

BEAD Program: A Framework to Allocate Funding for Broadband Availability

State Broadband Report: District of Columbia

January 2024



1 Eligible Locations

How many unserved/underserved locations are eligible for BEAD funding?

0.12%
0.15K LOCATIONS
OF D.C. LOCATIONS LACK HIGH-SPEED BROADBAND IN JUN 2023
VS. 9% STATE/TERRITORY AVERAGE

UNSERVED LOCATIONS, JUN. 2024



0.1K
LOCATIONS

Are estimated to lack broadband access at **25/3 Mbps**

UNDERSERVED LOCATIONS, JUN. 2024



<0.1K
LOCATIONS

Are estimated to lack broadband access at **100/20 Mbps**

These locations are primarily in rural areas and are eligible for BEAD funding to deploy broadband service.

2 Total Funding

How much capital funding is the State/Territory estimated to have?

\$101M
IN BEAD FUNDING HAS BEEN ALLOCATED TO D.C.
VS. \$743M STATE/TERRITORY AVERAGE

ESTIMATED BEAD FUNDING:

BEAD Funds allocated by NTIA **\$101M**

Estimated Provider Match **\$381K**

Estimated Total Capital **\$101M**


The provider match is estimated using a high-level service provider business case. See national summary deck for full details.

3 Deployment

How many locations can be covered with fiber and other technologies?

\$376K-801K
OF BEAD FUNDS IS REQUIRED TO BUILD HIGH-SPEED BROADBAND TO ALL ELIGIBLE LOCATIONS

DEPLOYMENT SCENARIOS:

