

Broadband (BEAD)

BEAD

Broadband Equity, Access, & Deployment

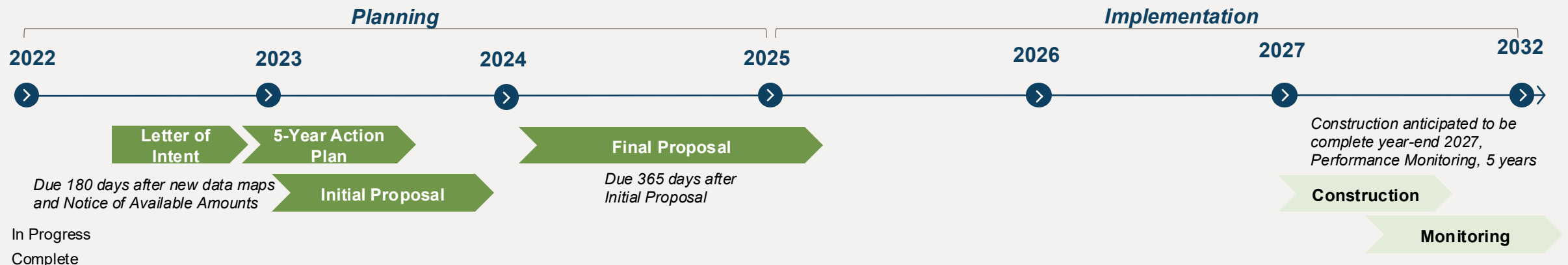
- **A Reminder of What BEAD Does**

- The BEAD program provides funding to eligible entities and territories for broadband planning, deployment, mapping, and adoption activities, with the primary purpose of expanding high-speed internet access, administered by the National Telecommunications and Information Administration (NTIA).
 - \$130,162,800: North Dakota BEAD allocation, including proposal development, planning, and administrative expense.
 - \$102,083,827: Approximate allocation remaining for “non-deployment,” awaiting NTIA notice.
 - North Dakota’s deployment subgrantee selection process was conducted in alignment with the initial proposal approved by NTIA as amended by the June 6, 2025, Restructuring Policy Notice (RPN).

