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# INTERNET FOR ALL

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## Frequently Asked Questions and Answers Version 4.0

### Enabling Middle Mile Broadband Infrastructure



U.S. Department of Commerce

National Telecommunications and Information Administration

## Note

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The Enabling Middle Mile Broadband Infrastructure Grant Program (Middle Mile Grant Program), authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title IV, Section 60401, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law, provides federal funding for grants on a technology-neutral, competitive basis to eligible entities for the construction, improvement, or acquisition of middle mile infrastructure. The following document is the second in a series of FAQ documents intended to clarify and provide guidance on information set forth in the Middle Mile Grant Program Notice of Funding Opportunity (NOFO) on May 13, 2022. Newly added questions from the first FAQ are indicated with an asterisk (\*). Following the release of this document, further questions may be submitted to [middlemile@ntia.gov](mailto:middlemile@ntia.gov) for consideration to include in future FAQ documents.

*The below FAQs are for informational purposes only and are intended solely to assist potential applicants in better understanding the National Telecommunications and Information Administration (NTIA) Enabling Middle Mile Broadband Infrastructure Program and the application requirements set forth in the NOFO for this program. The FAQs do not and are not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, and the requirements set forth in the NOFO, shall prevail over any inconsistencies contained in the below FAQs*

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## 1. Overview

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### 1.1. What is middle mile infrastructure?

Middle mile infrastructure means any broadband infrastructure that does not connect directly to an end-user location, including an anchor institution; and includes— (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links (NOFO Section I.B.9).

### 1.2. Why is middle mile infrastructure important, and how does middle mile infrastructure impact broadband services?

Middle mile infrastructure does not reach the end user's location, but typically aggregates large quantities of traffic for carriage between points that can be relatively close together or far apart. Middle mile infrastructure might carry traffic via undersea cable to remote locations such as Hawaii or American territories and possessions elsewhere in the Pacific, may “backhaul” wireless traffic from an antenna mounted on a tower to the provider's wired network, may bring the internet to previously unserved Tribal or Native lands, or may simply connect neighboring towns. Middle mile connections are crucial to broadband connectivity (NOFO Section I.A).

### 1.3. What types of entities offer middle mile services?

Middle mile services might be offered by a wide range of entities, from traditional Internet Service Providers, to large technology companies that do not offer retail broadband at all, or electric utilities that increasingly recognize their capability to transform the communications market (NOFO Section I.A).

### 1.4. What is the Enabling Middle Mile Broadband Infrastructure Program?

The Enabling Middle Mile Broadband Infrastructure Program (Middle Mile Grant Program) provides federal funding for grants on a technology-neutral, competitive basis to eligible entities for the construction, improvement, or acquisition of middle mile infrastructure (NOFO Section I).

### 1.5. Why is the federal government funding middle mile infrastructure?

Too many Americans are cut off from the opportunities that high-speed internet makes possible. Funded by the Bipartisan Infrastructure Law and administered by the Department of Commerce's National Telecommunications and Information Administration (NTIA), the Middle Mile Grant Program is a program to expand middle mile infrastructure and reduce the cost of connecting unserved and underserved areas. Middle mile infrastructure broadly refers to the mid-section of Internet infrastructure that carries large amounts of data at high speeds over long distances. This program will also increase the resilience of internet infrastructure (NOFO Section I.A).

## 1.6. What is “open access” and how is it related to the Middle Mile Grant Program?

“Open access” refers to an arrangement in which the Eligible Entity offers nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide middle mile carriage using the eligible entity’s funded network at just and reasonable wholesale rates. While Middle Mile Grant program applicants are not required to offer open access, their proposals may earn up to 10 points (out of 100) during Merit Review if they do commit to offering open access.

## 1.7. What is the definition of an Anchor Institution?

The term “anchor institution” means a school, library, medical or healthcare provider, community college or other institution of higher education, or other community support organization or entity.

## 1.8. What are the definitions of “unserved” and “underserved” as it relates to the Middle Mile Grant Program?

The term “underserved,” with respect to an area, means an area— (A) that is designated as a Tribally underserved area through the process set forth in Section III.G.2 of the [Middle Mile Grant Program NOFO](#); or (B) that— (i) is of a standard size not larger than a census block, as established by the Commission; (ii) is not an unserved area; and (iii) as determined in accordance with the FCC fixed broadband map, does not have access to broadband service with— (I) except as provided in (II) — (aa) a download speed of not less than 100 megabits per second; and (bb) an upload speed of not less than 20 megabits per second; or (II) minimum download and upload speeds established as benchmarks by the Commission for purposes of the Act after the date of enactment of the Act, if those minimum speeds are higher than the minimum speeds required under (I).

The term “unserved,” with respect to an area, means an area— (A) that is designated as a Tribally underserved area through the process set forth in Section III.G.2 of [Middle Mile Grant Program NOFO](#); or (B) that— (i) is of a standard size not larger than a census block, as established by the Commission; and (ii) as determined in accordance with the FCC fixed broadband map, does not have access to broadband service with— (I) except as provided in (II)— (aa) a download speed of not less than 25 megabits per second; and (bb) an upload speed of not less than 3 megabits per second; or (II) minimum download and upload speeds established as benchmarks by the Commission for purposes of this Act after the date of enactment of this Act, if those minimum speeds are higher than the minimum speeds required under (I).

## 1.9. Will the Middle Mile Funds be received up front or via reimbursement?

Unless otherwise stated in a specific award condition, the advance method of payment will be authorized, and non-Federal entities (NFEs) must time advance payment requests so that Federal funds are on hand for a maximum of 30 calendar days before being disbursed by the NFE for allowable award costs. Payments from Department of Commerce (DOC) to recipients or pass-through entities will be made using the Department of Treasury’s Automated Standard Application for Payment (ASAP) system. Under the ASAP system, payments are made through preauthorized electronic funds transfers directly to the recipient’s bank account (not subrecipients). To receive payments under ASAP, recipients are required to enroll with the Department of Treasury, Financial Management Service, Regional Financial Centers, which

allows them to use the on-line and Voice Response System (VRS) method of withdrawing funds from their ASAP established accounts. Recipient requests payment via ASAP.gov and approved payments can settle as quickly as the same day. Only the prime recipient may directly draw down federal award funds. In this connection, it is the prime recipient's responsibility to review subrecipient and vendor invoices, and to make award payments to subrecipients and vendors.

**1.10. What is the difference between an environmental impact versus climate resilience?**

In the context of the Middle Mile Grant Program application, climate resilience refers to how applicants will account or design for current and future weather and climate risks to the infrastructure. Environmental impact refers to the effect an infrastructure project will have on the physical service area and its surroundings when deployed if the project includes construction or ground disturbing activities.

**1.11. What is the difference between middle mile under the Broadband Equity Access and Deployment (BEAD) program and the Middle Mile Grant Program?**

The BEAD program is a grant that may fund the totality of the broadband network, including middle mile (also called “backhaul”) facilities that are incidental to last-mile deployments. The Middle Mile Grant Program is dedicated exclusively to middle mile projects, which improve the broadband infrastructure that does not connect directly to an end-user.

**1.12. What is the definition of a “Technology Company” and of a “Telecommunications Company/Co-op”?**

A “Technology Company” is defined as a company that provides hardware, software, or other product or service, including cloud-computing services, primarily intended to fulfill or enable the function of information or data processing, storage, retrieval, or communication by electronic means (including electromagnetic, magnetic, and photonic), including through transmission, storage, or display.

A “Telecommunications Company” provides the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received.

A “Telecommunication Co-operative (Co-op)” refers to community-based telecommunication companies that collaborate in operating, deploying, and delivering communications services to their respective areas. They are most common in rural areas. Co-operatives, specifically, are businesses governed on the principle of one member, one vote.

**1.13. How does NTIA define "wholly owned subsidiary"?**\*

A "wholly owned subsidiary" is defined as a company whose stock is completely owned by another entity. All common stock is owned by the parent company of the wholly owned subsidiary, and there are no minority shareholders or publicly traded stock options

## 2. Eligibility and Program Details

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### 2.1. Who can apply for funding under the Middle Mile Grant Program?

