

BEAD Program: A Framework to Allocate Funding for Broadband Availability

State Broadband Report: Wisconsin

January 2024





1 Eligible Locations

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

18%

422K LOCATIONS

OF WISCONSIN LOCATIONS LACK HIGH-SPEED BROADBAND IN JUN 2023

VS. 9% STATE/TERRITORY AVERAGE

UNSERVED LOCATIONS, JUN. 2024



122.9K
LOCATIONS

Are estimated to lack broadband access at 25/3 Mbps

UNDERSERVED LOCATIONS, JUN. 2024



114.6K
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

\$709M

Estimated Total Capital

\$1.8B

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?

**\$974M-
\$1.1B**

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

DEPLOYMENT SCENARIOS:



Baseline Fiber



Maximum Fiber

100%
LOCATIONS REACHED

77%
FIBER LOCATIONS

100%
LOCATIONS REACHED

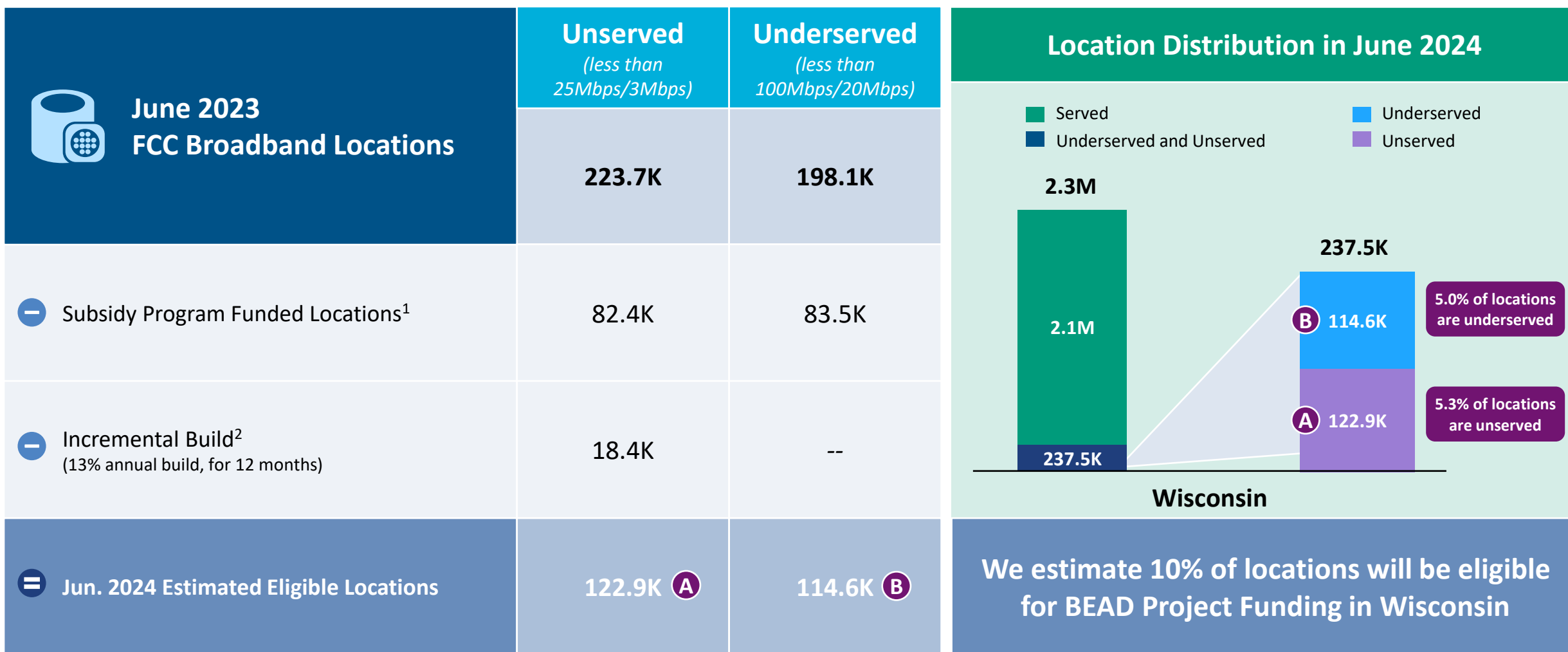
78%
FIBER LOCATIONS

\$1.7B
TOTAL CAPITAL COST

\$82M
REMAINING BUDGET

\$1.8B
TOTAL CAPITAL COST

