

BEAD Program: A Framework to Allocate Funding for Broadband Availability

State Broadband Report: Wisconsin

July 2023





1 Eligible Locations

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

20%

464K LOCATIONS

OF WISCONSIN LOCATIONS LACK HIGH-SPEED BROADBAND IN DEC 2022

VS. 12% STATE/TERRITORY AVERAGE

UNSERVED LOCATIONS, JAN. 2024



139.8K
LOCATIONS

Are estimated to lack broadband access at 25/3 Mbps

UNDERSERVED LOCATIONS, JAN. 2024



160.0K
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?

\$1.1B

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

ESTIMATED BEAD FUNDING:

BEAD Funds allocated by NTIA

\$1.1B

Estimated Provider Match

\$891M

Estimated Total Capital

\$1.9B

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?

\$1.1B

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

DEPLOYMENT SCENARIOS:



Baseline Fiber



Maximum Fiber

76%
LOCATIONS REACHED

74%
FIBER LOCATIONS





\$1.9B

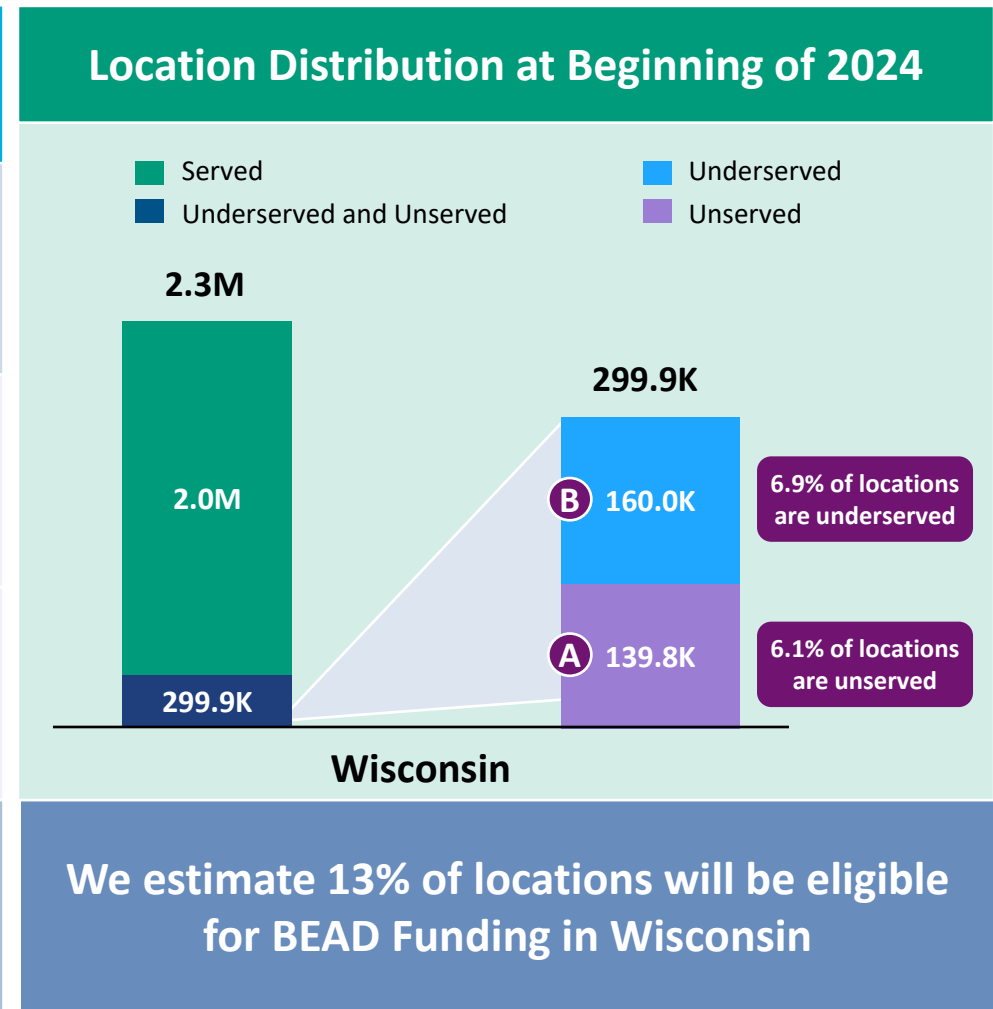
TOTAL CAPITAL COST

\$--M

REMAINING BUDGET

Not applicable due to funding shortfall

 December 2022 FCC Broadband Locations	Unerved <i>(less than 25Mbps/3Mbps)</i>	Underserved <i>(less than 100Mbps/20Mbps)</i>
		246.1K
 Subsidy Program Funded Locations ¹	85.4K	57.7K
 Incremental Build ² (13% annual build, for 12 months)	20.9K	--
 Jan. 2024 Estimated Eligible Locations	139.8K (A)	160.0K (B)