A State, political subdivision of a State, Tribal government, technology company, electric utility, utility cooperative, public utility district, telecommunications company, telecommunications cooperative, nonprofit foundation, nonprofit corporation, nonprofit institution, nonprofit association, regional planning council, Native entity, or economic development authority; or a partnership of two or more entities described above can apply for funding under the Middle Mile Grant Program as an eligible entity (NOFO Section I.B.9).

### 2.2. What is the cost sharing or matching requirement for eligible entities, and what type of matching funds count towards the cost sharing or matching requirement?

The amount of a middle mile grant awarded to an eligible entity may not exceed 70% of the total project costs. This means that there is a 30% match requirement. This is one of the law's threshold eligibility criteria for the Middle Mile Grant Program. Exceptions to matching requirements will not be entertained except for grants made to Tribal Governments and Native entities.

Matching funds may be in the form of either cash or in-kind contributions. In-kind contributions are non-cash donations of property, goods, or services, which benefit a federally assisted project. In-kind contributions could include employee or volunteer services; equipment; supplies; indirect costs; computer hardware and software; and use of facilities (NOFO Section III.C).

### 2.3. What are the requirements for eligible entities related to fair labor practices?

Applicants must have a demonstrated record of and plans to be in compliance with federal labor and employment laws and must provide:

- Information on the record of compliance with federal labor and employment laws for applicant and any other participating entities;
- Certification from Officer / Director-level employee evidencing consistent past compliance with applicable federal labor and employment laws;
- Written disclosure of any instances in which the applicant has been found to have violated applicable laws; and
- Written plan for ensuring compliance with Federal labor and employment laws across applicant and its contractors and subcontracts (NOFO Section III.H).

### 2.4. What are the requirements for eligible entities related to objectives for a highly skilled workforce?

Applicants must make appropriate investments to develop a skilled and diverse workforce, including:

- Description of how applicant will use a highly trained workforce capable of carrying out Middle Mile Grant Program work in a manner that is safe and effective;

- Description of the applicant’s participation in partnerships that provide skills-based training and wrap-around services to support workers;
- Description of how the applicant will ensure job opportunities created by broadband funding programs are available to a diverse pool of workers; and
- Description of other workforce development activities (e.g., Registered Apprenticeships, hiring of local workers, etc.) (NOFO Section III.H).

**2.5. What are the requirements for eligible entities related to climate resilience?**

Applicants must demonstrate that they sufficiently account for current and future weather- and climate-related risks, including:

- Identifying geographic areas for an initial hazard screening and time scales for such screenings;
- Identifying the most important weather and climate hazards in these areas;
- Characterizing risks to new middle mile infrastructure for 20 years following deployment;
- Identifying how the proposed plan will avoid or mitigate the risks identified; and
- Detailing the applicant’s plans for periodically repeating this process over the life of the project (NOFO Section III.K).

**2.6. What are the requirements for connections to Anchor Institutions in the Middle Mile Grant Program?**

Each applicant seeking an award to build middle mile infrastructure using fiber-optic technology must certify that the proposed project, upon completion, will include direct interconnection facilities that will facilitate the provision of broadband service, at speeds not less than 1 Gigabit per second for downloads and 1 Gigabit per second for uploads to Anchor Institutions located within 1,000 feet of the middle mile infrastructure.

**2.7. Can an entity that is still in the information gathering or planning stages apply for a grant?**

All Eligible Entities are encouraged to apply. However, all applications for the Middle Mile Grant Program must be complete, must follow the format described in NTIA’s Application Portal, and must otherwise comply with the Middle Mile Program NOFO.

**2.8. What are in-kind contributions?**

In-kind contributions are non-cash donations of property, goods, or services that benefit a federally assisted project. In-kind contributions could include, consistent with federal cost principles, access to rights of way, pole attachments, conduits, easements, or access to other types of infrastructure. In many circumstances, in-kind contributions can be used to satisfy all or part of a non-federal match requirement. Recipients must comply with 2 C.F.R. § 200.306 cost sharing or matching. It is important to note that federal funds may not be used as non-federal match, except as expressly provided by federal statute.

**2.9. Can states or local governments use funding from the American Rescue Plan Act (either State Fiscal Recovery dollars or Capital Projects Fund dollars) for the Middle Mile Grant Program match?**

No. Federal funds, such as those stemming from the American Rescue Plan Act, may not be used to fulfill a non-federal match requirement except where expressly permitted by law.

(The Infrastructure Act provides that certain federal program funding may be used to satisfy the match requirement for the BEAD Program. The Infrastructure Act does not, however, contain equivalent language allowing such funds to be used toward the non-federal match in the Middle Mile Grant Program.)

**2.10. Are interstate middle-mile builds eligible under the Middle Mile Grant Program?**

Yes.

**2.11. Will NTIA have an income eligibility and connectivity threshold requirements to qualify for a grant for a middle-mile broadband project?**

There is no income requirement or unserved/underserved threshold that an Eligible Entity must meet. However, benefits to low-income communities, unserved areas, and Community Anchor Institutions are among the many factors considered during the review process.

**2.12. Should applicants utilize the FCC Fixed Broadband Map to identify unserved, underserved, and served areas?**

Yes, the FCC Fixed Broadband Map can be used as a tool to determine whether an area is classified as unserved, underserved, or served. “Unserved” and “underserved” areas can be determined in accordance with the FCC Fixed Broadband Map, as described in the NOFO.

Please note applicants must specify the date upon which they referenced the FCC Fixed Broadband Map in any application. If the updated FCC Fixed Broadband Map is not available, NTIA and the applicants may use the most recent mapping data available as set forth in Section 60401(e)(3)(B)(i) of the Infrastructure Act in connection with the application and review process.

In the case that the FCC Fixed Broadband Map is inaccessible prior to application deadlines, NTIA recommends exploring the respective state’s data compilation on the BroadbandUSA website under [Data & Mapping](#).

**2.13. What is meant by a “census block, as established by the [Federal Communications] Commission”?**

The quoted language is only a portion of the relevant definitions of the terms “unserved” and “underserved.” Sections 60401(a)(16) and (17) of the Infrastructure Act use the phrase “an area ... that is of a standard size not larger than a census block, as established by the Commission” when defining the terms “unserved” and “underserved.” This language is also used in the Definitions section of the NOFO. Under this language, the unserved or underserved area established by the Commission may not be larger than a census block.

According to the United States Census Bureau, census blocks are statistical areas bounded by visible features, such as streets, roads, streams, and railroad tracks, and by nonvisible boundaries, such as selected property lines and city, township, school district, and county limits and short line-or-sigh extensions of streets and roads. Census blocks are the smallest unit of geography defined by the Census Bureau and are assigned a 15-digit code and can be diverse in size. State counties are made up of census tracts, which are comprised of census blocks.

Below are available resources for determining an area’s status per census block:

- [Geographic Terms and Concepts \(census.gov\)](#)
- [2010 Census Blocks by State | Federal Communications Commission \(fcc.gov\)](#)
- [Census Geocoder](#)

**2.14. Will NTIA provide a list of census blocks and their status based on the definitions of served, underserved and unserved that is specific to the download and upload speeds?**

NTIA provides a list of the [2010 census block codes](#) for each state and territory, as well as extensive data sources on the Broadband USA website that provide instructions on how to download the county, census tract, and census block level data used in the [Indicators of Broadband Need Map](#). The website also provides community reports that can be generated by state and county, providing relevant broadband and socioeconomic metrics for the areas selected. The list of census block codes does not indicate whether the census blocks are served or underserved, but “unserved” and “underserved” areas can be as determined in accordance with the FCC Fixed Broadband Map, as described in the NOFO.