\$--M
REMAINING BUDGET



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

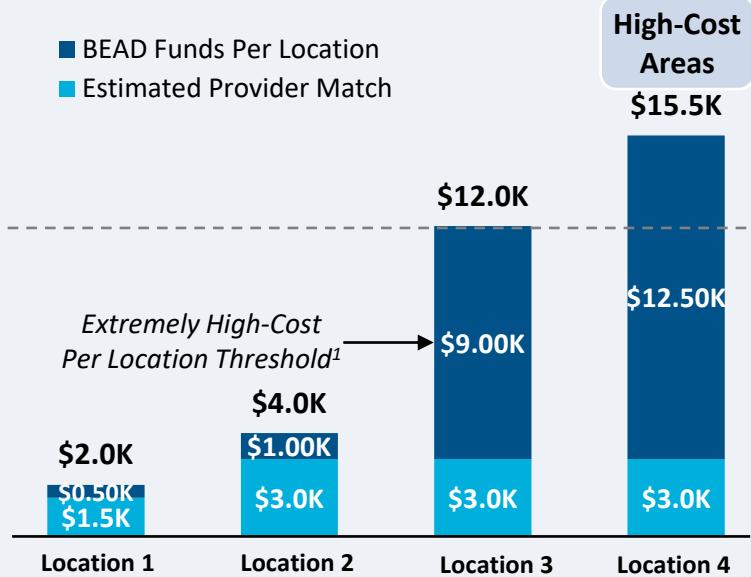
Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023)

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Provider Match Examples

Total Deployment Cost per Location

- BEAD Funds Per Location
- Estimated Provider Match

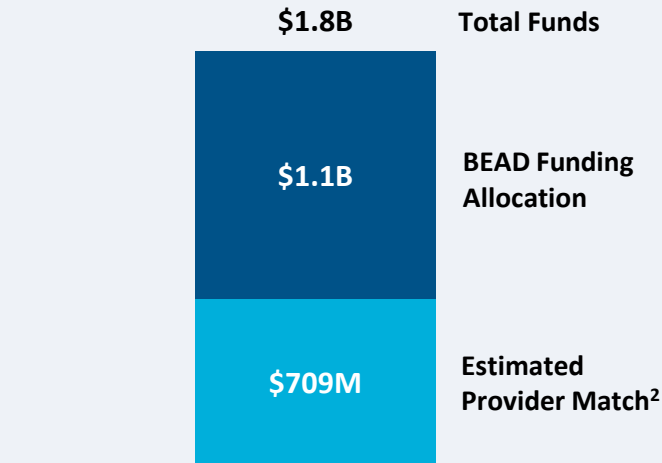


Provider Match %

75%	75%	25%	19%
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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



\$1.8B 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: **\$709M**

Total Estimated Eligible Locations: **237.5K**

Average Provider Match: **\$2,986 PER LOCATION**

We estimate the average provider match will be \$2,986 – 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

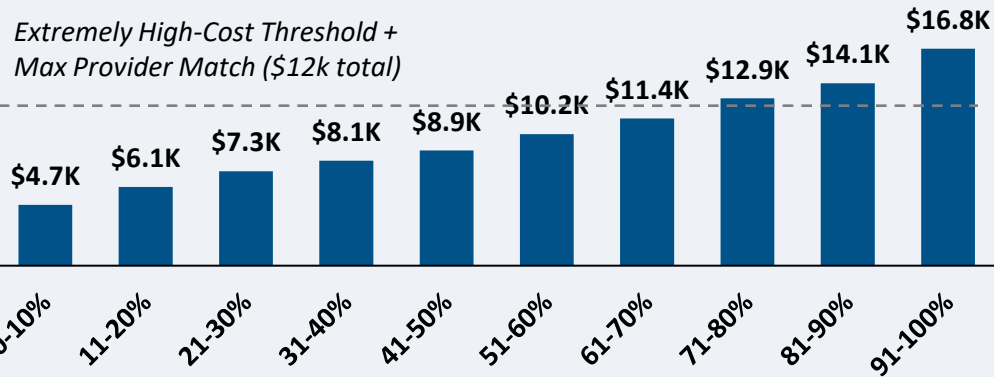
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Wisconsin | Cost to Deploy Fiber by Decile