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

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

Source: Cartesian, FCC National Broadband Map (December 2022 data, released in May 2023)

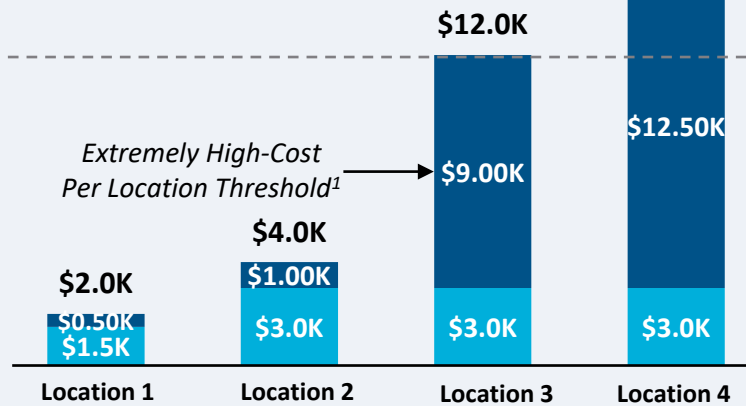
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Provider Match Examples

Total Deployment Cost per Location

- BEAD Funds Per Location
- Estimated Provider Match

High-Cost Areas
\$15.5K

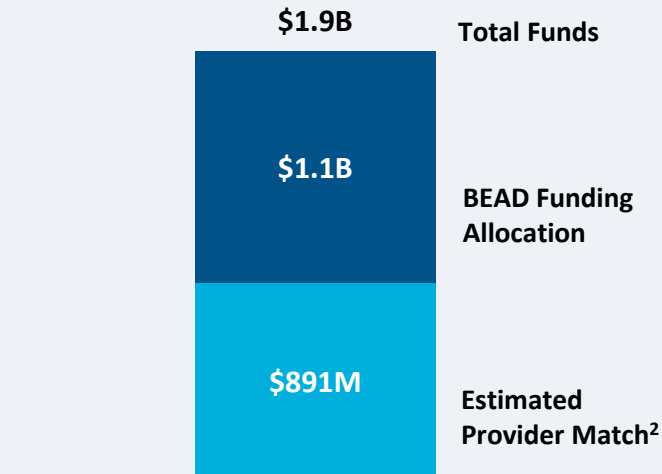


Provider Match %

75%	75%	25%	19%
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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 - Wisconsin



\$1.9B in total capital is estimated to be available to serve unserved/underserved Wisconsin locations (combining BEAD funding and estimated provider match)

Provider Match - Wisconsin

Total Estimated Provider Match: **\$891M**

Total Estimated Eligible Locations: **299.9K**

Average Provider Match: **\$2,972 PER LOCATION**

We estimate the average provider match will be \$2,972 – 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.

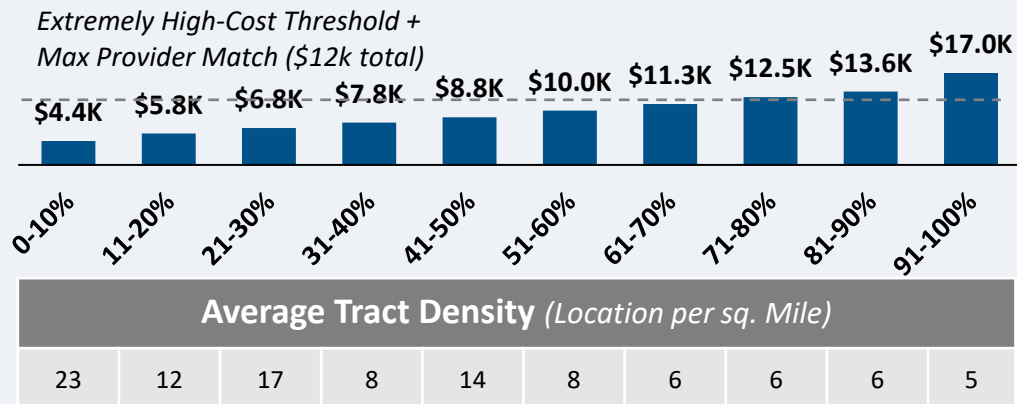
Source: Cartesian, FCC National Broadband Map (December 2022 data, released in May 2023), Benton, NTIA