**2.15. Can the Authorized Organization Representative (AOR) be a consultant or other resource not directly affiliated with the applicant's organization?\***

The AOR is defined as the individual, named by the applicant organization, who is authorized to act for the applicant and to assume the obligations imposed by the Federal laws, regulations, requirements, and conditions that apply to grant applicants or grant awards. Only the AOR will be able to attest that all statements are true and submit the application. The AOR is also responsible for reviewing all Applicant Information Forms, Project Information Forms, and Budget Information Forms before final submission.

**2.16. Does an applicant need to have a Corporate Motion / Resolution to be able to submit an application?\***

No. It is not a requirement to have a Corporate Motion or Resolution to be able to submit an application.

**2.17. Do applicants have to report ownership information?\***

Yes, Eligible Entities are required to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7). Also, the Applicant will be asked to confirm if its Parent or Owner Company is a foreign entity. The Applicant will then check the appropriate box in the NTIA Grants Portal and identify the country.

**2.18. Does a relay point for a wireless internet service provider (ISP) count as a middle mile infrastructure?\***

Yes. As defined in Section I.B.9 of the NOFO, middle mile infrastructure means any broadband infrastructure that does not connect directly to an end-user location, including an anchor institution, and includes— (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links. The funding can be used for any interconnect activities to the last mile with the understanding that funds cannot be used for any last mile costs.

**2.19. Is there a Davis-Bacon requirement for Middle Mile? How do I know if I'm subject to reporting Davis-Bacon compliance?\***

No. While not required, Middle Mile Grant Program recipients are suggested to comply with the Davis-Bacon Act of 1931 for any projects over \$5,000,000. Recipients may provide a certification that they are compliant with the Davis-Bacon Act. If such certification is not provided, an awardee must provide a project employment and local impact report detailing the items listed in Section VI.E.1.7 of the NOFO.

Additional information on how to remain compliant with the Davis-Bacon Act of 1931 can be found on the United States [Department of Labor website](#) and wage determinations can be found on the SAM.gov website at <https://sam.gov/content/wage-determinations>.

## 3. Uses of Funding

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### 3.1. How much funding is available under the Middle Mile Grant Program, and how much funding will be awarded per grant?

NTIA will make up to \$980M available for federal assistance under the Middle Mile Grant Program. NTIA retains 2% of the appropriated funds to support the administration of the grant program, from pre-award, through application review, and post award.

NTIA expects to make awards under this program within \$5M to \$100M per grant. This range is not a required minimum or maximum, but eligible entities requesting amounts for projects outside of this range must provide a reasonable explanation for the variance in their project size (NOFO Section II.A and II.C).

### 3.2. What are the eligible uses of funding for Middle Mile grants?

Grants can be used for the construction, improvement, or acquisition of middle mile infrastructure. Examples of eligible uses of funds include the construction, improvement, and/or acquisition of facilities and telecommunications equipment, engineering design, permitting and work related to environmental, historical and cultural reviews, personnel costs, including salaries and fringe benefits for staff and consultants (e.g., project managers, subject matter experts, financial analysts, accountants, attorneys), select pre-application expenses <\$50,000 incurred after NOFO publication and before to grant award, and other costs necessary to programmatic activities, excluding ineligible costs. This list is not exhaustive (NOFO Section IV.I.1).

### 3.3. What is the program's period of performance?

The program's period of performance ends five years after funds are made available with a potential 1-year extension if the applicant certifies that:

- The eligible entity has a plan for use of the grant funds;
- The project to build out middle mile infrastructure is underway; or
- Extenuating circumstances require an extension of time to allow completion of the project to build out middle mile infrastructure.
- Requests for extensions will be granted at the sole discretion of the Assistant Secretary (NOFO Section II.B).

### 3.4. How quickly does the project need to be completed, and what are the buildout milestones during implementation?

The eligible entity must complete 40% of project miles by the end of the 2nd year after the award date, 60% of project miles by the end of the 3rd year after the award date, 80% of project miles by the end of the fourth year after the award date, and 100% of project miles by the end of the fifth year after the award date. If an extension for the period of performance is granted, the Assistant Secretary will modify any milestones as necessary (NOFO Section III.D).

### 3.5. What are the requirements for materials to be produced in the US?

All funds made available through the Middle Mile Grant Program for broadband infrastructure must comply with the Build America, Buy America Act. The Build America, Buy America Act

requires that all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States unless a waiver is granted (NOFO Section VI.D.6).

### **3.6. What are the reporting requirements related to the use of funds?**

An eligible entity that receives an award shall submit a biannual report that:

- Describes how the eligible entity expended the funds and includes all required financial reporting information;
- Certifies that the eligible entity complied with the requirements of the Infrastructure Act and the Middle Mile Grant Program;
- Describes whether the Project prioritizes local hires;
- Describes whether the Project has a Community Benefit Agreements and includes a description of such agreement if present;
- Identifies each subrecipient that received a subgrant or subcontract from the eligible entity and a description of the specific project for which grant funds were provided;
- Provides technical progress reporting information; and
- For projects over \$5 million in expected total cost, there are additional reporting requirements.

The above biannual report requirements are in addition to (1) reporting requirements found in 2 CFR part 200 and (2) requirements that an applicant that receives a middle mile grant award shall share the location of all middle mile broadband infrastructure constructed, improved, or acquired using such grant with the Assistant Secretary, the Commission, any Tribal government with jurisdiction over the area that will be served by the infrastructure, and the State broadband office for the State in which the area that will be served by the middle mile infrastructure is located, in accordance with and subject to the provisions of Section 60401(e)(3)(B)(ii) of the Infrastructure Act (NOFO Section VI.E).

### **3.7. Can applicants seek funding from the Middle Mile Grant Program exclusively to support a public power electric grid functionality?**

No. The purpose of the grant program is to expand and extend middle mile infrastructure to reduce the cost of connecting areas that are unserved or underserved to the internet backbone. A network that will "exclusively . . . support a public power electric grid functionality" does not meet that purpose and does not fall within the definition of "middle mile infrastructure" (NOFO Section I.B.9).

### **3.8. Can Middle Mile Grant Program funds be used to purchase equipment for consumers?**

No. Eligible uses include the construction, improvement, and/or acquisition of facilities and telecommunications equipment required to deploy middle mile broadband facilities; engineering design, permitting and work related to environmental, historical and cultural reviews; personnel costs, including salaries and fringe benefits for staff and consultants required for the implementation of the Middle Mile Grant Program (such as project managers, program directors, subject matter experts, grant administrators, financial analysts, accountants, and attorneys); reasonable, post-NOFO, pre-application expenses in an amount not to exceed \$50,000; and certain other costs necessary to carrying out programmatic activities of an award.

**3.9. Are Indefeasible Right of Use (IRU) costs eligible under the Middle Mile Grant program?**

IRU costs are eligible under the Middle Mile Grant Program provided they meet the definition of middle mile Infrastructure. Middle mile infrastructure is defined as “ (A) means any broadband infrastructure that does not connect directly to an end-user location, including an anchor institution; and(B) includes— (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links” (NOFO Section I.B.9).

**3.10. Is funding for the Middle Mile Grants Program required to be utilized solely for unserved or underserved communities?**

Funding can be used for two broad purposes: one, to facilitate deployment of high-speed broadband to unserved or underserved areas, or two, to improve affordability in already-served markets (NOFO Section I.A, IV.B.2.a).

**3.11. Would connecting to an existing end-user location, such as a Community Anchor Institution, to serve as Point of Presence qualify as an eligible expense in the Middle Mile Grant program?**

Yes, the costs associated with establishing a Point of Presence at a Community Anchor Institution would qualify as an eligible expense.

**3.12. Can funds from NTIA be coupled with other federal, state, and local grants?**

Yes. It is strongly recommended that applicants explain how Middle Mile Grant Program funds will be used to supplement, not supplant, other federal, state, and local grant funds. An associated limitation is that applicants may not duplicate expenses or request funding from NTIA for expenses that are already being paid from another source. Also note that funds from other federal awards may not be used to satisfy the Middle Mile Grant Program’s non-federal matching requirement.