 **Baseline Fiber**

 **Maximum Fiber**

100% LOCATIONS REACHED
82% FIBER LOCATIONS

100% LOCATIONS REACHED
100% FIBER LOCATIONS





\$757K
TOTAL CAPITAL COST

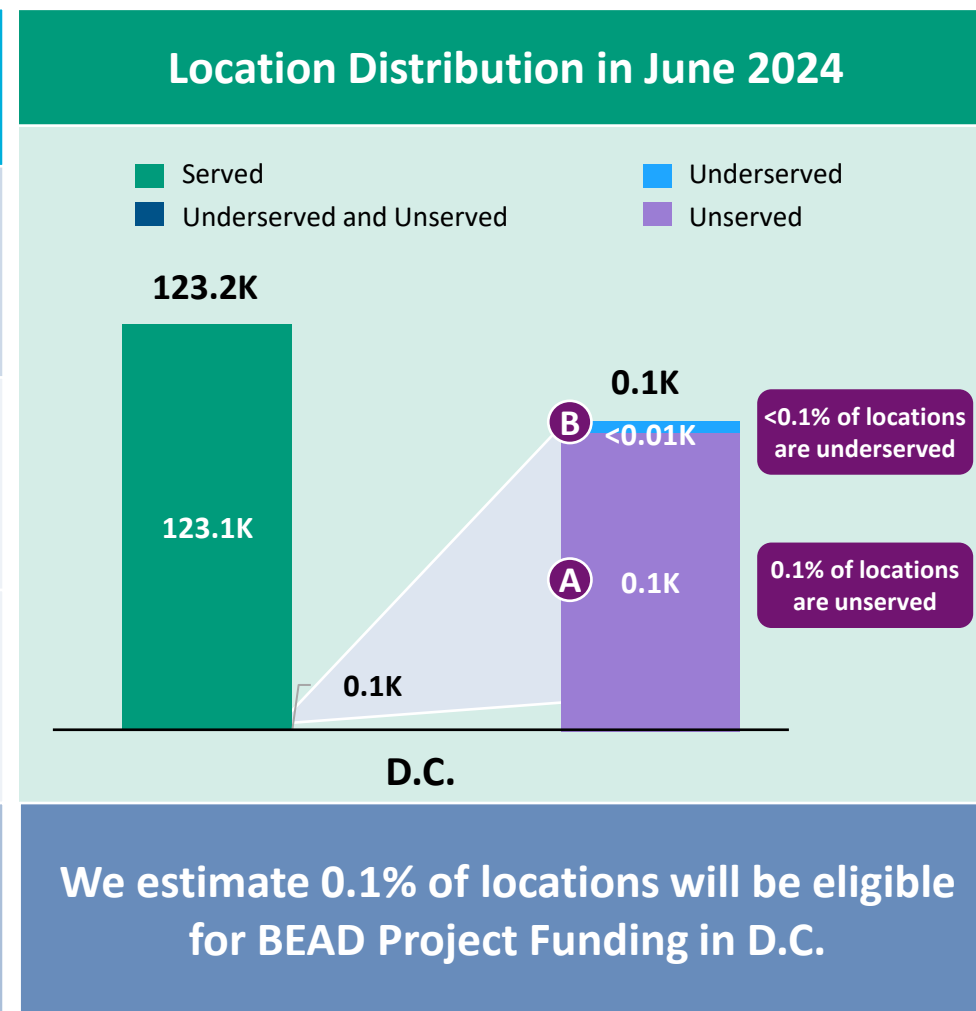
\$1.2M
TOTAL CAPITAL COST

\$100M
REMAINING BUDGET

\$100M
REMAINING BUDGET

D.C. | Estimated Eligible Locations for BEAD Projects

|  June 2023 FCC Broadband Locations | Unserved <i>(less than 25Mbps/3Mbps)</i> | Underserved <i>(less than 100Mbps/20Mbps)</i> |
|--|--|---|
|  Subsidy Program Funded Locations ¹ | -- | -- |
|  Incremental Build ² (13% annual build, for 12 months) | <0.1K | -- |
|  Jun. 2024 Estimated Eligible Locations | 0.1K A | <0.1K B |



1. Locations with “commitments” to receive support from federal subsidy programs

2. Given the uncertainty around the magnitude of locations moving from unserved to underserved, we have not made incremental builds adjustments to underserved locations

BEAD eligible locations does not account for state-specific eligibility rules set forth in Initial Proposals

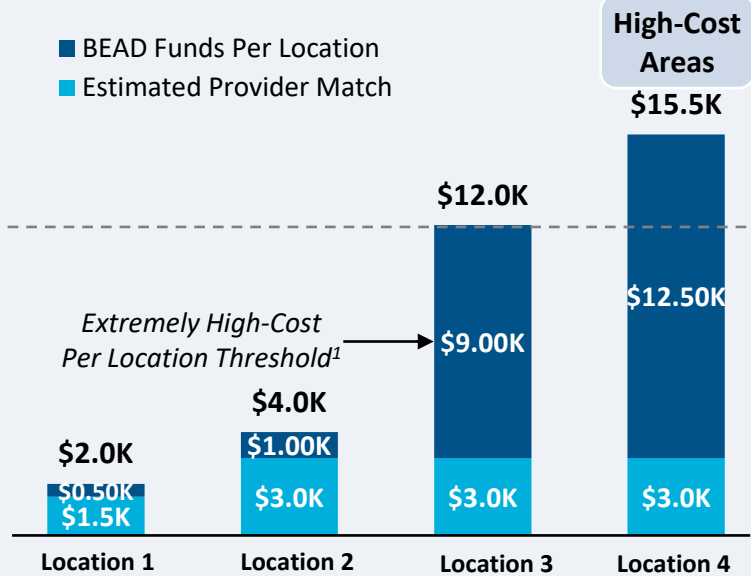
Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023)