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CAPEX Fiber Deployment Cost per Location Segmented by Cost Deciles¹

Unserved Locations

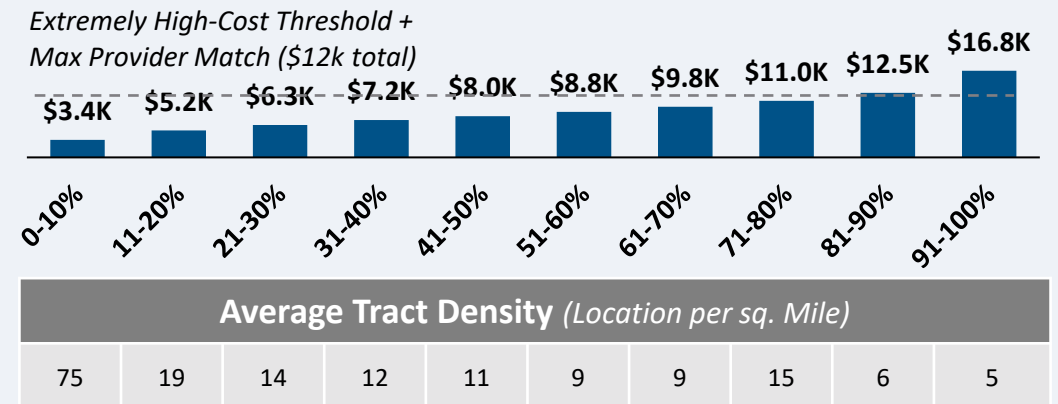
Overall Average Cost per Location: \$9,828



139.8K Locations

Underserved Locations

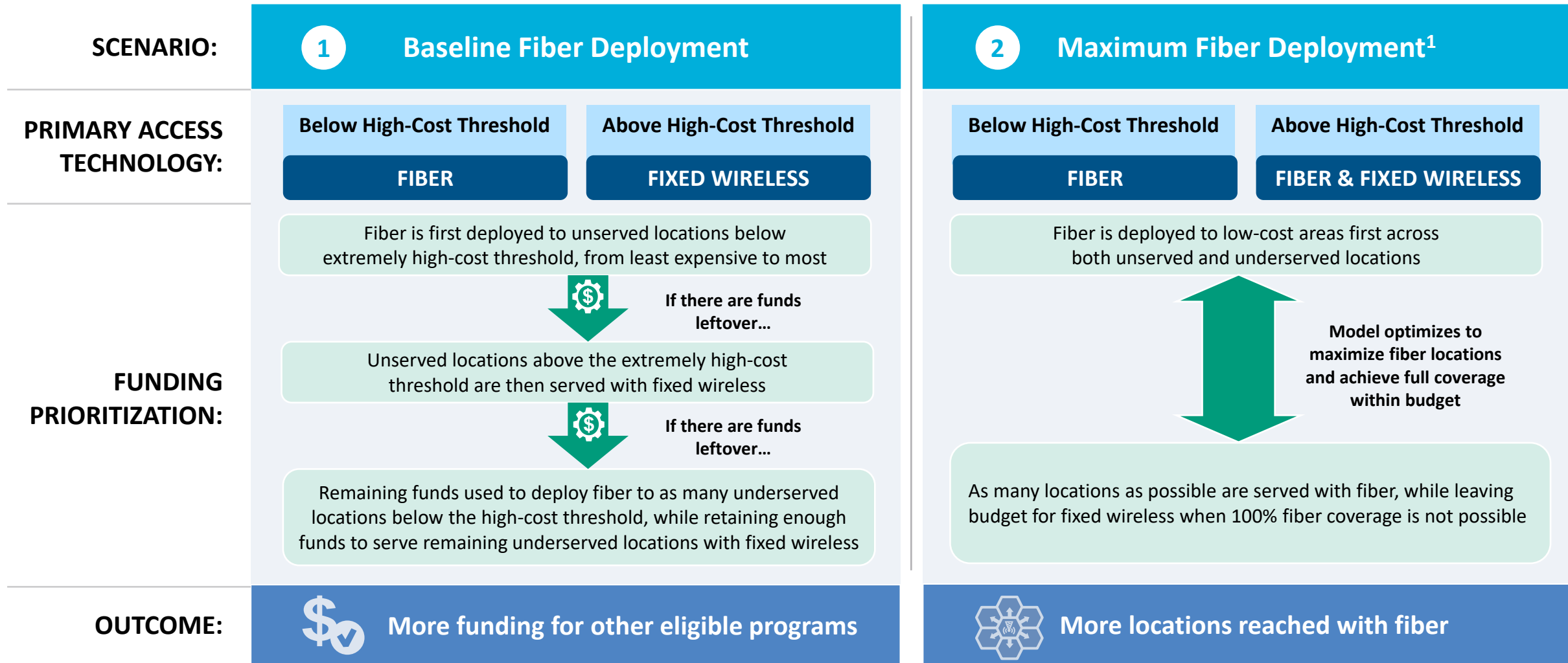
Overall Average Cost per Location: \$8,964



