

BEAD Program: A Framework to Allocate Funding for Broadband Availability

State Broadband Report: Illinois

January 2024





1 Eligible Locations

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

7%
278K LOCATIONS

OF ILLINOIS LOCATIONS LACK HIGH-SPEED BROADBAND IN JUN 2023

VS. 9% STATE/TERRITORY AVERAGE

UNSERVED LOCATIONS, JUN. 2024



104.3K
LOCATIONS

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

UNDERSERVED LOCATIONS, JUN. 2024



71.0K
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?

\$1.0B

IN BEAD FUNDING HAS BEEN ALLOCATED TO ILLINOIS

VS. \$743M STATE/TERRITORY AVERAGE

ESTIMATED BEAD FUNDING:

BEAD Funds allocated by NTIA

\$1.0B

Estimated Provider Match

\$521M

Estimated Total Capital

\$1.6B

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?

**\$674M-
\$1.0B**

OF BEAD FUNDS IS REQUIRED TO BUILD HIGH-SPEED BROADBAND TO ALL ELIGIBLE LOCATIONS

DEPLOYMENT SCENARIOS:



Baseline Fiber



Maximum Fiber

100% LOCATIONS REACHED

58% FIBER LOCATIONS

100% LOCATIONS REACHED





80% FIBER LOCATIONS

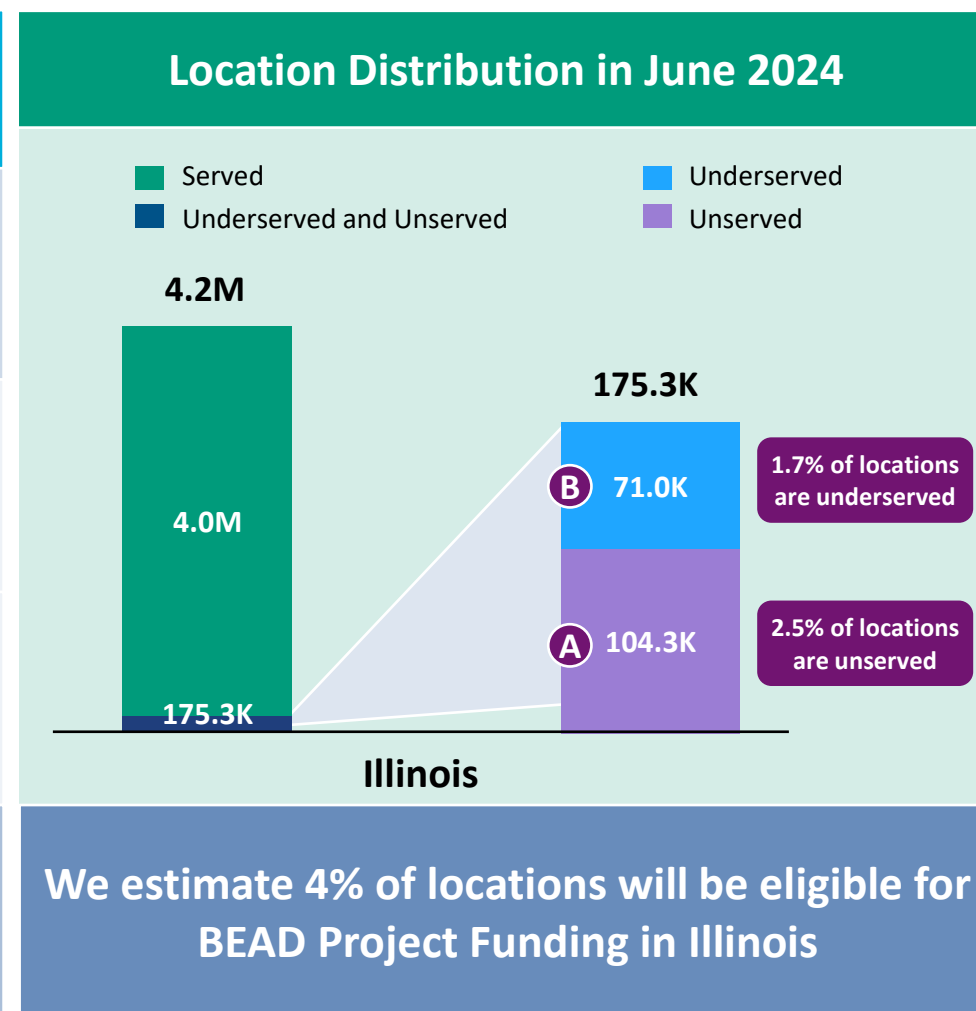
\$1.2B
TOTAL CAPITAL COST

\$367M
REMAINING BUDGET

\$1.6B
TOTAL CAPITAL COST

\$--M
REMAINING BUDGET

 June 2023 FCC Broadband Locations	Unserved <i>(less than 25Mbps/3Mbps)</i>	Underserved <i>(less than 100Mbps/20Mbps)</i>
 Subsidy Program Funded Locations ¹	187.2K	90.4K
 Incremental Build ² (13% annual build, for 12 months)	67.3K	19.4K
 Jun. 2024 Estimated Eligible Locations	15.6K	--
	104.3K (A)	71.0K (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)

