

# Broadband Initiatives Program Round 1 Summary





# Overview of Round 1 Applications Received

- 1,274 applications received
- \$18 billion in funds requested
- All three pools oversubscribed

<b>Project Type</b>	<b>No. Applications</b>	<b>Total Dollars Requested (Millions)</b>	<b>Funding Pool (Millions)</b>
Last Mile Remote	406	\$3,833.6	\$400
Last Mile Non-Remote	646	\$8,669.5	\$800
Middle Mile	222	\$5,444.3	\$800
Total	1,274	\$17,947.5	\$2,350.0*
* Includes reserve			



# Majority of Round 1 Applications from For-Profit Entities

Entity Type	No. Applications	Total Dollars Requested (Millions)	Percent of Applications	Percent of Dollars
For-Profit Corporation	955	\$11,943.3	75.0%	66.5%
Public Entity	93	\$1,552.6	7.3%	8.7%
Cooperative or Mutual	89	\$1,192.0	7.0%	6.6%
Non-Profit Entity	62	\$1,795.0	4.9%	10.0%
8(a) Firm	51	\$1,075.3	4.0%	6.0%
Indian Tribe	22	\$201.3	1.7%	1.1%
Native Hawaiian organization	1	\$172.6	0.1%	1.0%
Other	1	\$15.5	0.1%	0.1%
<b>Total</b>	<b>1,274</b>	<b>\$17,947.5</b>	<b>100.0%</b>	<b>100.0%</b>



# Round 1 Title II and Small Business Applicants

Title II Borrower?	No. Apps	Total Request (\$ Million)	% Apps	% Dollars
Yes	162	\$3,714.1	12.7%	20.7%

Small Business?	No. Apps	Total Request (\$ Million)	% Apps	% Dollars
Yes	99	\$1,491.3	7.8%	8.3%

\* \$750,000 in revenue or fewer than 500 employees



# Most Round 1 Applicants Submitted Only One Application

No. Applications Submitted by One Applicant	Total No. Applicants	Total No. Applications	Total Dollars Requested (Millions)	Percent of Applications	Percent of Dollars
1	613	613	\$13,522.4	48.1%	75.3%
2	49	98	\$1,755.6	7.7%	9.8%
3	13	39	\$409.1	3.1%	2.3%
4	9	36	\$275.0	2.8%	1.5%
5	7	35	\$503.3	2.7%	2.8%
6	2	12	\$20.1	0.9%	0.1%
8	1	8	\$386.4	0.6%	2.2%
11	2	22	\$158.7	1.7%	0.9%
12	1	12	\$10.5	0.9%	0.1%
14	1	14	\$53.5	1.1%	0.3%
17	1	17	\$50.6	1.3%	0.3%
24	1	24	\$412.1	1.9%	2.3%
33	1	33	\$26.9	2.6%	0.1%
40	1	40	\$58.4	3.1%	0.3%
113	1	113	\$52.6	8.9%	0.3%
158	1	158	\$252.2	12.4%	1.4%
<b>Total</b>	<b>704</b>	<b>1,274</b>	<b>\$17,947.5</b>	<b>100.0%</b>	<b>100.0%</b>



# Overview of Round 1 Review Process

## ➤ Step 1

- Initial review for completeness and eligibility
- Geospatial review
- Detailed financial and engineering review
- Decision: Send to Step 2 or Not?

## ➤ 30-Day Public Comment

## ➤ Step 2

- Second financial and engineering review
- Field validation
- Environmental review
- Decision: Award or Not?



# Step 1 Review Process

- Initial Review for Completeness and Eligibility
  - Application missing key uploads?
  - Grant request > 50% of Total Project Cost?
- Geospatial Review
  - Meet remoteness tests? (Last Mile Remote projects)
  - Meet rurality test?
  - Overlaps
- Detailed Financial and Engineering Review
- Decision: Send to Step 2 or Not



# Public Comments

- Applicant Proposed Funded Service Area Maps Posted
  - Maps delineate unserved and underserved areas
- 30-Day Public Comment Period
  - Allow existing service providers to comment on Applicant-delineated unserved and underserved areas
  - Commenters provide evidence