**3.13. Can a grantee pay for procurement of land or placement of shelter?\***

Yes, eligible uses of funding include construction, improvement, or acquisition of facilities and telecommunications equipment required to deploy middle mile broadband facilities. In addition, eligible uses of program funds include other costs necessary to carrying out programmatic activities of an award. Allowable costs are determined in accordance with the cost principles identified in 2 C.F.R. Part 200, including Subpart E of such regulations for States and non-profit organizations, and in 48 C.F.R. Part 31 for commercial organizations, as well as in the grant program’s authorizing legislations. (NOFO Section IV.I.1).

**3.14. What are the obligations of entities who receive the grant to provide access to others to the infrastructure?\***

During Merit and Programmatic Reviews, applications will be evaluated based on how well they demonstrate experience or plan to provide nondiscriminatory access to and use of its network

on a wholesale basis to other providers seeking to provide middle mile carriage at a just and reasonable wholesale rate.

**3.15. Can Middle Mile funds be used to rebuild infrastructure that was destroyed by a natural disaster?\***

Yes, eligible uses of funding are construction, improvement, and/or acquisition of facilities and telecommunications equipment required to deploy middle mile broadband facilities. All costs should be reasonable to the project goals of the expansion and extension of middle mile infrastructure to reduce the cost of connecting areas that are unserved or underserved to the internet backbone. (See NOFO Section IV.I for further information on allowable costs).

In addition, applicants must also demonstrate that they have sufficiently accounted for current and future weather- and climate-related risks to new Middle Mile Grant Program infrastructure projects. At present, weather and climate-related risks to broadband networks include various types of natural disasters and most new broadband infrastructures are expected to withstand a lifetime of 20 years or more to account for this risk. (See NOFO Section III.K).

**3.16. Can the grantee of the Middle Mile grant use the funds to provide the last mile services?\***

Middle Mile grant funds are dedicated to the middle mile infrastructure only and cannot be used to fund last mile infrastructure. While last mile services are not funded, splice points and interconnection points are funded, and as described in the NOFO, there are several reasons why the applicant should prioritize making certain their middle mile infrastructure project connects to last mile service:

- Per Section III.E of the NOFO, two of the five statutory criteria that can result in application prioritization relate directly to last mile:
  1. The eligible entity commits to offering non-discriminatory interconnection to terrestrial and wireless last mile broadband providers and any other party making a bona fide request.
  2. The eligible entity identifies specific terrestrial and wireless last mile broadband providers that (i) expressed interest in interconnecting with middle mile infrastructure planned to be deployed by the eligible entity; and (ii) demonstrated sustainable business plans or adequate funding sources with respect to such interconnection described in (i).
- As part of the Level of Need narrative in the application, applicants are requested to note any specific service providers that have expressed demonstrable interest (written, verbal, or other) in utilizing the network to provide last mile service.
- As part of the Pro Forma Projection and Analysis spreadsheet, applicants are instructed to include financial projection and analysis related to the project’s sustainability, inclusive of subscribers of which last mile network connections can be critical.
- Per Section V.A.1 of the NOFO, as per the Act, each applicant must make a binding commitment to prioritize at least one of the three items listed via the funded middle mile network, of which one of the three is connecting middle mile infrastructure to last mile networks that provide or plan to provide broadband service to households in unserved areas.

Although last mile costs cannot be funded per the Middle Mile Grant Program, last mile service objectives should be a target of any proposed middle mile infrastructure to ensure a successful application and sustainable infrastructure project.

**3.17. Can a Middle Mile Grant be used to acquire telecom assets from an existing utility?\***

Yes. Middle Mile Grant funds may be used to acquire assets, including real property, equipment, and intangible property (i.e., modifiers buying a relay point or dark fiber would count as an asset if connecting two points), in accordance with 2 CFR § 200.316. For example, modifiers buying a relay point or dark fiber would count as an asset if connecting two points. Certain administrative conditions must be met and maintained, including holding in a trust, recording award and specific asset information, and anticipated revenues associated with the acquisition (NOFO Sections VI.D.5 and VI.E.2).

**3.18. Is it allowable for an applicant to contribute municipal revenue bond proceeds as matching funds for the Middle Mile grant?\***

The Infrastructure Investment and Jobs Act (Act) and Middle Mile NOFO include a maximum Federal share for Middle Mile grants of 70% of total project cost (*see* Section 60401(f) of the Act and NOFO Section III.C). Thus, an Eligible Entity must commit matching funds of at least 30% of total project costs (except in the case of a match waiver for a Tribal Government or Native entity under section 60401(g) of the Act). A non-Federal entity may contribute municipal revenue bond proceeds to meet its Middle Mile matching funds requirement, so long as the contributions meet the criteria laid out in 2 CFR § 200.306(b) and such use is consistent with the terms of the bond. Such a bond would be considered governmental revenue, and not program income under 2 CFR § 200.307(c).

**3.19. Is it allowable for the Middle Mile applicant to use program income to repay the municipal revenue bond above?\***

A recipient may request that the Grants Officer and NTIA consider the repayment of the principal of the bond as an allowable cost. However, the repayment of the interest portion of the municipal revenue bond would not be allowable for the proposed project purpose. The Grants Officer would have to approve any such a proposal to use program income to repay revenue bonds, and may require special award conditions.

**3.20. Can applicants include projects that were already planned but have not yet begun as part of their application? If so, can currently ongoing stages of such a project like network design and engineering activities still apply as part of the application's budget?\***

Applicants can submit potential projects for middle mile infrastructure that are in the midst of planning, designing, or other progressive stages that include but are not limited to environmental assessment and construction. Normal constraints on pre-application expenses continue to apply (NOFO Section IV.I.1), as all requests for reimbursement of pre-application and pre-award costs must be reviewed and approved by a Grants Officer since reimbursement is neither automatic nor guaranteed. All activities that have been conducted a priori are considered “work at risk.”

## 4. Review and Scoring Process

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### 4.1. What are the steps in the Middle Mile Grant Program review process?

The key steps in the Middle Mile Grant Program review process include:

- Administrative and Eligibility Review;
- Merit Review; and
- Programmatic Review (NOFO Section V.A)

### 4.2. What is the Administrative and Eligibility Review, and what eligibility criteria are assessed during this step?

During the Administrative and Eligibility Review, NTIA will ensure applicants are eligible by assessing (1) application completeness and (2) the Eligible Entity meets eligibility criteria.

The five eligibility criteria include:

- Demonstrate that it is capable of carrying out a proposed project in a competent manner, including by demonstrating that the eligible entity has the financial, technical and operational capability to carry out the proposed project and operate the resulting middle mile broadband network (detail below);
- Certify that the project will be capable of supporting retail broadband service;
- Commit to non-Federal cost share of no less than 30% of the total project cost; only Tribal governments and Native entities may request a partial or complete waiver;
- Make a binding commitment to prioritize at least one of the following: (1) Connect Middle Mile infrastructure to last mile networks in unserved areas, (2) connect non-contiguous trust lands; or (3) offer wholesale broadband service at reasonable rates on a carrier-neutral basis; and
- Offer interconnection in perpetuity, where technically feasible without exceeding current or reasonably anticipated capacity limitations, on reasonable rates and terms.

In order to demonstrate it can carry out the proposed project in a competent manner and has the capabilities to carry out the proposed project, each eligible entity must demonstrate they meet the following six program application qualifications:

- Financial capability: Certification attesting to financial qualification, a letter of credit, and financial statements for past 3 years;
- Managerial capability: Resumes for key personnel, org chart(s), and a narrative describing managerial readiness;
- Technical capability: Certification and other documentation attesting to and demonstrating technical qualification, a network design diagram, project costs, infrastructure build-out timeline and milestones for implementation, and a capital investment schedule;
- Compliance with laws: Certifications and other documentation attesting to and demonstrating compliance with all applicable federal, State, and local laws;
- Operational capability: Certification and other documentation attesting to and demonstrating operational qualification and additional certifications if applicant has operated select types of services in the past; and

- Ownership: Ownership information, including name address and citizenship of any party with >10% stock in applicant (NOFO Section V.A.1).