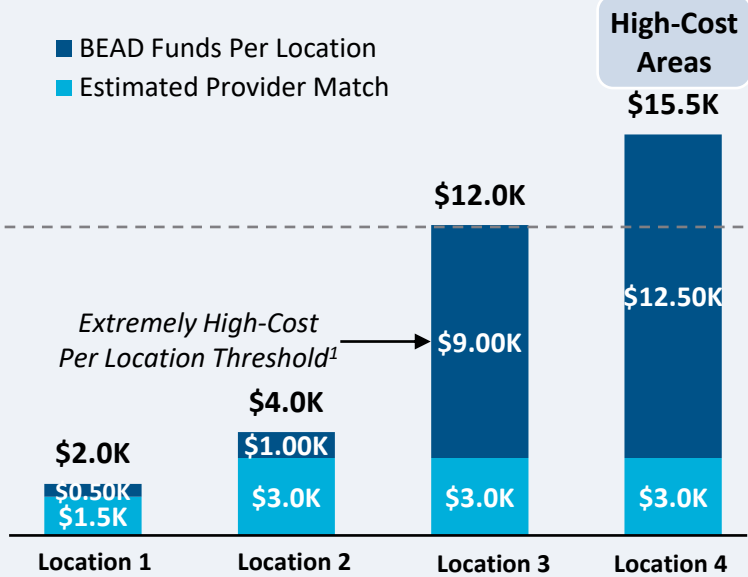
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Illinois | BEAD Funding & Estimated Provider Match

Provider Match Examples

Total Deployment Cost per Location

- BEAD Funds Per Location
- Estimated Provider Match

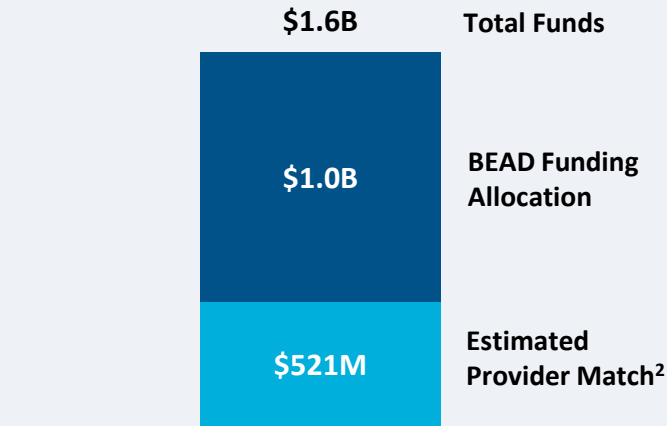


Provider Match %

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 - Illinois



\$1.6B in total capital is estimated to be available to serve unserved/underserved Illinois locations (combining BEAD funding and estimated provider match)

Provider Match - Illinois

Total Estimated Provider Match:

\$521M

Total Estimated Eligible Locations:

175.3K

Average Provider Match:

\$2,975
PER LOCATION

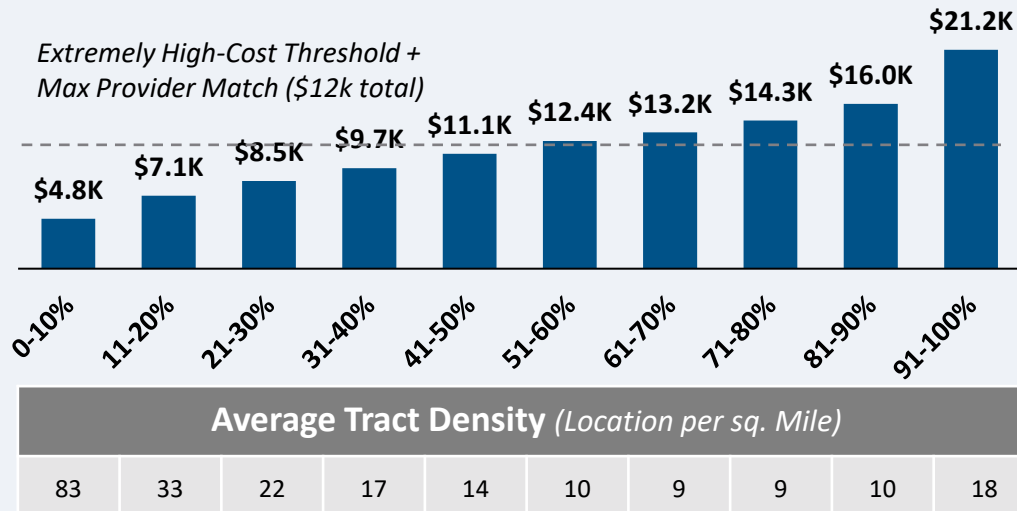
We estimate the average provider match will be \$2,975 – provider matches will be 75% where cost to deploy is less than \$4K

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.