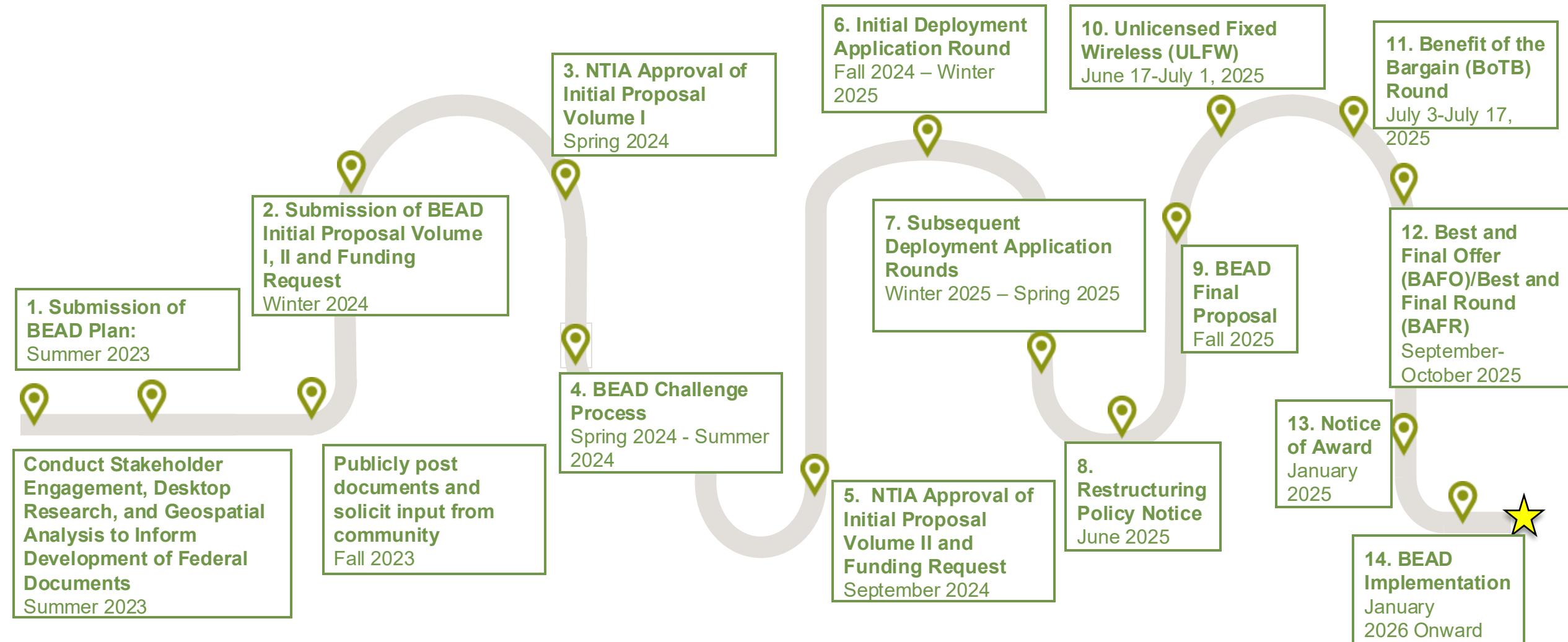
BEAD

- The subgrantee selection process and NTIA approval took more than a year (September 2024 through November 2025).
- As a result of the selection process, North Dakota was able to secure 100% coverage to all unserved/underserved locations.
 - 257 locations (BEK) and 22 locations (Midco) approved by NTIA in November 2025
 - BEK sub-award \$5,942,467.35 (match: \$1,980,822.46); Midco sub-award \$191,501.00 (match: \$63,834.00).

North Dakota BEAD Timeline



ND Has Traveled a Long Road



Deployment Project Areas & Awards

Refined Through Multiple Application Rounds

Subgrantee Selection

Voided by BEAD Restructuring Policy Notice

BEK

Awarded Projects: 1
Awarded Locations: 192 BSLs
Cost Per Location: \$32,000
Total Request: \$6.1 million
Total Match: \$2 million

Midco

Awarded Projects: 2
Awarded Locations: 95 BSLs
Cost Per Location: \$5,000 – \$6,000
Total Request: \$489,000
Total Match: \$339,000

Preliminary subgrantee selection process (not finalized):

- MIDCO's bids overlapped with locations in BEK's proposed project area
- Overlapped locations were pulled out for competitive bid, with MIDCO leading based on evaluation criteria
- Process was halted because of June 2025 NTIA "Benefit of the Bargain" Notice of Award

Benefit of the Bargain

Open to All Provider Types

BEK

Awarded Projects: 4
Awarded Locations: 279
Cost Per Location: \$1,000- \$50,000
Total Request: \$6.5 million
Total Match: \$2 million

Midco

Awarded Projects: 1
Awarded Locations: 22
Cost Per Location: \$8,000
Total Request: ~\$192,000
Total Match: ~\$63,800

"Benefit of the Bargain" process updated original project areas were updated with new, competitive project locations

- With cost now the primary evaluation component, BEK's competitive bids were significantly below MIDCO's submissions
- However, NTIA felt the costs still were high, leading to further rounds

Best and Final Offer

3-Day, NTIA-Mandated Renegotiation

BEK

Awarded Projects: 4
Awarded Locations: 279
Cost Per Location: \$1,000- \$45,000
Total Request: \$6.5 million
Total Match: ~\$2 million

Midco

Awarded Projects: 1
Awarded Locations: 22
Cost Per Location: \$8,000
Total Request: ~\$192,000
Total Match: ~\$63,800

- BAFO request triggered by undisclosed price caps based on NTIA's proprietary cost models
- BEK increased match to meet BAFO requirement for a project area