160.0K Locations

Over 75% of locations are estimated to fall below the High-Cost Threshold + Provider Match

Wisconsin | Fiber Preferencing Scenarios



1. Scenario 2 does not include an extremely high-cost threshold
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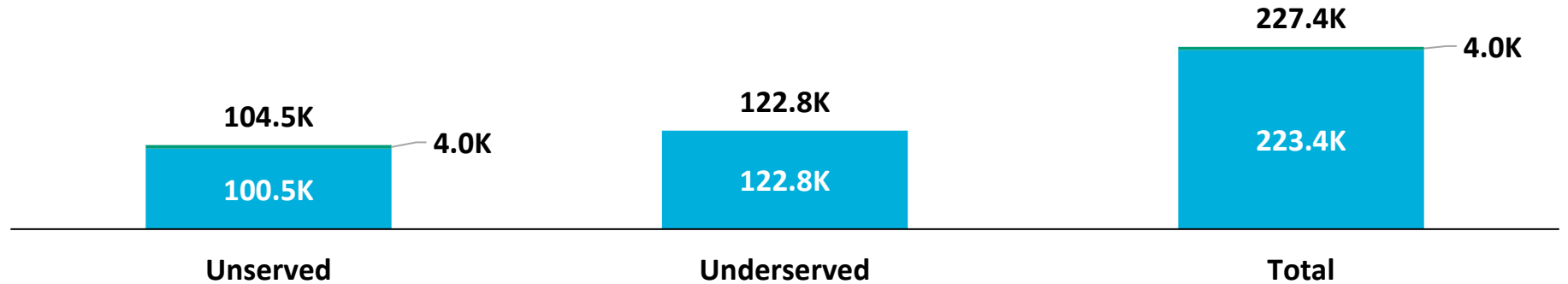
Wisconsin | Scenario Analysis Results

SCENARIO:

1

Baseline Fiber Deployment

■ Fixed Wireless
■ Fiber

Capex Required per Locations¹

\$7,864

\$7,342

\$7,582

BEAD Funds Available to State

\$1.1B



Estimated Provider Match

\$891M



Total Available Capital

\$1.9B



Capex Required to Build

\$1.9B



Remaining Funds

\$--M

% of Locations Reached

76%

% of Locations Reached with Fiber

74%

1. Funding to deploy fiber before the maximum \$3k provider match per location



Funding Summary

Wisconsin is expected to receive

\$1.1B in BEAD funding



\$891M in estimated provider matching

We estimate the funding is sufficient to reach 227.4K of Wisconsin's 299.9k eligible locations with high-speed broadband



Key Findings

Wisconsin will encounter funding constraints under the current model assumptions

A Baseline Fiber Deployment...

- Uses all funds to reach 76% of locations
- Reaches 74% of locations with fiber
- Remaining 2% to be reached with other technology

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

Wisconsin | ACA Connects Members

Member Name	
Amherst Telephone Company	MH Telcom, LLC
Baldwin Telecom, Inc.	Northeast Comm Of Wisconsin, Inc. dba Nsight
CCI Systems, Inc. dba Astrea	Northeast Iowa Telephone Company
Celect Communications	Northwest Community Communications
Chippewa Valley Cable, Inc.	Norvado, Inc.
Community Antenna System, Inc.	Reedsburg Utility Commission
Consolidated Communications, Inc.	Richlandgrant Telephone Coop, Inc.
Coon Valley Telecommunications, Inc.	Schurz Communications, Inc.
Farmers Independent Telephone Company, Inc.	TDS Telecom
Lavalle Telephone Cooperative, Inc.	Tech Com, Inc.
Lict Corp	Verneau Networks, Inc.
LVT Corp	Vernon Communications, LLC
Mediacom, LLC	Western Wisconsin Communications, LLC
Metronet	Wood County Telephone Co



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