

Alabama Broadband Accessibility Fund 2021 Annual Report Presented January 28, 2021



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Alabama Broadband Accessibility Fund

Because the availability of high-speed broadband services in unserved rural Alabama is essential 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.

Funding

For the 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 percent or \$1,000,000
- Priority Areas
- Application Due Date Established by Legislation (150 days)
- Limited Documentation of Project Completion

2019-2020

- Minimum Speed 25/3
- Maximum Grant 35 percent or \$1,500,00
- Added Additional Consideration Categories
- Application Due Date Established by ADECA (90 days)
- Specific Documentation of Project Completion
- Added Definitions

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.”

Accountability Measures

- Reimbursement Program: ADECA awards funds to the successful applicants before the project commencement; however, ADECA only disburses funds after the project is completed and verified.
- Time Requirement: Successful applicants must complete projects within two years of the award.

Funded Projects (as of January 2021)

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

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
2019 Projects Awarded					
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
2020 Projects Awarded					
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

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

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 FTTP	\$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:

- ADECA received Twenty-two (22) applications during the 2018 application period, five (5) applications during the 2019 application period, and sixty-one (61) applications during the 2020 application period. The current application period is open. Applications are due by February 8, 2021. ADECA has not received any applications to date. Once the applications are submitted, ADECA will update the website and this report.

- In 2018, ADECA awarded thirteen (13) projects, two (2) projects in 2019, and forty (40) projects in 2020. ADECA has awarded a total of 55 projects have under the ABAF.
- 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 Projects (as of January 2021)

Applicant	Project Area/Name	Project Amount	Grant Amount	Potential New Services	Average Grant Cost Per New Service
Unfunded 2018					
National Telephone of Alabama, Inc.	Red Rock Community Broadband Project	\$447,882.00	89,564.40	124	\$722.29
Paladin Wireless, LLC	Paladin Coosa Fixed Wireless Solution	\$7,000,000.00	\$1,400,000.00	12,000	\$116.67
OTELCO, Inc.	Arab FTTP	\$165,000.00	\$33,000.00	79	\$417.72
R.M. Green, Inc.	Padgetts Road Area	\$50,594.65	\$10,118.93	49	\$206.51
R.M. Greene, Inc.	Patterson Road	\$37,110.10	\$7,422.02	21	\$353.43
Roanoke Telephone Cooperative, Inc.	Tin Shop Community Broadband Project	\$749,130.00	\$149,826.00	163	\$919.18
Tombigbee Electric Cooperative	Whitehouse Community	\$1,128,876.00	\$225,776.00	404	\$558.85
Tombigbee Electric Cooperative	Southeast Marion County	\$1,646,778.00	\$329,356.00	432	\$762.40
Tombigbee Electric Cooperative	Rural Hackleburg	\$3,539,443.00	\$707,889.00	637	\$1,111.29

Applicant	Project Area/Name	Project Amount	Grant Amount	Potential New Services	Average Grant Cost Per New Service
Unfunded 2019					
R. M. Greene, Inc.	Dixie Area Phase 2	\$253,560.43	\$50,712.09	219	\$231.50
Blackbelt Technologies, Inc.	Orrville Hybrid Fiber Wireless Broadband Project	\$207,602	\$41,520.40	297	\$139.80
RainWare, LLC	RainWare Phase 1	\$11,113,580	\$1,400,00.00	6,974	\$200.75
Unfunded 2020					
Alabama Lightwave, Inc.	North Bibb County - West Blocton Area	\$4,277,728.00	\$1,497,204.80	6,089	\$245.89
Alabama Power Company	Jasper Area Middle Mile Project	\$1,365,100.00	\$477,785.00	10,587	\$45.13
Alabama Power Company	Vance, West Blocton, and Woodstock Middle Mile Project	\$1,785,000.00	\$624,750.00	5,542	\$112.73
CenturyLink, Inc.	Winfield	\$49,400.00	\$17,290.00	109	\$158.62
Charter Communications, Inc.	Franklin Parc Area - Warrior Al	\$156,907.00	\$54,917.45	69	\$795.91
Charter Communications, Inc.	Peggy Drive - Roanoke	\$34,072.00	\$11,925.20	14	\$851.80
Charter Communications, Inc.	Raintree Area - Centre Al	\$90,469.00	\$31,664.15	51	\$620.87
Covington Electric Cooperative, Inc.	South Alabama Middle Mile Broadband Accessibility	\$5,219,513.65	\$1,500,000.00	3	\$500,000
Mediacom Southeast, LLC	Beth Drive	\$42,984.00	\$15,044.40	40	\$376.11

Applicant	Project Area/Name	Project Amount	Grant Amount	Potential New Services	Average Grant Cost Per New Service
Tombigbee Electric Cooperative	NW AL Revitalization - Marion County	\$2,504,256.00	\$876,489.00	873	\$1,004.00
Tombigbee Electric Cooperative	NW AL - North Lamar County	\$3,353,090.00	\$1,173,582.00	1,499	\$782.91
Tombigbee Electric Cooperative	NW AL - South Lamar County	\$2,865,308.00	\$1,002,858.00	1,700	\$589.92
Charter Communications, Inc.	Creekside - Trussville	\$104,168.86	\$36,459.10	42	\$868.07
Charter Communications, Inc.	Timberline Area - Calera Al	\$510,889.00	\$178,811.15	259	\$690.39
DV GWA, LLC.	GET WIRED ALABAMA - Dallas County	\$4,813,029.00	\$1,443,909.00	9,805	\$147.26
DV GWA, LLC.	GET WIRED ALABAMA - Lowndes County	\$633,880.00	\$221,858.00	9,051	\$24.51
DV GWA, LLC.	GET WIRED ALABAMA - Macon County	\$3,072,956.00	\$1,075,535.00	7,515	\$143.12
DV GWA, LLC.	GET WIRED ALABAMA - Wilcox County	\$2,947,725.00	\$1,031,704.00	6,642	\$155.33
Highspeed Country Internet, LLC (HCI)	South Cleburne County	\$187,300.00	\$65,555.00	211	\$310.69
JTM Broadband, LLC	Winston County Phase 1	\$954,949.73	\$334,232.41	364	\$918.22
Moundville Telephone Company, Inc	MTC Middle-Mile	\$141,280.00	\$49,448.00	-	N/A

Unfunded Projects:

- A total of thirty-three (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 allowed 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.

Grand Totals for All Program Years

	Project Amount	Grant Amount	Potential New Services	Average Grant Cost Per New Service
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

Funded Projects from Entities Certified by the Office of Minority Business Enterprise and Disadvantaged Business Enterprises (as of January 2021)

ADECA has not funded any projects that were applied for by entities certified by the Office of Minority Business Enterprise and Disadvantaged Business Enterprises.

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.

Funding

ADECA has received 2.5 million per year to fund the Office of Broadband Development and its mapping, planning, and community support efforts.

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. As such, this office has developed a process for ISPs applying for USDA ReConnect funds to request a Governor's letter and 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.

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.

Statewide Broadband Plan Phase 1

- **Planning Contract:** 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 of the contract is \$1.5 million, and the contract period is January 1, 2020, through December 31, 2021. General scope of work items include, provide technical expertise for grant program development, identify and develop a strategy for leveraging state funds to attract other funding, legislative review and recommendations, identify and convene stakeholders, develop current broadband maps and systems for updating maps over time, develop a statewide strategic plan, and support and enable regional planning.
- **Next Steps:** 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. ADECA anticipates utilizing ongoing consultant support to provide technical expertise to the Office of Broadband Development, community support for building relationships with ISPs, and support to ISP in accessing federal funding.