

September 10, 2024

National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

*Re: Broadband Equity, Access, and Deployment (BEAD) Program: Alternative
Broadband Technology Policy Notice*

USTelecom – The Broadband Association (USTelecom)¹ submits these comments in response to the National Telecommunications and Information Administration (NTIA) Request for Comment concerning “the allocation of BEAD Program funds to projects utilizing an alternative technology that does not meet the BEAD Program’s definition of Reliable Broadband Service, but otherwise satisfies the program’s technical requirements.”²

USTelecom appreciates NTIA’s continued commitment to a “fiber first” strategy for the BEAD program. This approach remains essential to ensuring BEAD dollars are spent on the highest quality, most future proof technology available. As the Notice properly recognizes,³ funding for Alternative Technologies should only be allowed in locations for which there is no economically viable proposal for fiber or other Reliable Broadband Service.⁴ USTelecom supports NTIA’s efforts to ensure that Alternative Technologies can be considered for those locations (but only via the parameters set forth in the Notice) as they may be critical to achieving coverage of all BEAD-eligible locations. NTIA’s final rules for Alternative Technologies will provide an approved solution for States to adopt when confronted with non-viable locations as opposed to wrongfully requiring providers to serve non-viable locations with fiber at their own cost.⁵

¹ USTelecom is the premier trade association representing service providers and suppliers for the communications industry. USTelecom members provide a full array of services, including broadband, voice, data, and video over wireline and wireless networks. Its diverse membership ranges from international publicly traded corporations to local and regional companies and cooperatives, serving consumers and businesses across the country.

² National Telecommunications and Information Administration, *Broadband Equity, Access, and Deployment (BEAD) Program: Alternative Broadband Technology Policy Notice* (Aug. 26, 2024) (Notice).

³ Notice at 4.

⁴ Capitalized terms used herein refer to those in Section 2, “Definitions,” of the Notice.

⁵ See West Virginia BEAD Initial Proposal Volume II at 55 (requiring providers to accept additional locations and provide matching funding for the same at the State’s discretion where no Reliable Broadband Service bids have been received), available at <https://broadband.wv.gov/wp-content/uploads/2024/04/West-Virginia-Initial-Proposal-Volume-2-15Mar2024-Final.pdf>.

Alternative Technologies can only be awarded funding where “the cost to deploy Reliable Broadband Service exceeds the Extremely High Cost Per Location Threshold (EHCPLT) and where the use of an alternative technology would be less expensive.”⁶ Thus, it is crucial that NTIA ensures States do not set their EHCPLT too low so as to avoid the fiber preference and award more funding unnecessarily to Alternative Technologies. This is particularly important given that most States did not propose an EHCPLT in their Initial Proposals, rather opting to take a “wait and see” approach based on BEAD applications received.

Accordingly, we recommend that NTIA require States to publicly disclose the EHCPLT and engage in good faith negotiations with service providers regarding BEAD deployment opportunities before utilizing funding for Alternative Technologies. By doing so, States will more effectively maximize the use of BEAD funding for Priority Broadband Projects and better identify locations that will need Alternative Technologies. Once eligible locations are identified, States should conduct a separate application process for additional solutions, including Alternative Technologies and fiber. By requiring these steps, NTIA can prevent States from setting artificially low EHCPLTs, which would circumvent the clearly articulated fiber preference established in the BEAD Notice of Funding Opportunity.⁷ This approach will also promote an open, transparent, and competitive application process for all funding awards, ensuring that the BEAD program effectively achieves its intended purpose of delivering the most robust, scalable technologies to eligible locations. Furthermore, it allows for fiber providers to see what might be possible and practical and give the States the opportunity to obtain the best overall proposal (which, as NTIA is well aware, is not always simply the cheapest, but one which balances all the factors NTIA has instructed States to consider).

Finally, USTelecom appreciates the rigorous approach that NTIA proposes to determine the technical, operational, and economic bona fides of Alternative Technologies.⁸ However, doing so may take significantly longer than for Reliable Broadband Service. Thus, NTIA should implement a process whereby Priority Broadband Projects can be approved and proceed even if the approval process for Alternative Technologies has not yet been completed.

We must remain laser-focused on ensuring the highest and best use of BEAD dollars, which will be accomplished through deploying fiber to the vast majority of eligible locations. We look forward to a continued dialogue on this important issue with you. Please do not hesitate to let us know if you have any questions or if we can be of assistance.

Respectfully,

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⁶ Notice at 4.

⁷ NTIA, *Notice of Funding Opportunity*, Broadband Equity, Access, and Deployment Program at 36-39 (2022).

⁸ Notice at 10-11.