#### 4.3. What is the Merit Review, and what criteria is assessed during Merit Review?

During the Merit Review, objective reviewers will evaluate applications across two categories of criteria and calculate the resulting score:

Project purpose and benefits (60 points)

- Deploy to un- or underserved areas or improve affordability in existing markets (20 points)
- Offer non-discriminatory interconnection in perpetuity, where feasible (10 points)
- Offer open access to the funded infrastructure in perpetuity (10 points)
- Provide other benefits (e.g., redundancy, direct interconnect facilities) (10 points)
- Meet community's needs and complete project in two-year period (10 points)

Project sustainability (40 points)

- Organizational capability to complete the specific project proposed (5 points)
- Reasonableness of applicant's proposed budget (10 points)
- Project's fiscal sustainability beyond the award period (10 points)
- Contribute a non-federal cost share >30% based on a sliding scale with 5 points for 30-40%, 10 points for 41-50%, and 15 points for >50% (15 points)

These objective merit reviewers are federal employees or non-federal persons who have demonstrated expertise in the programmatic and technical aspects of the Middle Mile Grant Program (NOFO Section V.A.2).

#### 4.4. What is the prioritization process for applications to proceed from Merit Review to Programmatic Review?

Applications will be prioritized for Programmatic Review as follows:

- Applications with score  $\geq 80$  during Merit Review and that meet at least two of the five statutory criteria, per Section 60401(d)(2);
- Other applications with score  $\geq 80$  during Merit Review; and then
- Applications with score  $< 80$  during Merit Review but meet at least two of the five statutory criteria.

The five statutory criteria that impact prioritization of applications after merit review include:

- Fiscal sustainability;
- Non-discriminatory interconnect;
- Identification of last mile providers that have (i) expressed written interest in interconnection; and (ii) sustainable business plans or adequate funding for interconnection;
- Supplemental investments or in-kind support; and
- Benefits to national security interests of the US and the Department of Defense (NOFO Section V.A.3.a).

#### **4.5. What is the Programmatic Review, and what criteria are assessed during Programmatic Review?**

The Programmatic Review includes NTIA asking applicants to submit additional information to confirm eligibility or Merit Review score, if applicable. Then, NTIA calculates weighted scores (i.e., multiply Merit Review by 1.0x to 1.8x) to reflect project’s ability to:

- Reduce end-user prices;
- Reduce latency in remote or insular areas;
- Benefit priority areas groups;
- Benefit unserved areas or Tribal Lands;
- Connect unserved anchor institutions;
- Comply with select requirements;
- Demonstrate climate resilience; and
- Proposed community benefit agreements (NOFO Section V.A.3.b).

#### **4.6. How does open access impact the scoring process?**

Offering open access, in perpetuity, to the funded middle mile infrastructure is worth 10 points out of the total 60 points in the Project Purpose and Benefits portion of the application, or 10 points out of the total 100 points available during the Merit Review phase as a whole.

#### **4.7. When scoring, is there more weight allocated to higher dollar projects over lower dollar projects?**

There is no weighting for project size or project value. However, NTIA will consider an appropriate diversity in project sizes and values in the final award slate.

#### **4.8. What weight is given to a phase III SBIR user?**

The NOFO does not afford weight to phase III SBIR users.

#### **4.9. What are “anticipated last mile networks” in the Project Purpose and Benefits section of the Merit Review?**

Last mile networks are networks that connect end users via an area node to a middle mile network. Anticipated last mile networks are those last mile networks that are anticipated to be served by a proposed Middle Mile project. For more information, see the [Broadband Network Deployment Engineering](#) document on the Middle Mile Grants Program page at [BroadbandUSA](#).

#### **4.10. How would leasing a portion of the proposed middle mile infrastructure, and therefore potentially not providing it in perpetuity, impact the scoring process?**

10 of the total 100 points each application will be evaluated on “Whether the provider commits to offering access to the funded middle mile infrastructure, in perpetuity, on an open access basis.” If the middle mile infrastructure is not offered in perpetuity, applicants may not be awarded the full 10 points.

#### **4.11. How do Tribal Entities request a full or partial waiver of matching funds?**

A Tribal government or Native entity may request that the Assistant Secretary waive requirements such as matching funds. The Assistant Secretary may grant waivers in cases where a waiver would be necessary for (1) the effective delivery and administration of middle mile grants to Tribal governments or (2) the construction, improvement, or acquisition of middle mile infrastructure on trust land. A Tribal Government may certify that the areas for which middle mile infrastructure is proposed are unserved/underserved. If it chooses to do so, it must provide a statement on Tribal Letterhead validating this claim with supporting information. The Tribal government must also certify that it is not in a legally binding agreement with a broadband service provider committed to providing internet services at speeds of no less than 100 Mbps downstream and 20 Mbps upstream (NOFO Section III.G).

#### **4.12. How would obtaining a waiver for the 30% match requirement impact the scoring process for Tribal Entities?**

Tribal Entities obtaining a waiver will be scored out of a base of 85 rather than 100 and marked up by a factor of 1.1765 to have a base score of 100 in the Merit Review. This is to ensure that tribes are not penalized for requesting a waiver.

#### **4.13. What benchmark is NTIA using to determine if construction costs are reasonable?\***

The Middle Mile Grant Program follows the Uniform Guidance regarding cost reasonableness guidance. 2 CFR 200 Subpart E provides Cost Principles, including a definition for reasonable costs in 2 CFR § 200.404: “A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.” NTIA will consider the additional factors list in 2 CFR § 200.404 when determining reasonableness. Additionally, NTIA will use publicly available benchmarks and do a standard deviation from the mean in order to account for supply chain and logistics issues.

If Build America, Buy America Act (BABA) applies to an award, then BABA requirements would be taken into consideration in analyzing whether the construction costs are reasonable, consistent with 2 CFR § 200.404 analysis. A recipient who is required to comply with BABA may request a waiver for construction costs where BABA requirements result in an increased cost of 25% or more. *See* NOFO Section VI.D.6.

## 5. Application Components and Process

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### 5.1. What are the components of the grant application, and how should eligible entities submit their applications and when are applications due?

NTIA is requesting from applicants key information in the following areas in submitted applications:

- An Executive Summary of the project;
- Project purpose, need, and beneficiaries;
- Proposed project technical details, including a description of planned offerings as well as network maps and diagrams;
- Project financials, e.g., project pro-forma, and organization financial capacity;
- Project implementation team and organizational capacity;
- Government and community involvement;
- A budget narrative and detailed budget justification; and
- Standard documentation such as the SF 424 and SF 424-C, and details on potential Environmental and Historic Preservation impacts.

For full details and other requirements, applicants are encouraged to consult the application packet which will be posted on the NTIA website at <https://grants.ntia.gov/>.

As described in Section IV.C of the NOFO, NTIA will only accept applications submitted electronically via its online application portal, NTIA Grants Portal, no later than 11:59 p.m. EDT on September 30, 2022. The NTIA Grants Portal (<https://grants.ntia.gov/>) will be open to accept Middle Mile applications beginning on June 21, 2022 (NOFO Section IV.B).

### 5.2. Who can I contact for more information?

Please send program questions to [middlemile@ntia.gov](mailto:middlemile@ntia.gov). For any questions or technical support related to the NTIA Grants Portal (application portal), email [ngphelpdesk@ntia.gov](mailto:ngphelpdesk@ntia.gov).

### 5.3. Will NTIA provide Application Guidance for the submission of application materials into the NTIA Grants Portal?

Yes. Application Guidance is accessible on the Internet for All website by visiting the Enabling Middle Mile Broadband Infrastructure Program page at <https://www.internetforall.gov/program/enabling-middle-mile-broadband-infrastructure-program/>.

### 5.4. Will applicants be permitted to assign access roles to employees within their organization to input application data into the portal?

Yes. Organizations can give access to collaborators to help complete the application. However, only the Authorized Organization Representative is authorized to submit applications on behalf of the organization.