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Provider Match Examples

Total Deployment Cost per Location

- BEAD Funds Per Location
- Estimated Provider Match

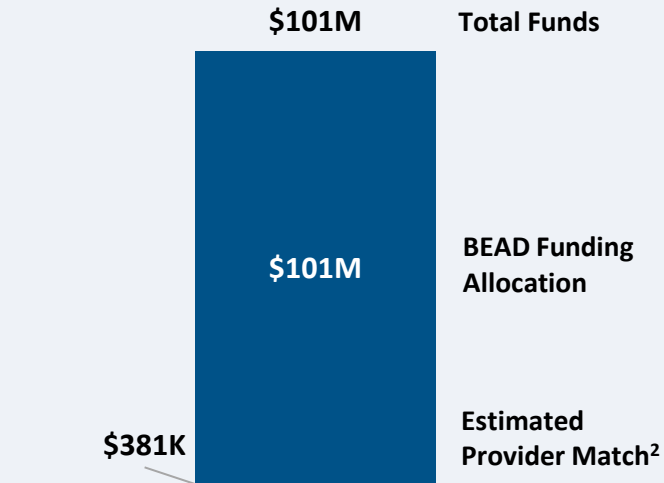


Provider Match %

| | | | |
|-----|-----|-----|-----|
| 75% | 75% | 25% | 19% |
|-----|-----|-----|-----|

To be conservative, we assume provider match amounts have a maximum of 75% and a minimum of 25%, except in high-cost areas

Total Capital Available - D.C.



\$101M in total capital is estimated to be available to serve unserved/underserved D.C. locations (combining BEAD funding and estimated provider match)

Provider Match - D.C.

Total Estimated
Provider Match:

\$381K

Total Estimated
Eligible Locations:

0.1K

Average
Provider Match:

\$2,888
PER LOCATION

We estimate the average provider match will be \$2,888 – provider matches will be 75% where cost to deploy is less than \$4K

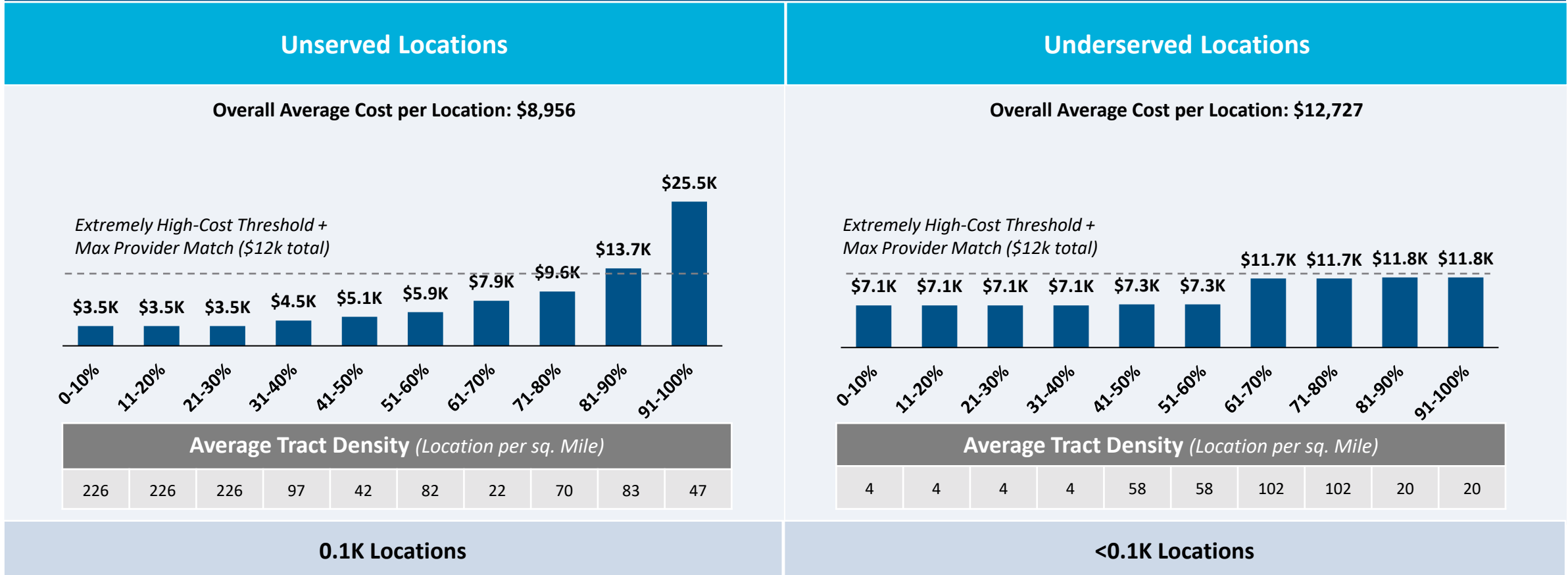
1. The model uses a \$9k threshold, however, States/Territories will individually need to determine their appropriate extremely high-cost threshold