Best and Final Round

NTIA-Mandated Renegotiation

BEK

Awarded Projects: 1
Awarded Locations: 257
Cost Per Location: \$23,000
Total Request: \$5.9 million
Total Match: ~\$2 million

Midco

Awarded Projects: 1
Awarded Locations: 22
Cost Per Location: \$8,000
Total Request: ~\$192,000
Total Match: ~\$63,800

- BAFR triggered by undisclosed price caps based on NTIA's proprietary cost models
- 15 BEK BEAD locations were alternatively funded through CPF ExteND (savings from closed projects), lowering BEK's bid and ensuring locations would not be deemed "too expensive to serve" by NTIA
- NTIA approved in Mid-November 2025

Application Round Results

Subgrantee Selection (Results Voided by BEAD Restructuring Policy Notice) | 3 Project Areas

Project Area	BSLs	BEK Bid	Midco Bid	Outcome
Project Area 1	192	Yes		Uncontested; BEK leading
Project Area 2	34	Yes	Yes	Deconfliction Round; Midco leading, based on criteria
Project Area 3	61	Yes	Yes	Deconfliction Round; Midco leading, based on criteria

Benefit of the Bargain + Best and Final Offer | 5 Project Areas

Project Area	BSLs	BEK Bid	Midco Bid	Starlink Bid	Outcome
Project Area B1	180	Yes		<i>Incomplete</i>	Uncontested; BEK win
Project Area B2	60	Yes	Yes	<i>Incomplete</i>	Deconfliction Round; BEK win, lowest funding request
Project Area B3	32	Yes	Yes	<i>Incomplete</i>	Deconfliction Round; BEK win, lowest funding request
Project Area B4	7	Yes		<i>Incomplete</i>	Uncontested; BEK win
Project Area B5	22		Yes	<i>Incomplete</i>	Uncontested; Midco win

Best and Final Round | Only 2 Project Areas Required by NTIA to Be Offered to All Bidders for These Projects (BEK and Starlink) for Rebid

Project Area	BSLs	BEK Bid	Outcome
Project Area B1 (Rebid)	180	Yes	Uncontested; BEK win; <u>15 locations were eligible for CPF ExtEND</u> and were removed from rebid (binding federal commitment, no longer eligible for BEAD funding)
Project Area B4 (Rebid)	7	<u>7 locations were eligible for CPF ExtEND</u> and eliminated from rebid, no longer eligible for BEAD funding	

NTIA Required Cost Reductions

Or List as 'Too Expensive to Serve'

Tribal lands. Examples of circumstances that are not considered extraordinary include projects in rural areas, challenging terrain/topography, and dense tree canopy. The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application below the threshold or to confirm that the applicant has provided its lowest cost proposal. The Eligible Entity must select the lowest cost proposal, regardless of priority broadband classification. The threshold for this Eligible Entity is: \$46,500. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity successfully negotiates below the threshold, provide additional information for the project as described for the 65th-85th Percentile above. If the Eligible Entity cannot negotiate below the 85th Percentile and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.

01 Requirement 1: Subgrantee Selection Outcomes

The Eligible Entity's provisional awards must be in accordance with Section 3.4 of the BEAD Restructuring Policy Notice.