### 5.5. Will NTIA manage the awards for the Middle Mile Grant Program?

The National Institute of Standards and Technology (NIST) will service the Middle Mile Grant awards for NTIA. NIST and NTIA will jointly manage the awards with different roles and

responsibilities in grants management. NIST oversees business management and compliance aspects of grants administration and NTIA oversees programmatic technical aspects of the programs/projects.

**5.6. What is considered acceptable certification for timely filing of commission form 477?**

If an applicant has provided a voice and/or broadband internet access service, it must supply a certification from an officer-level employee (or individual of comparable rank) attesting to filing FCC Form 477 and the Broadband DATA Act submission, if applicable, to the extent required during this time period and otherwise complied with the Commission’s rules and regulations.

If the applicant has operated only an electric transmission or distribution service, it must submit qualified operating or financial reports showing that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the financial institution.

Applicants will upload the appropriate certification into the NTIA Grants Portal.

**5.7. Will NTIA provide a template for the Detailed Budget Justification?**

Yes, a template for the Detailed Budget Justification template is available for download on the Internet for All website by visiting the Enabling Middle Mile Broadband Infrastructure Program page at <https://www.internetforall.gov/program/enabling-middle-mile-broadband-infrastructure-program/>.

**5.8. Will NTIA provide a template for the financial pro-forma?**

Yes, a template is available for download on the Internet for All website by visiting the Enabling Middle Mile Broadband Infrastructure Program page at <https://www.internetforall.gov/program/enabling-middle-mile-broadband-infrastructure-program/>.

**5.9. Will NTIA provide templates for self-certifications regarding financial and operational experience?**

No. Applicants will need to upload some documents that lack a standardized template. These non-template uploads include:

- Resumes of Key Personnel
- Management Team and Organizational Chart
- Certificate of Operational Capability
- Certification of Technical Capability
- Tribal Certification
- Certification of Financial Capability
- Letter of Credit
- Network Route Map
- Network Logical Diagram
- Negotiated Indirect Cost Rate Agreement
- Financial Statements
- Certification of Compliance with Federal Labor and Employment Laws
- Last Mile Service Provider Letters of Commitment

- Proposed Service Offerings
- SAM.gov Registration

In general, NTIA recommends applicants upload these files in PDF format, and applicants should ensure that their uploaded files are not password protected.

**5.10. What sources will be accepted to define unserved/underserved areas?**

The definitions of unserved and underserved in the statute and in the Middle Mile Grant Program NOFO refer to the FCC’s Broadband DATA Maps, referred to in the statute as the FCC Fixed Broadband Map. NTIA will rely on those maps to the extent that they are available.

If the FCC’s Broadband DATA Maps are not available, NTIA and the applicants may use the most recent mapping data available as set forth in Section 60401(e)(3)(B)(i) of the Infrastructure Act in connection with the application and review process.

**5.11. Can applicants submit tax returns in lieu of audited financial statements?**

No. As described in Section III.B.1.c of the NOFO, each applicant shall submit financial statements from the three prior fiscal years that are audited by an independent certified public accountant. If the applicant is not audited in the ordinary course of business, in lieu of submitting audited financial statements, it must submit unaudited financial statements from the three prior fiscal years and certify that it will provide financial statements from the three prior fiscal years that are audited by an independent certified public accountant by an NTIA specified deadline. The Assistant Secretary will not approve any Middle Mile Grant Program award unless the Assistant Secretary determines that the documents submitted demonstrate the applicant’s financial capability with respect to the proposed project.

**5.12. Can separate applications be submitted in areas that require different partners and collaborators or solutions?**

Yes. Applicants may submit separate applications in the Middle Mile Grant Program to cover different partnerships or multiple areas.

**5.13. Does a narrative addressing climate risks to new middle mile infrastructure meet the application requirements, or are applicants required to include a supplemental report or printout of supporting data?**

Applicants need only to provide information in a narrative form which demonstrates that they have accounted for current and future weather- and climate-related risks to new Middle Mile Grant Program infrastructure projects. The narrative response should clearly demonstrate how the applicant is conducting the items listed in Section III.K of the NOFO.

**5.14. What type of information is required to document government and community involvement (e.g., meeting minutes)?**

To describe all government and local community participation in the proposed project, applicants should:

- Identify organizations from the public, non-profit, and private sectors, with particular attention to community anchor institutions that will be involved in the project
- Outline each organization’s planned role in the project and any financial or equipment contributions

- Clarify any potential benefits that the community participants will receive from the project (e.g., free or discounted access to dark fiber)
- Discuss the project’s general approach to involving local communities in the project area

Applicants are encouraged to submit documentation, such as letters of support, from each of the organizations that will be involved in the project as a community stakeholder.

This documentation should be described in the Government and Community Involvement narrative.

**5.15. What examples and/or data are required to prove a record of compliance with federal labor and employment laws?**

Applicants should provide information on their record of compliance with federal labor and employment laws, as well as the records of any other entities participating in the project, including contractors and subcontractors. This information must include, at a minimum, information on these entities’ compliance with federal labor and employment laws on broadband deployment projects in the last three years.

For example, the applicant should provide data on its historical use of contracting and subcontracting arrangements, including staffing plans, and at least one example of each contractor and subcontractor’s past performance in the context of a similar project.

The Fair Labor Practices narrative should describe an Applicant’s demonstrated record of and plans to be in compliance with federal labor and employment laws, each Applicant must provide examples of items described below:

- a. A description of how it will incorporate strong labor standards, including but not limited to: incorporating local project labor agreements and community benefit agreements (and respecting any such agreements already in place), offering wages at or above the prevailing wage, and adhering to local hiring provisions.
- b. A description of how it will ensure that its work provides “quality” jobs, as defined by the Economic Development Administration’s Good Jobs Challenge.
- c. A description of any prior legal determination by any court, administrative body, or other adjudicator that the Applicant has failed to satisfy governing wage or labor mandates.
- d. A description of how, if at all, it expects to rely on subcontracting arrangements in completing the project. <sup>1</sup>

The plan for fair labor practices should include the information described in III.H in the NOFO.

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<sup>1</sup> A “quality job” is defined as a job that (1) exceeds the local prevailing wage for an industry in the region, includes basic benefits (e.g., paid leave, health insurance, retirement/savings plan), and/or is unionized and (2) helps the employee develop the skills and experiences necessary to advance along a career path. See generally <https://eda.gov/files/arpa/webinars/Good-Jobs-webinar-slides.pdf>

**5.16. In the event that the Assistant Secretary authorizes more aggressive buildout benchmarks, what timeframe would applicants have to make the revisions and determine that there is adequate staffing to meet the required revised benchmarks?**

The establishment and negotiation of new buildout benchmarks will take place after application submission and during programmatic review. Applicants will have five calendar days to respond to requests made during the programmatic review.

**5.17. Do applicants need to begin the bid process for subcontractors or other contracted entities prior to applying for funding in order to secure information from contractors? Or, would a narrative of explanation regarding the intended bid/RFQ process and commitment to obtain said documents suffice for submission of the application?**

No. Applicants do not need to begin the bid process or select subcontractors prior to applying for Middle Mile Grant Program funding. However, applicants must submit a plan to ensure that the project workforce will be appropriately skilled and credentialed including each of its contractors and subcontractors, and applicants must provide a resume for each key personnel significant to the project's success. The organizational narrative section of the application should describe how the applicant management team is experienced and qualified to undertake the proposed project, and if applicable, should demonstrate relevant experience in past bid or RFQ processes.

**5.18. Are applications subject to Executive Order 12372 (Field 19 of the SF-424)?**

All State and political subdivisions of state applicants are subject to Executive Order 12372, while Tribal Entities are excluded from Executive Order 12372 "Intergovernmental Review of Federal Program." Applicants should contact their State Single Point of Contact (SPOC) to determine how to complete the Intergovernmental Review process.

