



# ALABAMA BROADBAND ACCESSIBILITY FUND

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# ALABAMA BROADBAND ACCESSIBILITY FUND

Because the availability of high-speed broadband services in unserved rural Alabama is important for economic development, education, health care, and emergency services, on March 28, 2018, Governor Kay Ivey signed the Alabama Broadband Accessibility Act establishing the Alabama Broadband Accessibility Fund. On May 30, 2019, Governor Ivey signed Act #2019-327 which provided numerous amendments to the original act.



April 2017

Gov. Ivey issued Executive Order 704, establishing ADECA as the agency to assume all powers, duties, responsibilities, authority, and obligations belonging to the Office of Broadband Development

March 2018

Gov. Ivey signed the Alabama Broadband Accessibility Act, creating the Alabama Broadband Accessibility Fund

May 2019

Gov. Ivey signed Act #2019-327, amending the original Act

As of May 2020

\$19,800,263.71 in ABAF funds have been awarded to 55 projects. These projects represent approximately 25,134 new services at an average grant cost of \$788 per service

# Alabama Accessibility Act Parameters

## Funds

- Awards of up to \$1.5M or 35% of project cost
- Combined with federal funding, cannot exceed 60% of project cost

## Speeds

- Must provide services of 25/3 Mbps

## Eligible Projects

- Last Mile Projects, to provide services to residential, business, & institutional end users
- Middle Mile Projects, to connect other service providers to enable them to reach end users

## Eligible Areas

- Unserved with 25/3 broadband & no funding before March 2023
- Outside any incorporated city or town with population over 25,000

## Eligible Entities

- Non-governmental entities that are cooperatives, corporations, LLCs, partnerships, or other private entities

# FUNDING

- For program year 2018 through 2019, ADECA received \$7.4 million
- For program years 2020 and 2021, ADECA received \$20 million each year

# KEY LEGISLATIVE CHANGES

- 2018-2019

- Minimum Speed 10/1
- Maximum Grant 20%, or \$1,000,000.00
- Priority Areas
- Application Due Date Established by Legislation (150 days)
- Limited Documentation of Project Completion

- 2019-2020

- Minimum Speed 25/3
- Maximum Grant 35%, or \$1,500,000
- Added Additional Consideration
- Application Due Date Established by ADECA (90 days)
- Specific Documentation of Project Completion
- Added Definitions

# KEY LEGISLATIVE CHANGES

- **New Definitions and Reporting Requirements**
  - **End User:** A residential, business, institutional, or government entity that uses broadband services for its own purposes and does not resell such broadband services to other entities. An internet service provider (ISP) and mobile wireless service provider are not an end user for the purposes of this act.
  - **Middle Mile:** A broadband infrastructure project that does not provide broadband service to end users or to end-user devices.
  - **Reporting:** Operational testing, when possible, to confirm the level of service proposed in the grant application. Such regulations shall not exceed in degree or differ in kind from testing and reporting requirements imposed on the grant recipient by the Federal Communications Commission, as adjusted for the service specifications in the ADECA grant agreement.

# ALABAMA BROADBAND ACCESSIBILITY FUND ACCOUNTABILITY MEASURES

- The ABAF is a reimbursement program
  - Funds are awarded prior to project commencement
  - Funds are only disbursed after project completion and verification
- The ABAF requires project completion within two years