Additional Information

Section 3.4 of the BEAD Restructuring Policy Notice, NTIA "... reserves the right to reject any proposed deployment project or specific BSL action for which costs to deploy are excessive, as determined by NTIA based on the cost characteristics of the area to be served." For projects represented in the Between 65th -85th Percentile CSV file, or projects moved below the 85th Percentile after negotiations: Based on the submitted Deployment Projects CSV, NTIA has identified projects for which costs to deploy could be excessively costly and additional information is required to justify the Eligible Entity's selection of these projects. Please provide additional information, including: - A summary of existing circumstances to explain the higher costs (e.g., terrain/ topography, tree canopy, density of locations, Tribal lands, other instances as described) - For projects that triggered the secondary scoring criteria (within 15% of the cost of the selected project), a list of priority applications received for the same general project area. - Were non-priority applications received for the same general project area (Yes/No) o If yes, explain the basis for the non-priority designation for the non-priority proposals to serve the same general project area. - The application of the methodology submitted in Final Proposal Requirement 12 to each specified project) When providing the above information, prioritize submitting in a format that is straightforward to review. This will vary based on the number of projects. In some cases, emailing an attachment to the Federal Program Officer may be more appropriate than responding via text in the NGP field. For projects represented in the Within 85th + 15% Percentile CSV file: Based on the submitted Deployment Projects CSV, NTIA has identified projects for which costs to deploy marginally exceed the reference estimate (i.e., 85th + 15% Percentile) and could be considered excessively costly. For these projects, the Eligible Entity has 72 hours to renegotiate with the preliminary awardee to lower the project cost below the threshold. The threshold for this Eligible Entity is: \$46,500. If the Eligible Entity successfully renegotiates below the threshold, provide additional information for the project as described for the 65th-85th Percentile above. If the Eligible Entity is unable to renegotiate with the preliminary awardee to lower the project cost below the threshold, the Eligible Entity must proceed to final negotiation with all applicants for that project area, regardless of priority broadband classification, as described below. For projects represented in the Over 85th + 15% Percentile CSV file, or projects unable to be renegotiated from the Within 85th + 15% Percentile CSV file: Based on the submitted Deployment Projects CSV, NTIA has identified projects for which costs to deploy are excessive. The EE may demonstrate extraordinary circumstances to justify projects over the 85th Percentile to NTIA. If the EE believes extraordinary circumstances are present, it should make that case in writing and proceed with working through the steps detailed below. Examples of circumstances that may be considered extraordinary include regulatory prohibitions on specific technologies, and Tribal lands. Examples of circumstances that are not considered extraordinary include projects in rural areas, challenging terrain/topography, and dense tree canopy. The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application below the threshold or to confirm that the applicant has provided its lowest cost proposal. The Eligible Entity must select the lowest cost proposal, regardless of priority broadband classification. The threshold for this Eligible Entity is: \$46,500. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity successfully negotiates below the threshold, provide additional information for the project as described for the 65th-85th Percentile above. If the Eligible Entity cannot negotiate below the 85th Percentile and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.

represented in the Within 85th + 15% Percentile CSV file: Based on the submitted Deployment Projects CSV, NTIA has identified projects for which costs to deploy marginally exceed the reference estimate (i.e., 85th + 15% Percentile) and could be considered excessively costly. For these projects, the Eligible Entity has 72 hours to renegotiate with the preliminary awardee to lower the project cost below the threshold. The threshold for this Eligible Entity is: \$46,500. If the Eligible Entity successfully renegotiates below the threshold, provide additional information for the project as described for the 65th-85th Percentile above. If the Eligible Entity is unable to renegotiate with the preliminary awardee to lower the project cost below the threshold, the Eligible Entity must proceed to final negotiation with all applicants for that project area, regardless of priority broadband classification, as described below. For projects represented in the Over 85th + 15% Percentile CSV file, or projects unable to be renegotiated from the Within 85th + 15% Percentile CSV file: Based on the submitted Deployment Projects CSV, NTIA has identified projects for which costs to deploy are excessive. The EE may demonstrate extraordinary circumstances to justify projects over the 85th Percentile to NTIA. If the EE believes extraordinary circumstances are present, it should make that case in writing and proceed with working through the steps detailed below. Examples of circumstances that may be considered extraordinary include regulatory prohibitions on specific technologies, and Tribal lands. Examples of circumstances that are not considered extraordinary include projects in rural areas, challenging terrain/topography, and dense tree canopy. The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application below the threshold or to confirm that the applicant has provided its lowest cost proposal. The Eligible Entity must select the lowest cost proposal, regardless of priority broadband classification. The threshold for this Eligible Entity is: \$46,500. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity successfully negotiates below the threshold, provide additional information for the project as described for the 65th-85th Percentile above. If the Eligible Entity cannot negotiate below the 85th Percentile and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.