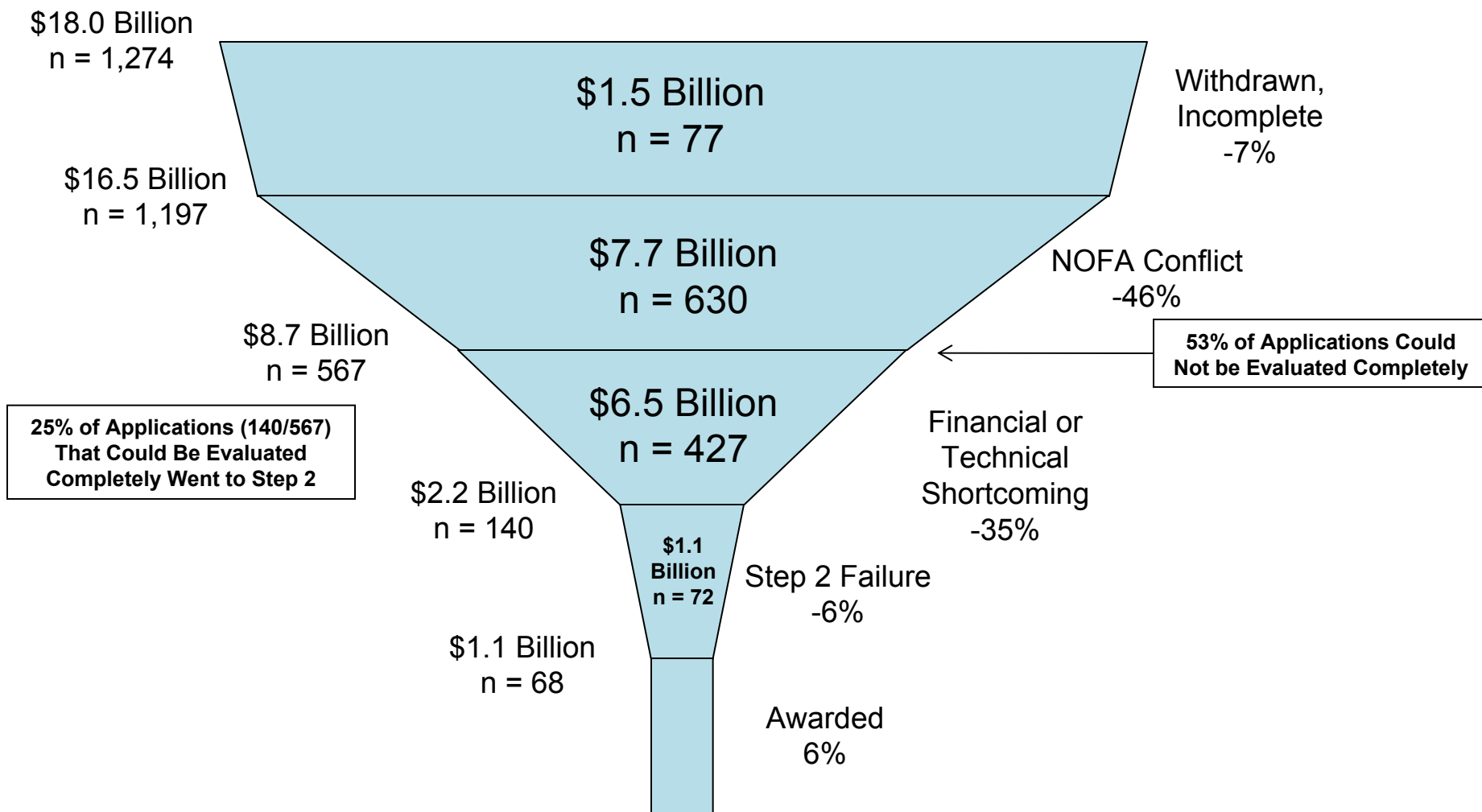


## Step 2 Review Process

- Second Financial and Engineering Review
  - Outstanding questions addressed by Applicant?
- Field Validation
  - Confirm unserved and underserved areas
  - Confirm incumbent provides service noted in comments
- Environmental Review
- Decision: Award or Not
  - Recommendation by RUS
  - Award Announcement