# FUNDED PROJECTS

Applicant	Project Area/Name	Project Amount	Grant Amount	Potential New Services	Average Grant Cost/ New Service
<b>2018 Projects Awarded</b>					
<b>Charter Communications, Inc.</b>	Eastwood Point	\$55,110.00	\$11,022.00	40	\$275.55
<b>Charter Communications, Inc.</b>	Emerald Ridge	\$55,316.40	\$11,063.28	41	\$269.84
<b>Charter Communications, Inc.</b>	Glen Ridge	\$147,835.00	\$29,567.00	94	\$314.54
<b>Charter Communications, Inc.</b>	Grace Haven	\$30,086.00	\$6,017.20	29	\$207.49
<b>Charter Communications, Inc.</b>	Vickey Lane	\$42,076.00	\$8,415.20	44	\$191.25
<b>Farmers Telecommunications Cooperative, Inc.</b>	Pea Ridge	\$372,932.00	\$74,586.00	62	\$1,203.00
<b>Farmers Telecommunications Cooperative, Inc.</b>	Fabius	\$443,340.55	\$88,668.11	48	\$1,847.25
<b>Millry Telephone Company, Inc.</b>	Choctaw County Project 1	\$4,691,530.52	\$938,306.10	760	\$1,234.61
<b>R. M. Greene, Inc.</b>	Pittsview Area	\$21,602.87	\$4,320.57	23	\$187.85
<b>R.M. Greene, Inc.</b>	Dixie Area	\$253,560.43	\$50,712.09	219	\$231.56
<b>Roanoke Telephone Company, Inc.</b>	Five Points Community	\$396,198.00	\$79,239.60	176	\$450.23
<b>Troy Cablevision, Inc.</b>	SE AL Broadband Accessibility Project #1	\$2,875,576.57	\$575,115.31	957	\$600.96

# FUNDED PROJECTS CONTINUED

APPLICANT	PROJECT AREA/NAME	PROJECT AMOUNT	GRANT AMOUNT	POTENTIAL NEW SERVICES	AVERAGE GRANT COST/ NEW SERVICE
Troy Cablevision, Inc.	SE AL Broadband Accessibility Project #2	\$1,744,426.85	\$348,885.37	440	\$792.92
<b>2019 Projects Awarded</b>					
Cyber Broadband, Inc.	Smith Lake – Sipsey Pines Community	\$568,400.00	\$113,680.00	200	\$568.40
Troy Cablevision, Inc.	SE AL Broadband Accessibility Project #3	\$117,773.40	\$23,554.68	37	\$636.61
<b>2020 Projects Awarded</b>					
Central Alabama Electric Cooperative	Zone 1	\$640,500.00	\$224,175.00	318	\$704.95
Central Alabama Electric Cooperative	Zone 2	\$826,000.00	\$289,100.00	382	\$756.81
Central Alabama Electric Cooperative	Zone 3	\$1,372,000.00	\$480,200.00	534	\$899.25
Central Alabama Electric Cooperative	Zone 4	\$1,949,500.00	\$682,325.00	706	\$966.47
Central Alabama Electric Cooperative	Zone 5	\$3,048,500.00	\$1,066,975.00	1,146	\$931.04
Central Alabama Electric Cooperative	Zone 6	\$1,594,250.00	\$557,987.50	772	\$722.78
Central Alabama Electric Cooperative	Zone 7	\$1,519,000.00	\$531,650.00	529	\$1,005.01
Central Alabama Electric Cooperative	Zone 8	\$798,000.00	\$279,300.00	419	\$666.59
Charter Communications, Inc.	Town of Autaugaville	\$962,370.00	\$336,829.50	659	\$511.12
Charter Communications, Inc.	Deerfield - Dallas County	\$158,516.83	\$55,480.89	55	\$1,008.74
Charter Communications, Inc.	Lee Road 279	\$24,021.00	\$8,407.35	8	\$1,050.92
Charter Communications, Inc.	Marina Marin - Tallapoosa County	\$701,621.00	\$245,567.35	316	\$777.11
Comcast	Dauphin Island	\$2,345,000.00	\$820,750.00	2,600	\$315.67