**5.19. Will each member of a consortium be required to submit individual financial statements?**

It is recommended, but not required, that each member of a consortium who plans to operate a proposed broadband network submits its last three fiscal years of financial statements alongside its key partners. However, in the event that partners come together to form a new LLC that will serve as the primary applicant, individual financial statements from each member of the consortium will be accepted, as a newly formed LLC will have none. Applicants are encouraged to consult their accountant or financial advisor in preparing these financial statements for submission.

**5.20. Will applicants need to submit separate applications for projects that are in non-contiguous areas?**

No, separate applications are not required for non-contiguous areas. However, an applicant could also submit multiple applications for projects in non-contiguous areas if, for example, the projects involved different project partners, different construction firms, etc.

Under Section 60401(e) of the Infrastructure Act, each applicant is required to make a binding commitment to prioritize at least one of the following with Middle Mile Grant funding: (1) connection of middle mile infrastructure to last mile networks that provides or plans to provide

broadband services to households in unserved areas, (2) the connecting non-contiguous trust lands, or (3) the offering of wholesale broadband services at reasonable rates on a carrier-neutral basis.

**5.21. Can public sector entities submit a bond in place of a letter of credit?**

No, public entities may not submit a bond in lieu of a letter of credit. During the application process, each applicant must submit a letter from a bank meeting eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue an irrevocable standby letter of credit, in the required form, to the applicant. The letter shall at a minimum provide the dollar amount of credit offered and the issuing bank’s agreement to follow the terms and conditions of NTIA’s model letter of credit. If an applicant needs assistance or additional clarification as to the required information needed to complete their letter of credit, they are encouraged to submit all questions to [middlemile@ntia.gov](mailto:middlemile@ntia.gov).

**5.22. Can firms which have existing contracts with an applicant manage the network design and construction post-award, or are recipients required to put out a bid for the project post-award?**

Grant recipients must follow the procurement standards laid out in at 2 CFR 200.318-327 for any procurement under a Federal award or subaward. Generally, grant funds may not be used to pay for contracts signed prior to the issuance of the Federal award.

**5.23. Are partner entities required to submit application materials such as letter(s) of credit, operational capabilities, etc.?**

No, if the partner entity is applying as part of an informal partnership of two (2) or more of the eligible entities listed in the NOFO, only the primary applicant is required to provide a letter of credit, certification of operational capabilities, financial statements, and a certification of financial capability. However, if partner entities are applying as a newly created LLC, then each partner in the LLC should submit application materials.

NTIA may ask applicants to submit additional information, as appropriate, to clarify or to further substantiate the representations made in their applications.

**5.24. Should the pro-forma financial projection be at the applicant-level or the project-level?**

The Pro-Forma Financial Projection and Analysis spreadsheet should only reflect the project level information, and not the Applicant’s organizational financial projections. NTIA will use this information to substantiate the sustainability of the proposed project. Only the historical financial statements should reflect the entire organization.

**5.25. If an applicant has no prior record of federal labor and employment law compliance, is it sufficient to provide a plan as to how the applicant intends to adhere to federal labor and employment laws?**

Applicants must have a demonstrated record of and plans to be in compliance with federal employment laws where applicable. To meet the NOFO requirements, applicants are required to submit the following with their application:

1. Information on their record of compliance with federal labor and employment laws, as well as the records of any other entities participating in the project, including contractors and subcontractors. This information must include, at a minimum, information on these entities' compliance with federal labor and employment laws on broadband deployment projects in the last three years. For example, the applicant should provide data on its historical use of contracting and subcontracting arrangements, including staffing plans, and at least one example of each contractor and subcontractor's past performance in the context of a similar project.
2. A certification from an Officer/Director-level employee (or equivalent) of the applicant evidencing consistent past compliance with federal labor and employment laws by the applicant, as well as contractors and subcontractors.
3. Written disclosure of any instances in which the applicant, contractors, or subcontractors have been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years.
4. A written plan for ensuring compliance with federal labor and employment laws. These plans must address, at a minimum, how the applicant will ensure compliance in its own labor and employment practices, as well as that of its contractors and subcontractors, including (1) information on applicable wage scales and wage and overtime payment practices for each class of employees expected to be involved directly in the physical construction of the broadband network and (2) how the applicant will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns in connection with the delivery of deployment projects (NOFO Section III.H).

If applicants have no history of compliance with federal labor and employment laws as described in (1), a certification from an Officer/Director-level employee (2) in combination with a written plan for ensuring compliance with federal labor and employment laws (4) will be sufficient.

**5.26. Are application materials that are “Inputted into the NTIA Grants Portal” typed directly into the portal?**

Yes, application materials that are noted as “Inputted into the NTIA Grants Portal” in the Middle Mile Grant Program Application Checklist must be typed directly into the open field in the NTIA Grants Portal. Fields that require text insertion may have character limits and formatting limitations, therefore it is recommended to compose narrative responses separately, then copy and paste into the open narrative text fields. Applicants should save and archive narrative responses for record keeping purposes.

For additional guidance regarding the submission of application materials, please reference the [Middle Mile Broadband Infrastructure Grant Program Application Guidance](#).

**5.27. If an entity submits multiple applications, does each application require a separate letter of credit, or can a single letter of credit be utilized more than once if all requirements of the letter are met with respect to each application?**

Each applicant must submit a letter from a bank that meets the eligibility requirements consistent with those set forth in 47 C.F.R. § 54.804(c)(2) committing to issue an irrevocable standby letter of credit, in the required form. A separate and distinct letter of credit must be

provided for each application and should be specific to the individual application; however, the letter of credit could come from the same financial institution. The letter shall at a minimum provide the dollar amount of credit offered and the issuing bank's agreement to follow the terms and conditions of NTIA's model letter of credit.

NTIA will ensure, prior to issuing a middle mile grant award, that each eligible entity obtains an acceptable, irrevocable standby letter of credit in a value of no less than 25 percent of the award amount (NOFO Section III.B.1.b).

**5.28. Are the Audited Financial Statements required to cover three prior fiscal years, or one year?**

Three prior fiscal years of audited financial statements by an independent certified public accountant are to be submitted in the application. If the applicant is not audited in the ordinary course of business, in lieu of submitting audited financial statements it must submit unaudited financial statements from the three prior fiscal years and certify that it will provide financial statements from the three prior fiscal years that are audited by an independent certified public accountant by an NTIA specified deadline (NOFO Section III.B.1.c.)

**5.29. Is a formal Environmental Assessment/Environmental Narrative document required in addition to the 1,000 character narrative?**

A formal environmental assessment is not required at the application stage. The Environmental Narrative (1,000 Character Limit) requires a service-area environmental description of the physical project area and its surroundings (e.g., disturbed or developed land vs. open space; adjacent natural resources, such as rivers, wetlands, or forestlands; and any protected lands or resources in or near the project area), including site photographs and aerial photographs (e.g., Google Earth or Google Maps images), if the project includes construction and/or ground disturbing activities.

If NTIA makes an award but additional environmental information is required, NTIA will withhold grant funds under a specific award condition until the recipient submits additional environmental compliance information sufficient for the agency to make an assessment of any impacts that a project may have on the environment.

**5.30. Are applicants required to provide details on funding received from other federal broadband deployment programs even if they are not related to the middle mile project area(s)?**

Applicants are not required at this point to provide details on other federal funds, but it is strongly recommended that they do so. NTIA may ask for this information in the future, depending on the application, so it is encouraged that the applicant already include that information in their Organizational Details narrative.

**5.31. Will the Open Fields in the web portal be able to accept charts/tables and pictures?\***

Applications may include charts/tables and pictures. Narrative fields in the portal are text-only with stated character limits. Images will not be accepted in the narrative fields but may be attached where the web portal has an upload/drop file feature.

### 5.32. Will a notarized letter of self-certification be sufficient to prove financial and operational experience?\*

No. A notarized letter of self-certification is not sufficient.

The Financial Capability certification must be an attestation from an officer-level employee (or individual of comparable rank) stating the applicant is financially qualified to meet the obligations associated with a project, will have available funds for all project costs that exceed the amount of the grant, and will comply with all Middle Mile Grant Program requirements, including service milestones. As the Grants Officer disburses funding upon completion of the associated tasks, each applicant must certify that it has and will continue to have sufficient financial resources to cover the project's eligible costs until the Grants Officer authorizes additional disbursements (NOFO Section III.B.1).