NTIA Then Required Another Round

Provider Chosen Solely Based on Lowest Cost

Additional Information	
2025-10-24 Programmatic Review - Curing required: Pursuant to the RPN Section 3.4, NTIA “....reserves the right to reject any proposed deployment project or specific BSL connection for which costs to deploy are excessive, as determined by the NTIA based on the cost characteristics of the area to be served.” Therefore, the Assistance Secretary is rejecting the following two projects based on excessive cost: BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- WEST 1 average BEAD outlay \$45,000 BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- EAST 1 average BEAD outlay \$34,076 The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application. The Eligible Entity must select the lowest cost proposal regardless of priority broadband classification. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity cannot negotiate a less costly solution and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.	

Category	Deficiency	Additional Information
01 Requirement 1: Subgrantee Selection Outcomes	The Eligible Entity's provisional awards must be in accordance with Section 3.4 of the BEAD Restructuring Policy Notice.	2025-10-24 Programmatic Review - Curing required: Pursuant to the RPN Section 3.4, NTIA “....reserves the right to reject any proposed deployment project or specific BSL connection for which costs to deploy are excessive, as determined by the NTIA based on the cost characteristics of the area to be served.” Therefore, the Assistance Secretary is rejecting the following two projects based on excessive cost: BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- WEST 1 average BEAD outlay \$45,000 BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- EAST 1 average BEAD outlay \$34,076 The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application. The Eligible Entity must select the lowest cost proposal regardless of priority broadband classification. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity cannot negotiate a less costly solution and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.
24 FPFR Consolidated Budget Form - Subawards Tab	Complete the costs table in the Subawards tab.	2025-10-24 Programmatic Review - Curing required: Pursuant to the RPN Section 3.4, NTIA “....reserves the right to reject any proposed deployment project or specific BSL connection for which costs to deploy are excessive, as determined by the NTIA based on the cost characteristics of the area to be served.” Therefore, the Assistance Secretary is rejecting the following two projects based on excessive cost: BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- WEST 1 average BEAD outlay \$45,000 BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- EAST 1 average BEAD outlay \$34,076 The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application. The Eligible Entity must select the lowest cost proposal regardless of priority broadband classification. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity cannot negotiate a less costly solution and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.

2025-10-24 Programmatic Review - Curing required: Pursuant to the RPN Section 3.4, NTIA “....reserves the right to reject any proposed deployment project or specific BSL connection for which costs to deploy are excessive, as determined by the NTIA based on the cost characteristics of the area to be served.” Therefore, the Assistance Secretary is rejecting the following two projects based on excessive cost: BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- WEST 1 average BEAD outlay \$45,000 BEAD BARGAIN ROUND APPLICATION-BEK COMMUNICATIONS- EAST 1 average BEAD outlay \$34,076 The Eligible Entity has 72 hours to offer all applicants for the project area, regardless of priority broadband classification, an opportunity to negotiate their application. The Eligible Entity must select the lowest cost proposal regardless of priority broadband classification. The Eligible Entity does not need to select a project that it deems incapable of serving the locations in question, whether because of technical deficiency, legal prohibition, or some other reason. If the Eligible Entity cannot negotiate a less costly solution and NTIA does not approve extraordinary circumstances, it must apply Reason Code 7X to the project locations.

ND's BEAD Cost Per Location

Consistent With Initial CPF Numbers

Initial Round CPF Awards

- Total Locations Awarded: **2,274**
- Average Cost Per Location: **\$16,382**

Awardee (Top 3 by CPL)	Location Count	Total CPF Award	CPF Cost per Location
West River	47	\$4,549,827	\$96,805
NCC <i>(formerly Nemont)</i>	45	\$2,606,693	\$57,927
NCC/MVC	329	\$8,834,688	\$26,853

BEAD’s average cost per location of \$23,868 was for the final locations to enable 100 percent of all North Dakota locations to have high-speed internet service.

The cost was higher than the average CPF awards from 2023 but less than some of the awards at that time.



Information Technology

THANK YOU!