# FUNDED PROJECTS CONTINUED

Applicant	Project Area/Name	Project Amount	Grant Amount	Potential New Services	Average Grant Cost/ New Service
Cyber Broadband, Inc.	Fiber to the Premise - Smith Lake AL-Phase II	\$2,356,748.80	\$824,862.02	815	\$1,012.10
Cyber Broadband, Inc.	Fiber to the Home - Baileyton Joppa East Cullman County	\$3,810,748.00	\$1,333,761.80	1,775	\$751.42
Farmers Telecommunications Cooperative, Inc.	Northern DeKalb-Jackson County	\$1,063,917.70	\$372,371.20	270	\$1,379.15
Farmers Telecommunications Cooperative, Inc.	Southern DeKalb County	\$3,219,679.36	\$1,126,887.78	778	\$1,448.44
Gigafy, LLC	Rural Heflin - Fiber to the Home - Broadband Expansion	\$510,805.30	\$178,781.85	524	\$341.19
Hayneville Telephone Company, Inc.	Black Belt Community	\$587,730.00	\$205,705.50	264	\$779.19
Hayneville Telephone Company, Inc.	Hayneville East	\$359,060.00	\$125,671.00	188	\$668.46
Hayneville Telephone Company, Inc.	Hayneville West	\$409,330.00	\$143,265.50	194	\$738.48
Hayneville Telephone Company, Inc.	Poorhouse Community	\$257,350.00	\$90,072.50	70	\$1,286.75
Hayneville Telephone Company, Inc.	Ebenezer Road	\$136,790.00	\$47,876.50	32	\$1,496.14
Hayneville Telephone Company, Inc.	Sherling Lake	\$367,990.00	\$128,796.50	52	\$2,476.86
JTM Broadband, LLC	Lauderdale County Phase 1	\$1,155,470.00	\$404,414.50	1,570	\$257.59
Mediacom Southeast, LLC	Charmont Subdivision	\$170,826.00	\$59,789.10	121	\$494.12
Mediacom Southeast, LLC	Cypress Bay West	\$57,122.00	\$19,992.70	23	\$869.25
Mediacom Southeast, LLC	Hwy 90 Subdivision	\$105,179.00	\$36,812.65	97	\$379.51

# FUNDED PROJECTS CONTINUED

Applicant	Project Area/Name	Project Amount	Grant Amount	Potential New Services	Average Grant Cost/ New Service
Mediacom Southeast, LLC	Joe Carter Road	\$9,197.00	\$3,218.95	14	\$229.93
Millry Telephone Company, Inc.	FTH Phase III	\$2,728,290.00	\$954,901.50	577	\$1,654.94
Mon-Cre Telephone Cooperative, Inc.	Clearview	\$1,513,447.33	\$529,706.57	350	\$1,513.45
Mon-Cre Telephone Cooperative, Inc.	Hobbie	\$974,508.81	\$341,078.08	115	\$2,965.90
National Telephone of Alabama, Inc.	Red Rock Community Broadband Project	\$1,020,490.00	\$357,171.50	212	\$1,684.77
New Hope Telephone Cooperative, Inc.	Berkley Fiber Expansion	\$310,076.50	\$108,526.77	133	\$815.99
OTELCO, Inc.	Morgan City FFTP	\$1,770,000.00	\$619,500.00	1,649	\$375.68
Pine Belt Telephone Company, Inc.	Project Bulldog	\$9,544,703.00	\$1,500,000.00	1,577	\$951.17
Roanoke Telephone Company, Inc.	Roanoke Community Broadband Project	\$545,143.75	\$190,800.31	142	\$1,343.66
Troy Cablevision, Inc.	SE AL Broadband Accessibility Project #4	\$3,955,139.29	\$1,384,298.75	1,273	\$1,087.43
Troy Cablevision, Inc.	SE AL Broadband Accessibility Project #5	\$2,144,642.94	\$750,625.03	641	\$1,171.02
Windstream Alabama, Inc.	Alabama Broadband Accessibility 2020	\$55,643.00	\$19,475.05	64	\$304.30

# APPLICATIONS FUNDED TO DATE

- 22 applications were received during the 2018 application period, 5 applications were received during the 2019 application period, and 61 applications were received during the 2020 application period
- 13 projects were awarded funding for 2018, 2 projects were awarded funding for 2019, and 40 projects were awarded funding in 2020
- Funds awarded total \$19,800,263.71 with a matching private investment of \$47,094,807.49
- The average grant dollar cost per new service is \$787.79

# UNFUNDED APPLICATIONS

- A total of 33 projects did not receive funding
- Approximately sixty percent of those unfunded projects were rescinded by the applicant. some of the projects were rescinded to prevent a conflict with federal funding
- The remaining unfunded projects were deemed ineligible because there were either problems with the submitted application or the proposed project included areas that were already considered served according to the legislation
- All applicants receiving a valid challenge from an existing provider were presented with the challenge and given the opportunity to amend the project, rescind the project, or dispute the challenge
- In all cases, unsuccessful applicants have been invited to receive technical assistance and resubmit an application during subsequent funding rounds, many applicants have already chosen to do so, and others are planning to reapply during the 2021 Project Year funding cycle