CAPEX Fiber Deployment Cost per Location Segmented by Cost Deciles¹

Unserved Locations

Overall Average Cost per Location: \$10,095



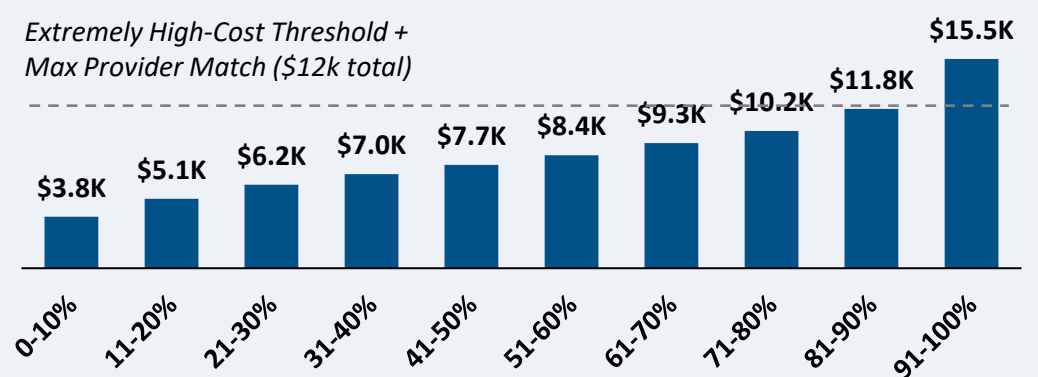
Average Tract Density (Location per sq. Mile)

17	11	15	16	7	7	6	5	5	6
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122.9K Locations

Underserved Locations

Overall Average Cost per Location: \$8,521



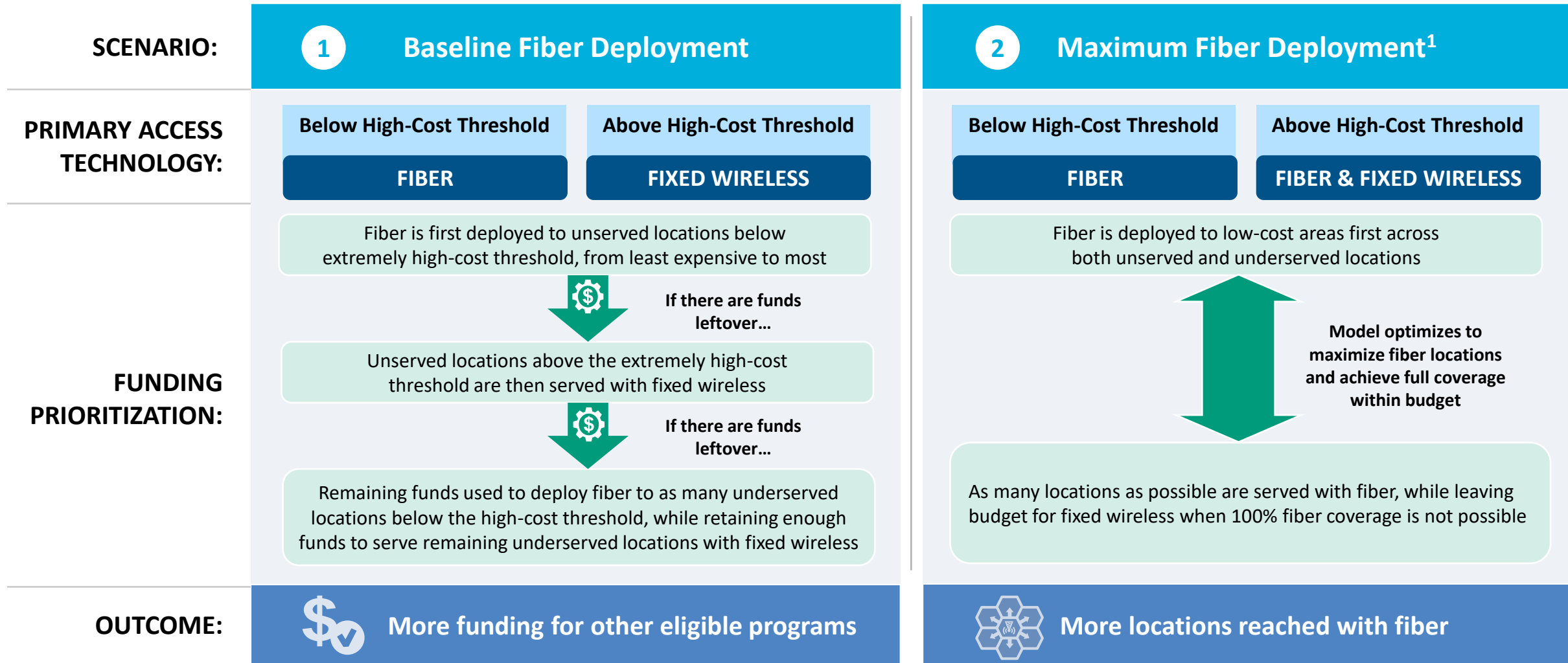
Average Tract Density (Location per sq. Mile)