CAPEX Fiber Deployment Cost per Location Segmented by Cost Deciles¹

Unserved Locations

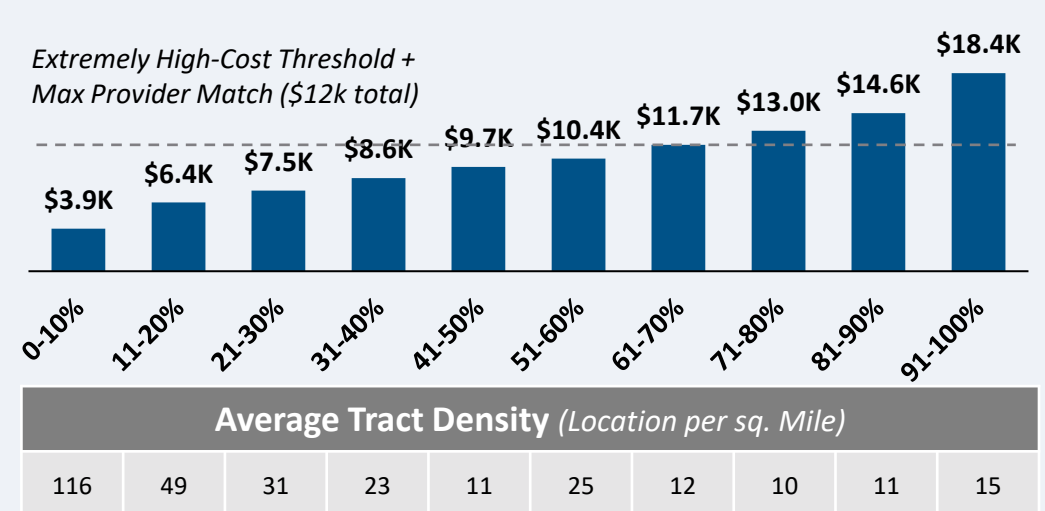
Overall Average Cost per Location: \$11,837



104.3K Locations

Underserved Locations

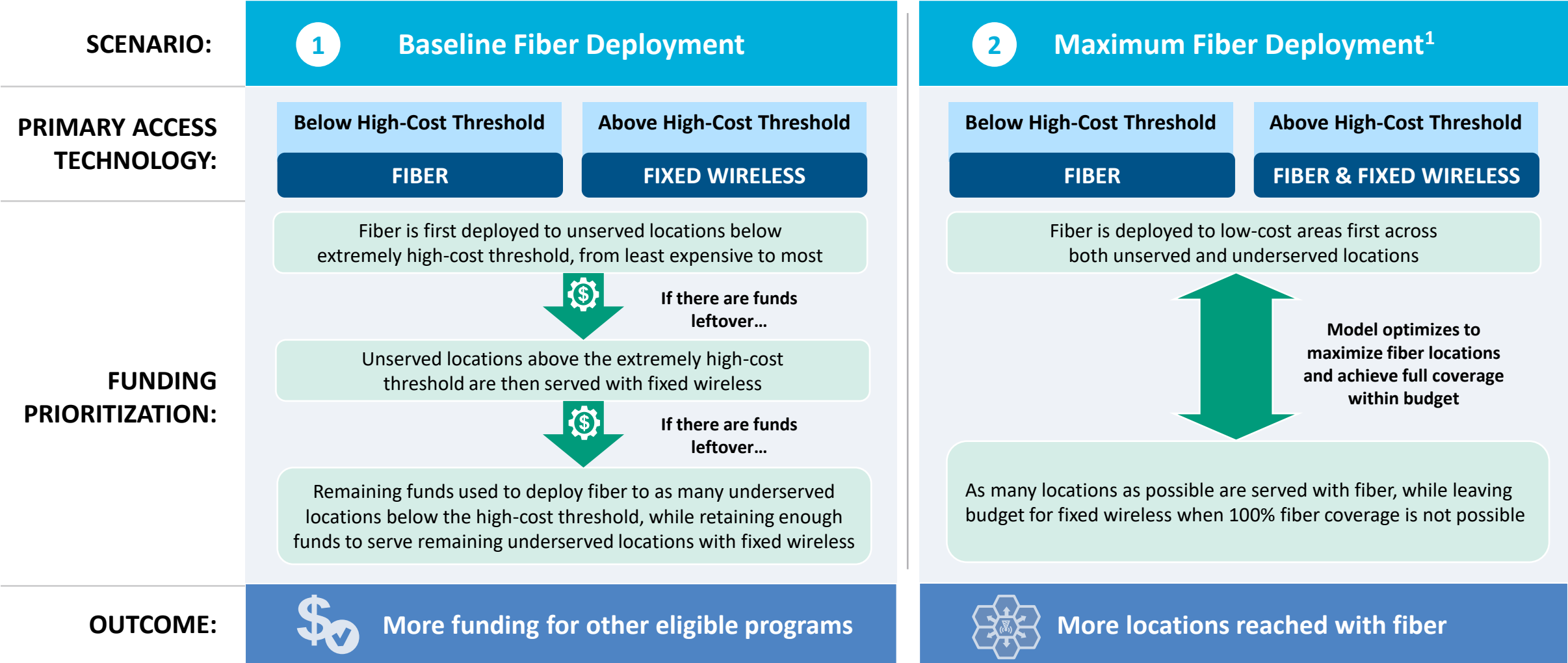
Overall Average Cost per Location: \$10,462