# TOTAL FOR ALL PROGRAM YEARS

	<b>Project Amount</b>	<b>Grant Amount</b>	<b>Potential New Services</b>	<b>Average Grant Cost Per New Service</b>
Funded Projects	\$66,835,071.20	\$19,800,263.71	25,134	\$787.79
Unfunded Projects	\$53,748,974.67	\$14,626,101.15	69,591	\$210.17

# APPLICATIONS RECEIVED UNDER 2021 ROUND ONE GRANT PERIOD

The current application period is open



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graph TD; A[The current application period is open] --> B[Applications are due by 2/8/21]; B --> C[The challenge period for existing providers is 2/9/21 through 3/23/21]; C --> D[Awards are anticipated 5/7/21]
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Applications are due by 2/8/21

The challenge period for existing providers is 2/9/21 through 3/23/21

Awards are anticipated 5/7/21



# OFFICE OF BROADBAND DEVELOPMENT

- On April 26, 2017, Governor Kay Ivey issued Executive Order 704. This order established the Alabama Department of Economic and Community Affairs as the agency to assume all powers, duties, responsibilities, authority, and obligations belonging to the Office of Broadband Development.

# OFFICE OF BROADBAND DEVELOPMENT

## Coordination with Federal Programs

- In addition to administering the Alabama Broadband Accessibility Fund, ADECA houses the Office of Broadband Development
- One of the functions of the office is to provide support to ISPs applying for federal funds for broadband deployment
- This office has developed a process for ISPs applying for USDA ReConnect funds to request a Governor's letter, documentation of the state plan, and expedited approval process
- This process has allowed many Alabama applicants to be more competitive by receiving bonus points in the applications process

# OFFICE OF BROADBAND DEVELOPMENT

## ABC for Students

- The Office of Broadband Development worked closely with the Department of Finance, the Alabama State Department of Education, and CTC Technology and Energy to develop the Alabama Broadband Connectivity for Students (ABC for Students) program
- This program was funded with CARES Act funding and allowed the state to issue vouchers to provide free broadband to over 200,000 low-income students
- The statewide approach that included the participation of 42 providers is unique in the nation
- Most of the service providers were small, Alabama-based businesses. The successful rollout of the program in a matter of weeks has been reviewed by technical media outlets on a national level