# Round 1 "Funnel"





# Common Issues with Round 1 Applicants

- Last Mile Remote
  - 83% of applications (84% of dollars) failed remoteness test (50+ miles from non-rural area; 90%+ households unserved)
- Middle Mile and Last Mile Non-Remote
  - 34% of applications (30% of dollars) requested more than 50% Grant
- Round 1 Finance/Engineering Review
  - More than 90% of failures were financial
  - Typical financial issues were
    - Incomplete pro forma financial statements
    - Did not meet timely completion requirement
    - Inadequate working capital to be financially sustainable

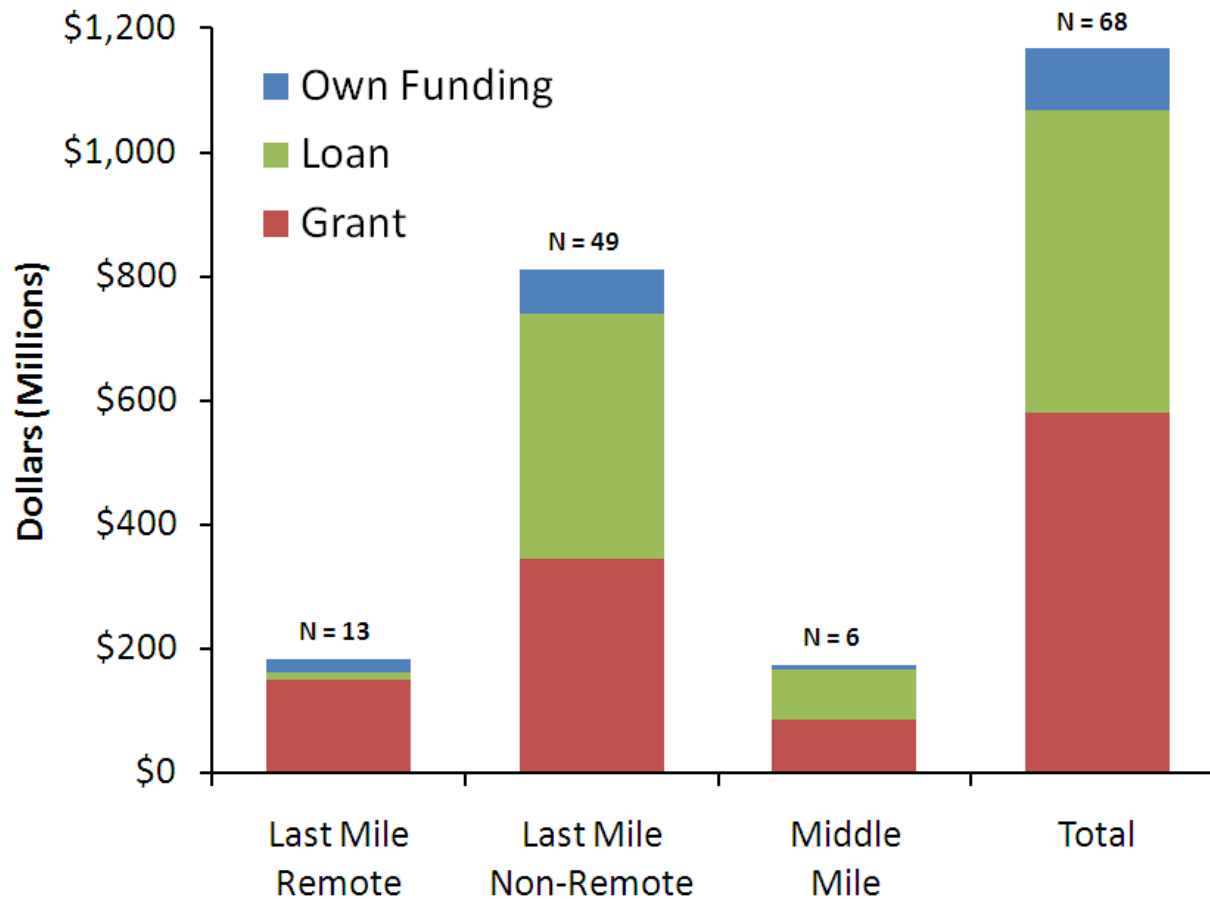


# Round 1 Awardees: Project and Entity Type

Project Type	No. Awards	Total Grant (\$ Million)	Total Loan (\$ Million)	Total Award	Grant % of Award
Last Mile Remote	13	\$149.9	\$11.2	\$161.1	93.1%
Last Mile Non-Remote	49	\$345.3	\$393.7	\$739.0	46.7%
Middle Mile	6	\$86.3	\$81.2	\$167.5	51.5%
<b>Total</b>	<b>68</b>	<b>\$581.5</b>	<b>\$486.0</b>	<b>\$1,067.5</b>	<b>54.5%</b>