2. In reality, providers will determine the viable level of match funding for each project using a business case model. They will be willing to contribute a greater match in some locations and less in others. Locations which are hardest to serve may need to be fully funded by BEAD with no match. Competitive bidding should drive provider matches towards this level.

Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023), Benton, NTIA

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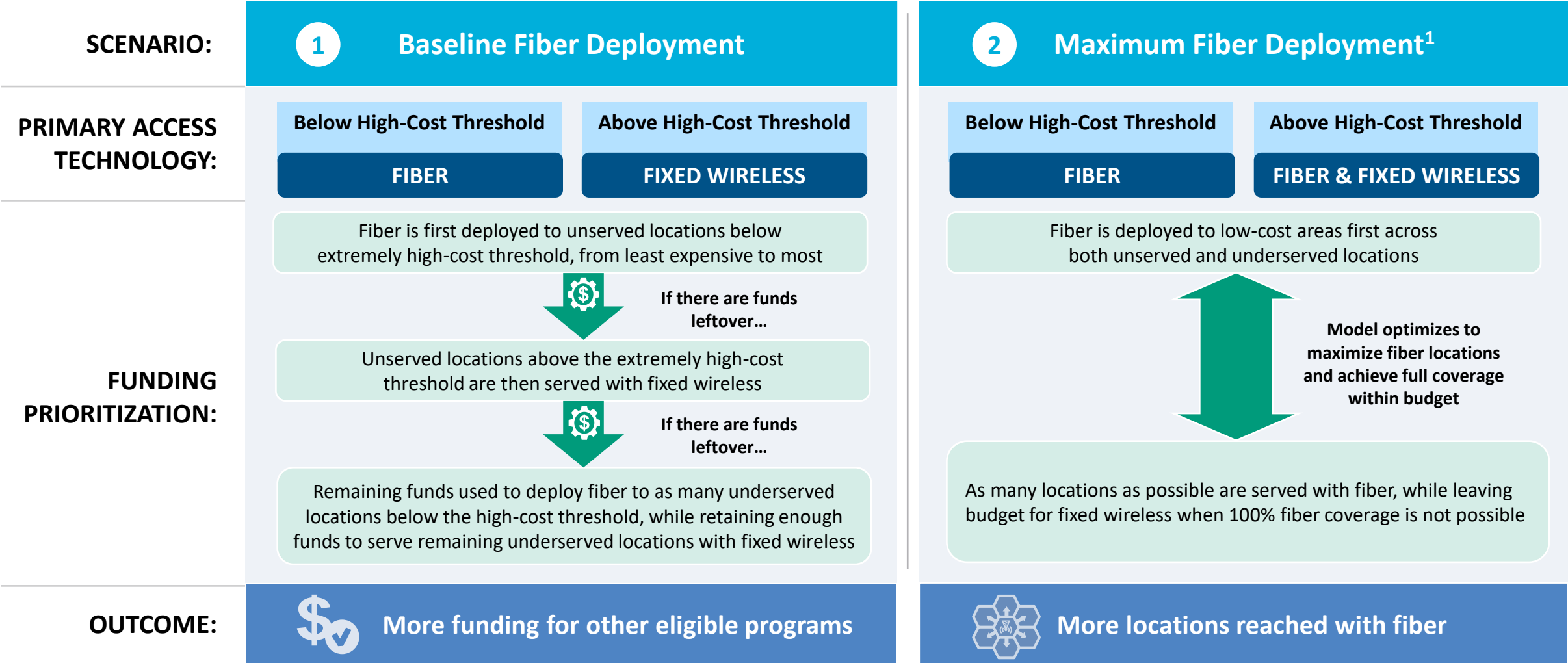
CAPEX Fiber Deployment Cost per Location Segmented by Cost Deciles¹



