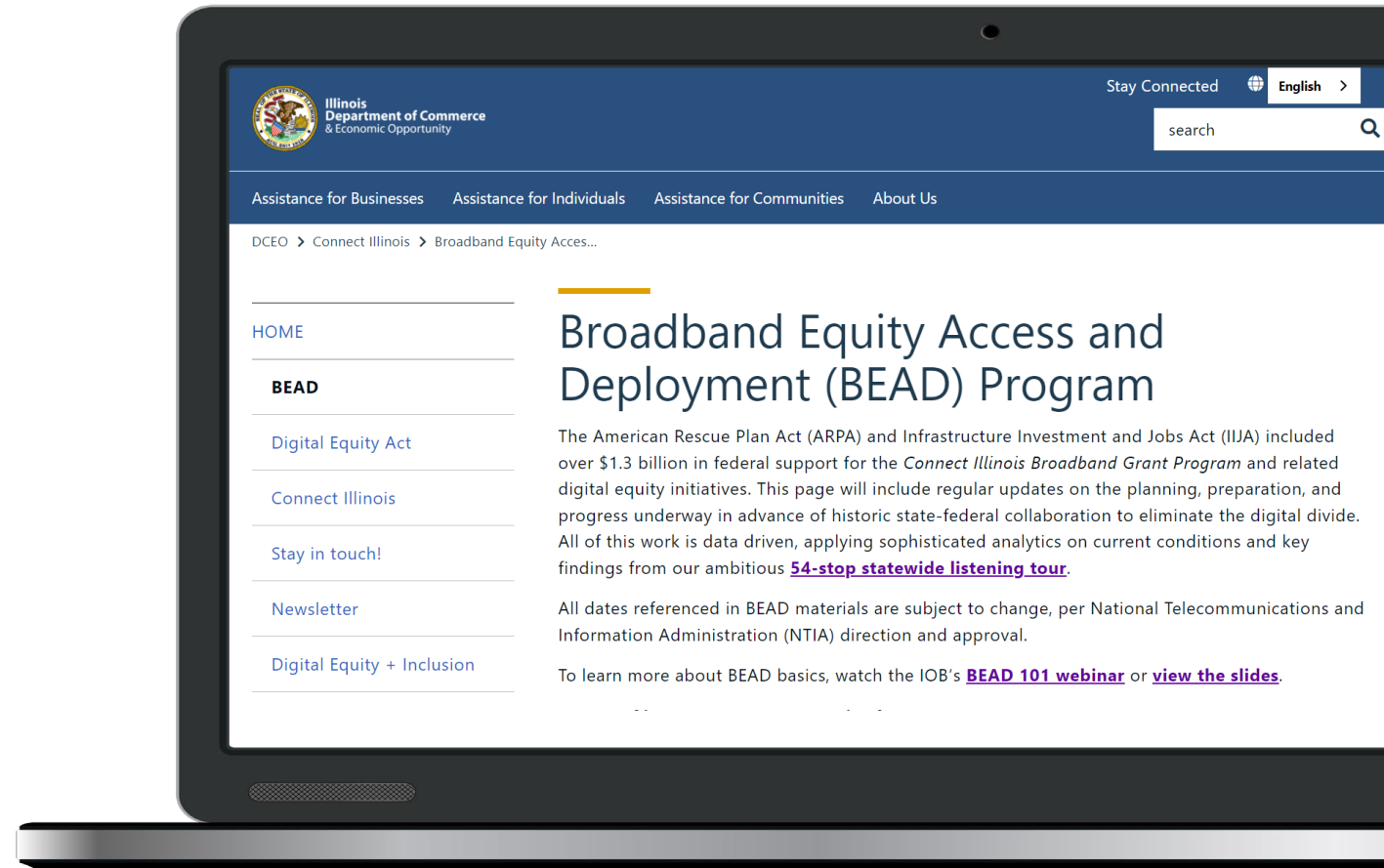
State of Illinois, BEAD Landing Page: [\[Link\]](#)

State of Illinois BEAD Subgrantee Selection Process Page: [\[Link\]](#)

- Includes materials from BEAD Deep Dive Webinar Series and FAQs

Connect Illinois Initial Proposal, Volume II: [\[Link\]](#)

NTIA BEAD NOFO: [\[Link\]](#)





Stay informed!

Next Webinar:

October 23, 12-1PM (every Wednesday)

Topic: Connect Illinois Round 4 NOFO Walkthrough

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<https://bit.ly/IOBPartner>