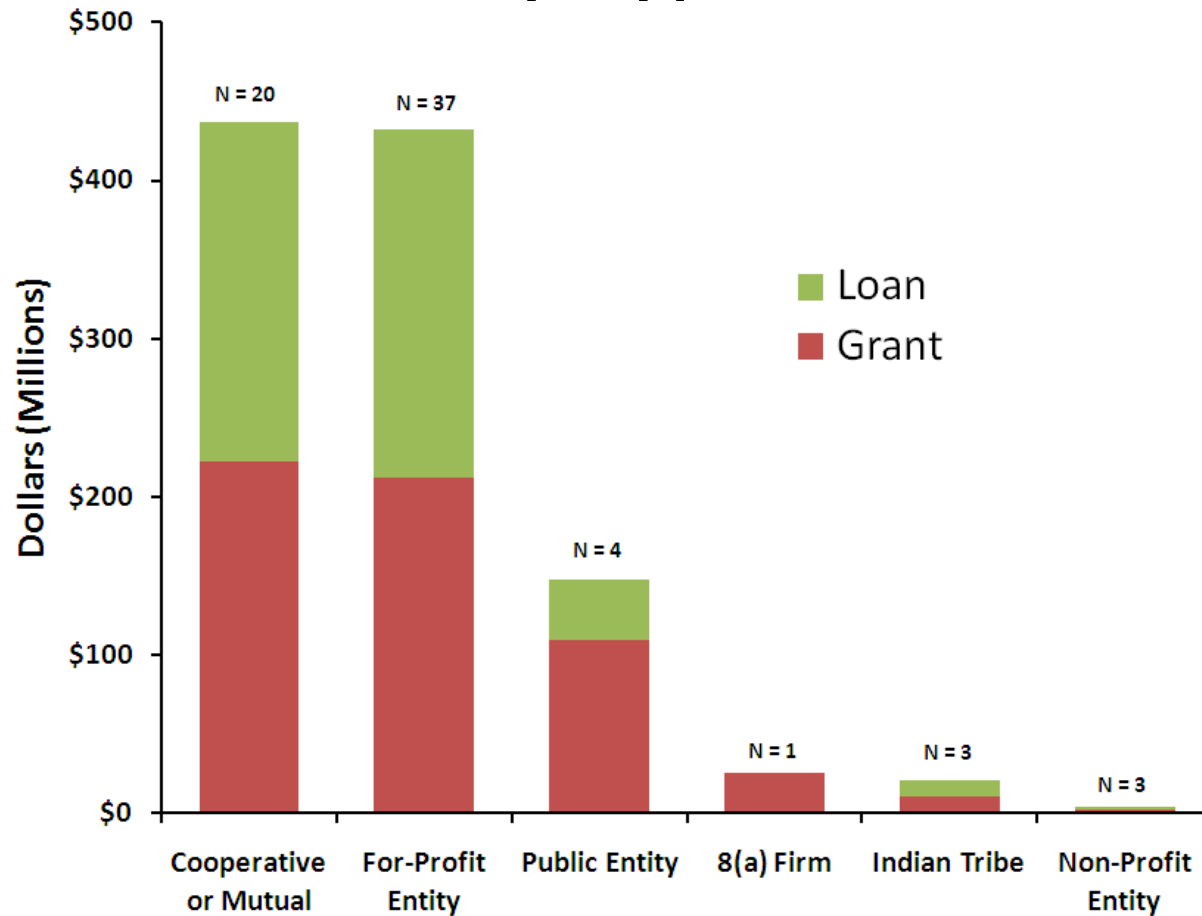


# Round 1 Awardees: Project Type



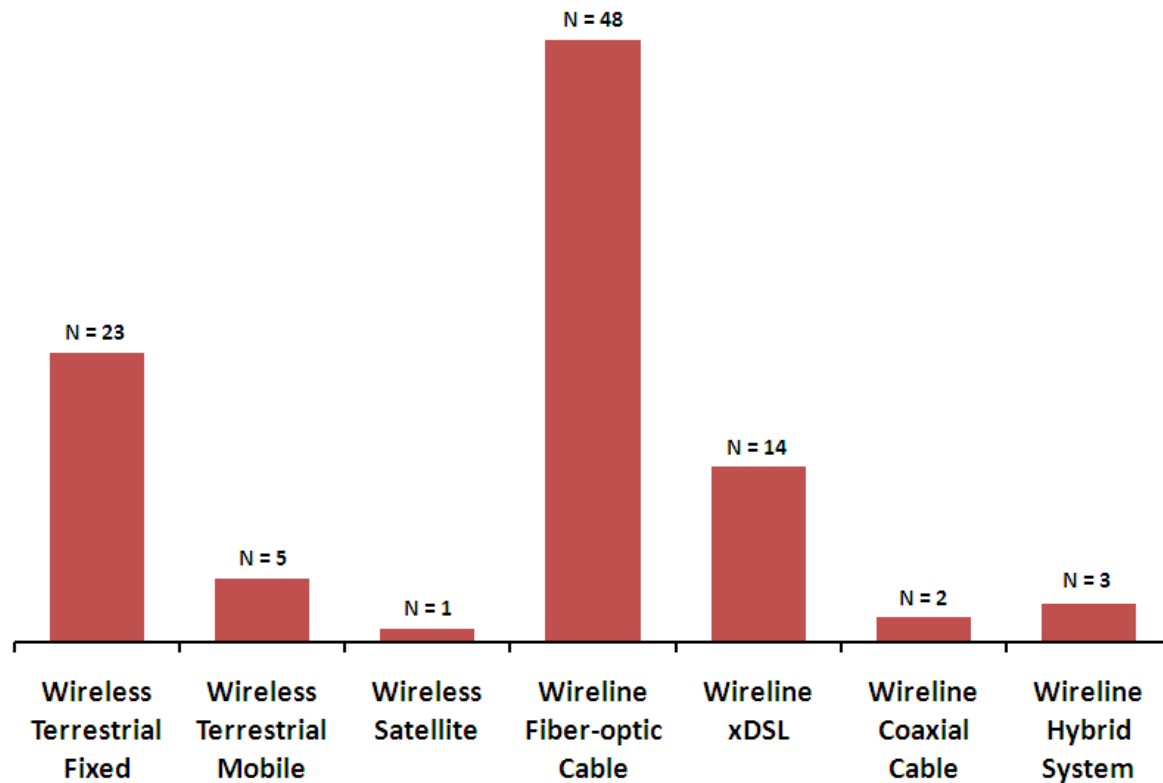


# Round 1 Awardees: Entity Type



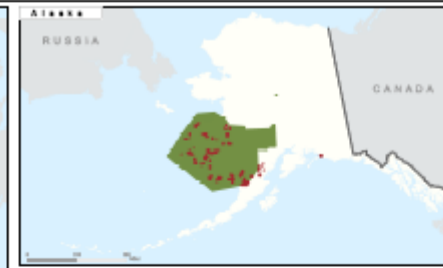
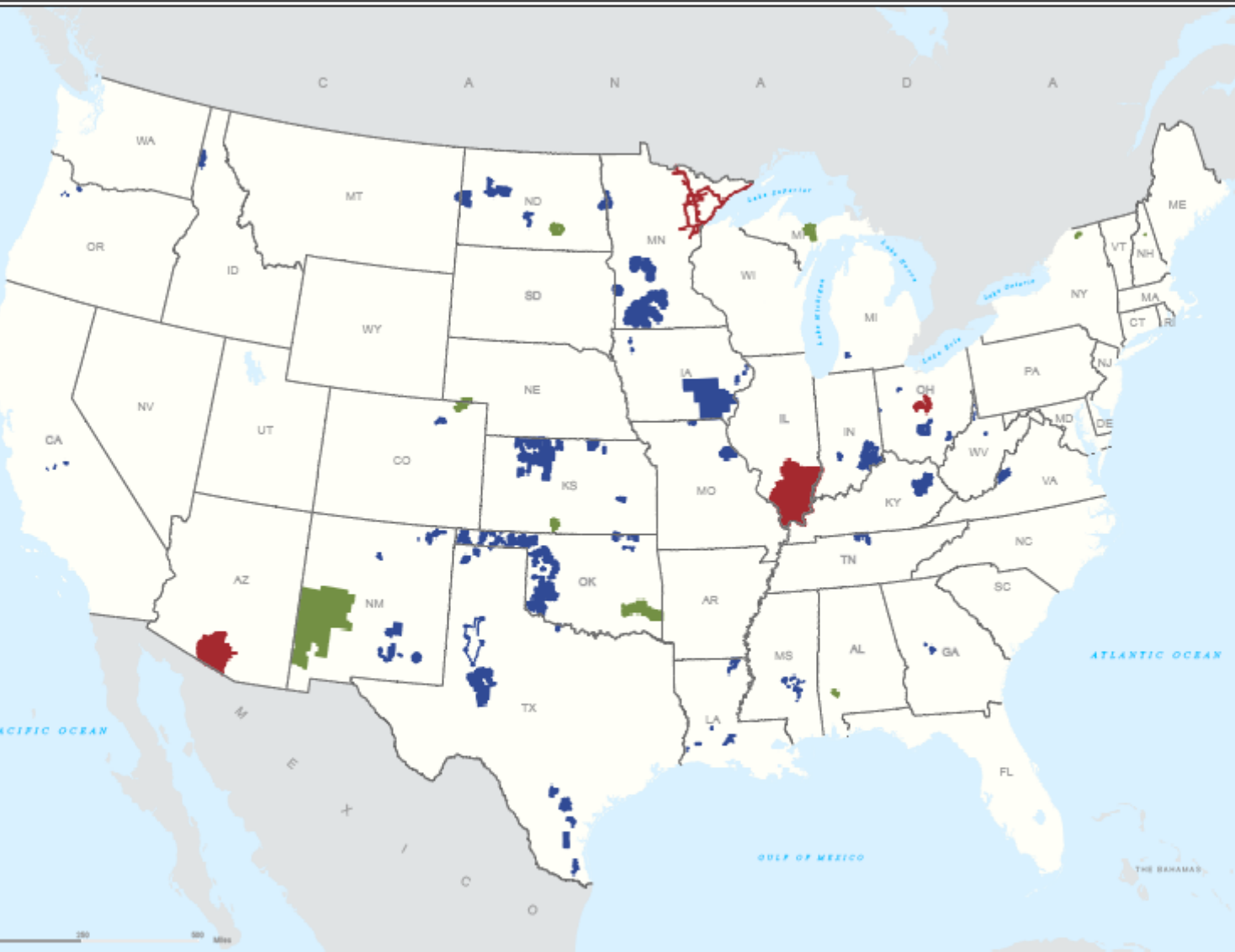


# Round 1 Awardees: Technology



Totals exceed no. awards because many projects use multiple technologies

# Round 1 Funded Service Areas



USDA Broadband Initiative Program.  
 and 1 ARRA BIP Awardees



- Last Mile Non-Remote Project