Over 80% of locations are estimated to fall below the High-Cost Threshold + Provider Match

1. Chart values are average cost per location for each decile bucket
 Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023)
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D.C. | Fiber Preferencing Scenarios



1. Scenario 2 deploys fiber beyond the extremely high-cost threshold
 Source: Cartesian
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3 Develop Deployment Scenarios

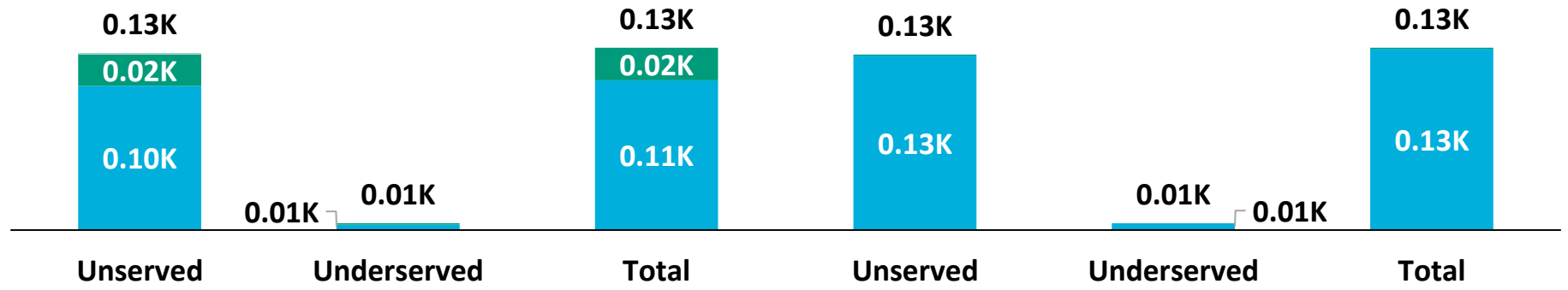
D.C. | Scenario Analysis Results

SCENARIO:

1 Baseline Fiber Deployment

2 Maximum Fiber Deployment

■ Fixed Wireless
■ Fiber



| | Scenario 1 | Scenario 2 |
|---|------------|------------|
| Capex Required per Locations ¹ | \$5,624 | \$8,957 |
| BEAD Funds Available to State | \$101M | \$101M |
| + Estimated Provider Match | \$381K | \$381K |
| = Total Available Capital | \$101M | \$101M |
| - Capex Required to Build | \$757K | \$1.2M |
| = Remaining Funds | \$100M | \$100M |
| % of Locations Reached | 100% | 100% |
| % of Locations Reached with Fiber | 82% | 100% |

1. Funding to deploy fiber before the maximum \$3k provider match per location
 Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023), Benton, NTIA
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D.C. | Conclusion



Funding Summary

D.C. is expected to receive

\$101M in BEAD funding



\$381K in estimated provider matching

We estimate the funding is sufficient to reach all of D.C.'s 0.1k eligible locations with high-speed broadband



Key Findings

D.C. appears well positioned to reach all eligible premises and have funding for other BEAD eligible programs

A Baseline Fiber Deployment...



Maximizing Fiber...

- Leaves \$100M additional funds for affordability programs
- Reaches 82% of locations with fiber
- Requires 18% to be reached with other tech.

- Leaves \$100M additional funds for affordability programs
- Reaches 100% of locations with fiber
- Requires 0% to be reached with other tech.

States/Territories will set their own extremely high-cost threshold and may choose a threshold or funding paradigm different from these two scenarios

D.C. | ACA Connects Members

| Member Name |
|-----------------------------------|
| Astound Broadband |
| Consolidated Communications, Inc. |
| Mediacom, LLC |



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