26	14	10	10	8	9	16	13	7	6
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114.6K Locations

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

Wisconsin | Fiber Preferencing Scenarios



1. Scenario 2 deploys fiber beyond the extremely high-cost threshold
 Source: Cartesian
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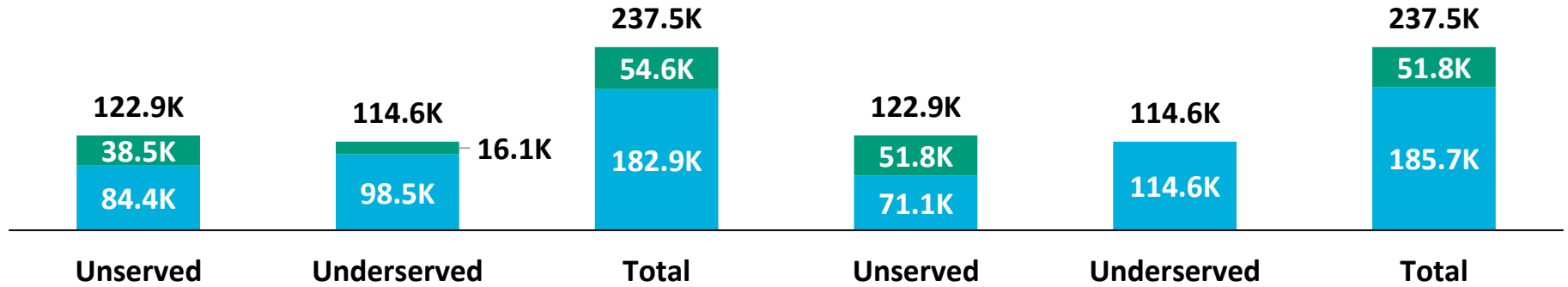
Wisconsin | Scenario Analysis Results

SCENARIO:

1 Baseline Fiber Deployment

2 Maximum Fiber Deployment

Fixed Wireless
Fiber



Capex Required per Locations¹

Scenario	Unserved	Underserved	Total
Scenario 1	\$7,038	\$7,141	\$7,088
Scenario 2	\$6,345	\$8,521	\$7,395

BEAD Funds Available to State

\$1.1B

\$1.1B

+ Estimated Provider Match

\$709M

\$709M

= Total Available Capital

\$1.8B

\$1.8B

- Capex Required to Build

\$1.7B

+ \$82M

\$1.8B

= Remaining Funds

\$82M

\$--M

% of Locations Reached

100%

100%

% of Locations Reached with Fiber

77%

+1%

78%

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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Wisconsin | Conclusion



Funding Summary

Wisconsin is expected to receive

\$1.1B in BEAD funding



\$709M in estimated provider matching

We estimate the funding is sufficient to reach all of Wisconsin's 237.5k eligible locations with high-speed broadband



Key Findings

Wisconsin 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 \$82M additional funds for affordability programs
- Reaches 77% of locations with fiber
- Requires 23% to be reached with other tech.

- Exhausts funds without leaving additional funds for affordability programs
- Reaches 78% of locations with fiber
- Requires 22% 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

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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