

The Honorable Alan Davidson
Assistant Secretary of Commerce for Communications and Information
U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

September 10, 2024

Re: Comments of the N.C. Department of Information Technology on
NTIA's "Proposed BEAD Alternative Broadband Technology Guidance"

Dear Assistant Secretary Davidson:

The North Carolina Department of Information Technology (NCDIT) appreciates the opportunity to submit comments in response to the "Proposed BEAD Alternative Broadband Technology Guidance" issued by NTIA on August 26, 2024.¹

NCDIT's concerns about the proposed policy involve the impacts on BEAD Program timing and timelines; costs to be incurred by the state; and lack of clarity on key technical issues in the draft guidance.

Timing and timeline concerns: NTIA has issued this proposed guidance more than two years after the BEAD Program NOFO, and well into the period of time when states are finalizing their Initial Proposal Volume 2 and planning in detail for their subgrantee prequalification processes.

North Carolina and other states already are operating within a challenging timeline to identify solutions for all unserved and underserved locations within one year of Initial Proposal approval; these new policy requirements – which include time-consuming processes to review, vet, and validate existing Alternative Technologies and the companies that operate them – will put significant pressure on the BEAD program timeline. In North Carolina, we are deeply concerned about how new, unforeseen requirements will affect the short timeline for subgrantee selection, which our experience suggests already is insufficient to undertake the enormous effort of delivering a solution for 100 percent of all eligible locations. NCDIT seeks clarification on NTIA's expectations in terms of timing and timelines for NCDIT's BEAD Program requirements with regard to the Initial Proposal Volume 2, subgrantee selection process, and Final Proposal, and we encourage NTIA to consider extending such timelines rather than packing another deliverable within existing timelines.

¹ NTIA, "Proposed BEAD Alternative Broadband Technology Guidance," available at <https://www.ntia.gov/other-publication/2024/proposed-bead-alternative-broadband-technology-guidance> (August 26, 2024).

Cost concerns: The new requirements created by NTIA's proposed policy will translate into new costs for North Carolina and other states. NCDIT has another cost-related concern in terms of the proposed policy's treatment of LEO satellite service monitoring. NTIA's proposed guidance on "Additional Flexibility for Subgrants for Last-Mile LEO Deployments" extended the period of performance for successful LEO applicants to 10 years. As a result, NCDIT will be required to manage LEO subgrants for 10 years, rather than the four-year (or potentially five-year) period for all other BEAD grants. NCDIT seeks clarification on NTIA's expectations for NCDIT's budgeting and operation of its broadband grant management office for that extended period of time. In addition, our office will need to devote resources to conducting engineering analyses and vetting existing Alternative Technology providers and their networks. Given the late date, these new costs clearly have not been included in our BEAD Program budget plans.

NCDIT seeks clarification of NTIA's expectations for how these new costs can and should be reflected in our Initial Proposal Funding Request (IPFR). This is a functional concern, separate and apart from our concern about the impact that redirecting this funding will have on our carefully planned BEAD Program implementation budget. While we recognize the need to comply with NTIA's BEAD Program requirements, we also have high-level concerns that NTIA's proposed policy will force us to revise our budget to use our limited BEAD funds to meet new requirements to the detriment of our previously planned approach.

Technical clarity concerns: NTIA's proposed policy introduces an entirely new requirement for Alternative Technology providers—that they must deliver to each broadband serviceable location (BSL) at least 5 Mbps of capacity or 2 TB of data per month. NCDIT seeks clarification on these technical standards. For example, does the 5 Mbps threshold apply to both upstream and downstream capacity? How should NCDIT measure that capacity? How should NCDIT document its measurement?

Thank you for your consideration of these concerns. We appreciate your efforts to incorporate feedback from states and other stakeholders throughout the ongoing evolution of BEAD program requirements.

Sincerely,



Nathaniel S. Denny
Deputy Secretary for Broadband & Digital Equity
N.C. Department of Information Technology