# OFFICE OF BROADBAND DEVELOPMENT

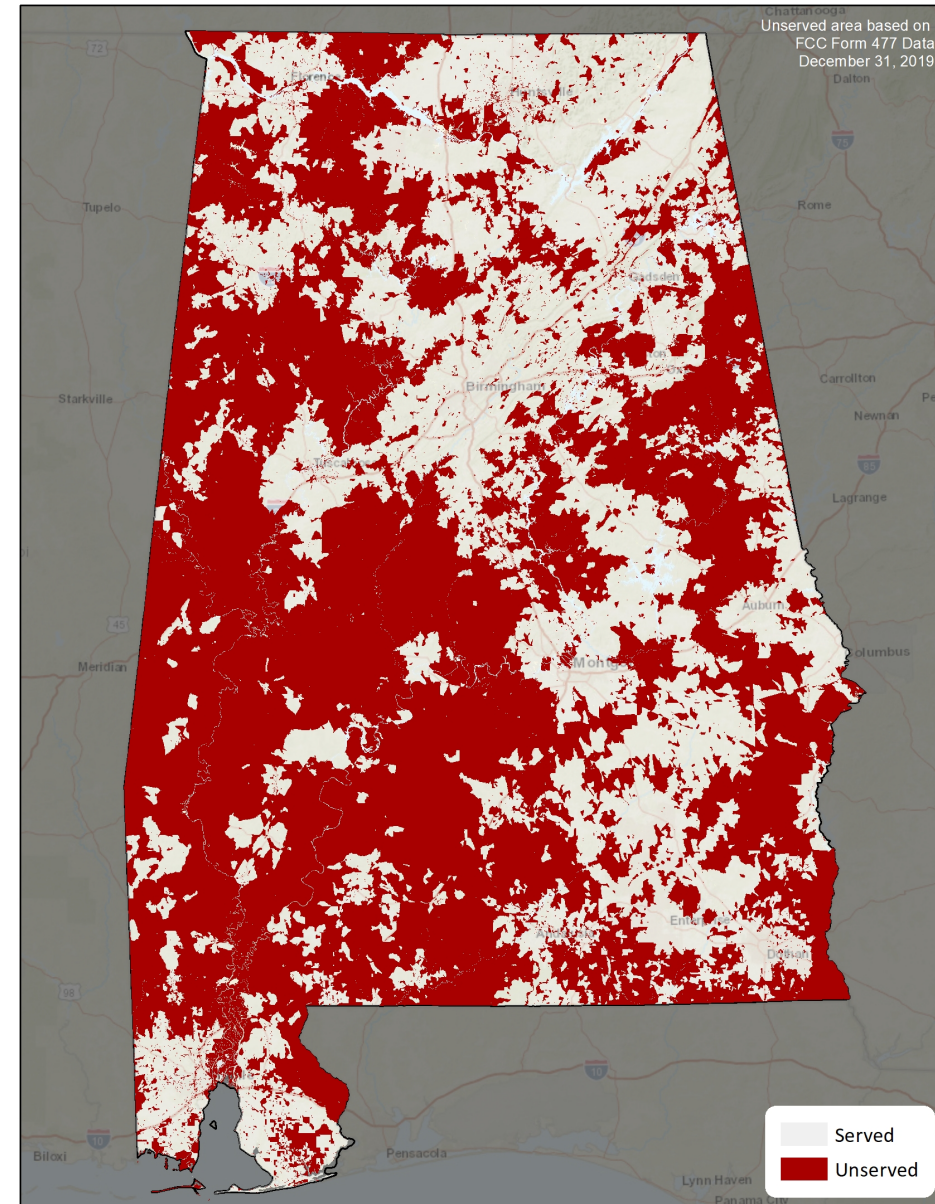
- In July of 2019, ADECA issued a request for proposals for planning and mapping services
- Eight responses were received
- CTC Technology and Energy received the highest score in the evaluation process
- The contract was reviewed and approved by the Contract Review Committee
- The amount is \$1.5 million and the contract period is January 1, 2020 through December 31, 2021
- Additional planning and mapping requirements will be identified through this process – the scope of work for phase 2 will be determined as a result of phase 1

# STATEWIDE BROADBAND PLAN PHASE 1 CONTINUED

- General scope of work items include:
  - Provide technical expertise for grant program development
  - Identify and develop strategy for leveraging state funds to attract other funding
  - Legislative review and recommendations
  - Identify and convene stakeholders
  - Develop current broadband maps and system for updating maps over time
  - Develop statewide strategic plan
  - Support and enable regional planning

# Filling gaps in unserved areas likely to cost \$4-6B in 2021 dollars

- Will require long-term planning & commitment
- Will require federal, private, and state funding
- New federal funding might reduce gap by 40% or more
- Predictable state grant funding enables companies to plan to leverage state funds in federal grant applications



# Mapping & data efforts underway

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Develop map of  
broadband  
availability at every  
address in Alabama

Will enable accurate assessment of scale of gaps & precise grant awards

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Will be complete in December 2021, several years ahead of federal timeline

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Map will require annual, ongoing updates to reflect new federal, state, & private investment

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Collect data independently & in cooperation with internet service providers

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Develop online tools to analyze infrastructure, service coverage, & federal funding

# Planning efforts underway

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Provide strategic and technical guidance to rural communities to develop strategy and public-private collaboration

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Provide technical assistance to Alabama companies to compete for federal grants

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Develop webinars to support local communities & private partners to understand federal funding programs

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# Necessary future efforts

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Update Alabama broadband map annually

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Provide strategic and technical guidance to rural communities and companies

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Oversee and verify broadband efforts & state funding

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# Alabama broadband achievements result from singular, consistent legislative & executive support

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Alabama is a leader, nationally & in the South, for broadband infrastructure grants

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The map currently in development is far more granular & impactful than most states

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ABC for Students is first-of-its-kind among states and noted as model for federal program

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