71.0K Locations

Over 55% of locations are estimated to fall below the High-Cost Threshold + Provider Match

Illinois | Fiber Preferencing Scenarios



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

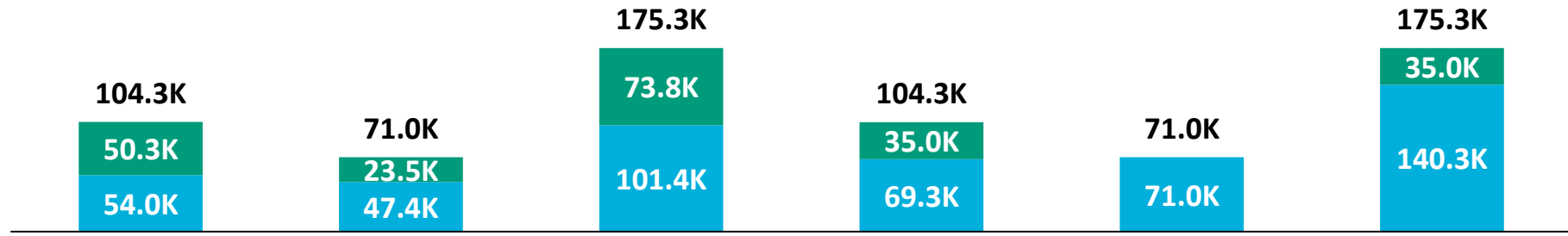
Illinois | Scenario Analysis Results

SCENARIO:

1 Baseline Fiber Deployment

2 Maximum Fiber Deployment

■ Fixed Wireless
■ Fiber



	Scenario 1	Scenario 2
Capex Required per Locations ¹	\$6,654	\$7,814
BEAD Funds Available to State	\$1.0B	\$1.0B
+ Estimated Provider Match	\$521M	\$521M
= Total Available Capital	\$1.6B	\$1.6B
- Capex Required to Build	\$1.2B	\$1.6B
= Remaining Funds	\$367M	\$--M
% of Locations Reached	100%	100%
% of Locations Reached with Fiber	58%	80%

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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Funding Summary

Illinois is expected to receive

\$1.0B in BEAD funding



\$521M in estimated provider matching

We estimate the funding is sufficient to reach all of Illinois's 175.3k eligible locations with high-speed broadband



Key Findings

Illinois will need to decide how far to deploy fiber while considering the trade-off of having higher fiber coverage vs. retaining funds for other BEAD eligible programs

A Baseline Fiber Deployment...



Maximizing Fiber...

- Leaves \$367M additional funds for affordability programs
 - Reaches 58% of locations with fiber
 - Requires 42% to be reached with other tech.
- Exhausts funds without leaving additional funds for affordability programs
 - Reaches 80% of locations with fiber
 - Requires 20% 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

Illinois | ACA Connects Members

Member Name	
Astound Broadband	Madison Comm, Inc.
Benton Ridge Telephone Company	Mediacom, LLC
Cable One, Inc.	Metronet
Cass Cable TV, Inc.	MTCO Communications, Inc.
Consolidated Communications, Inc.	Muscatine Power And Water
Diverse Communications, Inc.	New Windsor Cable TV, Inc.
HomeTel Entertainment, Inc.	Nova Cablevision, Inc.
HTC Communications Co	Oneida Cablevision, Inc.
Kraus Electronics Systems, Inc.	TDS Telecom
La Harpe Video & Data Services Co, Inc.	Telstar Cablevision, Inc.
Lict Corp	Viola Communications, Inc.
Madison Comm, Inc.	WH I3B Holdings, LLC



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