- Last Mile Remote Project
- Middle Mile Project



# Round 1 Awards by State

State or Territory	No. Awards	Total Dollars Awarded (\$Millions)	State or Territory	No. Awards	Total Dollars Awarded (\$Millions)
Alaska	4	\$117.1	Minnesota	4	\$63.9
Alabama	1	\$3.9	Missouri	2	\$29.4
American Samoa	1	\$91.0	Mississippi	1	\$8.4
Arizona	1	\$7.1	Montana	1	\$4.4
California	2	\$9.3	North Dakota	1	\$28.3
Colorado	2	\$5.1	Nebraska	5	\$0.8
Georgia	1	\$8.2	New Hampshire	1	\$1.0
Hawaii	1	\$0.1	New Mexico	4	\$25.6
Iowa	4	\$9.0	New York	1	\$5.3
Idaho	1	\$12.3	Ohio	4	\$12.2
Illinois	1	\$22.8	Oklahoma	4	\$30.8
Indiana	2	\$49.1	Oregon	3	\$2.1
Kansas	5	\$124.3	Tennessee	1	\$49.7
Kentucky	1	\$78.1	Texas	5	\$179.1
Louisiana	3	\$53.0	Virginia	1	\$16.1
Michigan	2	\$16.9	West Virginia	1	\$2.9

\* No. Awards totals 71 because three awards have a service area within two adjacent states

# Round 1 Funding by State

RUS Funding of ARRA BIP Projects  
Cumulative