The Operational Capability certification must be an attestation from an officer-level employee (or individual of comparable rank) stating the applicant's operational capability to complete and operate the proposed project. If applicable, the applicant must submit a certification from an officer-level employee (or individual of comparable rank) that it has operated a middle mile broadband network for at least two years or that it is a wholly owned subsidiary of such an entity and must specify the number of years the applicant or its parent company has been operating. If the applicant has provided a voice and/or broadband service, it must certify that it has timely filed Federal Communications Commission (FCC) Form 477s and the Broadband Deployment Accuracy and Technological Availability (DATA) Act submission, if applicable, as required during this time period, and otherwise has complied with the FCC's rules and regulations. Alternatively, it must explain any pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with FCC rules or regulations (NOFO Section III.B.5).

If the applicant has operated only an electric transmission or distribution service, it must submit qualified operating or financial reports that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.

### 5.33. What mapping data can the applicants use to ensure a good planning for the Middle Mile infrastructure?\*

Applicants can access the FCC Fixed Broadband Map at <https://broadbandmap.fcc.gov/#/>. If the FCC Fixed Broadband Map is inaccessible prior to application deadlines, it is recommended to explore the respective state's data compilation on the BroadbandUSA website under [Data Mapping](#).

In addition, several states have developed their own tools. On the BroadbandUSA website at <https://broadbandusa.ntia.doc.gov/resources/states>, the State broadband Leaders Network (SBLN) provides contacts and links to each of those states that can provide helpful resources.

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- In assessing current weather-related risks for specific regions, applicants can use NOAA's disaster and risk mapping tool (<https://www.ncdc.noaa.gov/billions/mapping>), and NOAA's storms event database (<https://www.ncdc.noaa.gov/stormevents/>).
- The NOAA tools Climate Explorer and Digital Coast (updated with recently published regional sea level rise scenarios) allow users to look up historic and future projected environmental variables (*e.g.*, changes in temperature thresholds, sea level rise) for their region.
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- Applicants are also encouraged to consult FEMA-approved Hazard Mitigation Plans prepared by states in which they propose to build middle mile infrastructure to help identify key risks and hazards.

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When multiple organizations are involved in a project, the Primary Applicant must be able to enter into a Grant Agreement with NTIA and be willing to assume financial and operational responsibility for the project. If the project is awarded a Middle Mile Grant award, the Primary Applicant becomes the prime recipient. The prime recipient will be held responsible for meeting all terms and conditions of the award agreement.

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**5.37. What type of documentation will satisfy the last mile requirement related to the Middle Mile grant requirements?\***

Per the Project Details and Narrative section in the Middle Mile Grant Application Guidance (see Section IV.B), applicants are asked to describe targeted last mile service objectives, including last mile service provider letters of commitment, agreements, or contracts; and a description of the proposed service offerings, including the pricing of the services to be offered over the proposed facility.

**5.38. Can a narrative of explanation for the sub-contractor bidding process and commitment be sufficient to submit an application?\***

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Please note, this waiver is discretionary and must be properly documented and submitted through the NTIA Grants Portal and approved by the Assistant Secretary.

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**5.47. Can applicants use the 10% de minimis rate for indirect costs if a Negotiated Indirect Cost Rate Agreement (NICRA) is not provided with the application?\***

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## Appendix: \*New Questions & Answers as of Version 4.0

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### **How does NTIA define "wholly owned subsidiary"?**

A "wholly owned subsidiary" is defined as a company whose stock is completely owned by another entity. All common stock is owned by the parent company of the wholly owned subsidiary, and there are no minority shareholders or publicly traded stock options

### **Can the Authorized Organization Representative (AOR) be a consultant or other resource not directly affiliated with the applicant's organization?**

The AOR is defined as the individual, named by the applicant organization, who is authorized to act for the applicant and to assume the obligations imposed by the Federal laws, regulations, requirements, and conditions that apply to grant applicants or grant awards. Only the AOR will be able to attest that all statements are true and submit the application. The AOR is also responsible for reviewing all Applicant Information Forms, Project Information Forms, and Budget Information Forms before final submission.

### **Does an applicant need to have a Corporate Motion / Resolution to be able to submit an application?**

No. It is not a requirement to have a Corporate Motion or Resolution to be able to submit an application.

### **Do applicants have to report ownership information?**

Yes, Eligible Entities are required to provide ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7). Also, the Applicant will be asked to confirm if its Parent or Owner Company is a foreign entity. The Applicant will then check the appropriate box in the NTIA Grants Portal and identify the country.

### **Does a relay point for a wireless internet service provider (ISP) count as a middle mile infrastructure?**

Yes. As defined in Section I.B.9 of the NOFO, middle mile infrastructure means any broadband infrastructure that does not connect directly to an end-user location, including an anchor institution, and includes— (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links. The funding can be used for any interconnect activities to the last mile with the understanding that funds cannot be used for any last mile costs.

### **Is there a Davis-Bacon requirement for Middle Mile? How do I know if I'm subject to reporting Davis-Bacon compliance?**

No. While not required, Middle Mile Grant Program recipients are suggested to comply with the Davis-Bacon Act of 1931 for any projects over \$5,000,000. Recipients may provide a certification that they are compliant with the Davis-Bacon Act. If such certification is not

provided, an awardee must provide a project employment and local impact report detailing the items listed in Section VI.E.1.7 of the NOFO.

Additional information on how to remain compliant with the Davis-Bacon Act of 1931 can be found on the United States [Department of Labor website](#) and wage determinations can be found on the SAM.gov website at <https://sam.gov/content/wage-determinations>.

### **Can a grantee pay for procurement of land or placement of shelter?**

Yes, eligible uses of funding include construction, improvement, or acquisition of facilities and telecommunications equipment required to deploy middle mile broadband facilities. In addition, eligible uses of program funds include other costs necessary to carrying out programmatic activities of an award. Allowable costs are determined in accordance with the cost principles identified in 2 C.F.R. Part 200, including Subpart E of such regulations for States and non-profit organizations, and in 48 C.F.R. Part 31 for commercial organizations, as well as in the grant program's authorizing legislations. (NOFO Section IV.I.1).

### **What are the obligations of entities who receive the grant to provide access to others to the infrastructure?**

During Merit and Programmatic Reviews, applications will be evaluated based on how well they demonstrate experience or plan to provide nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide middle mile carriage at a just and reasonable wholesale rate.

### **Can Middle Mile funds be used to rebuild infrastructure that was destroyed by a natural disaster?**

Yes, eligible uses of funding are construction, improvement, and/or acquisition of facilities and telecommunications equipment required to deploy middle mile broadband facilities. All costs should be reasonable to the project goals of the expansion and extension of middle mile infrastructure to reduce the cost of connecting areas that are unserved or underserved to the internet backbone. (See NOFO Section IV.I for further information on allowable costs).

In addition, applicants must also demonstrate that they have sufficiently accounted for current and future weather- and climate-related risks to new Middle Mile Grant Program infrastructure projects. At present, weather and climate-related risks to broadband networks include various types of natural disasters and most new broadband infrastructures are expected to withstand a lifetime of 20 years or more to account for this risk. (See NOFO Section III.K).

### **Can the grantee of the Middle Mile grant use the funds to provide the last mile services?**

Middle Mile grant funds are dedicated to the middle mile infrastructure only and cannot be used to fund last mile infrastructure. While last mile services are not funded, splice points and interconnection points are funded, and as described in the NOFO, there are several reasons why the applicant should prioritize making certain their middle mile infrastructure project connects to last mile service:

- Per Section III.E of the NOFO, two of the five statutory criteria that can result in application prioritization relate directly to last mile:

3. The eligible entity commits to offering non-discriminatory interconnection to terrestrial and wireless last mile broadband providers and any other party making a bona fide request.
  4. The eligible entity identifies specific terrestrial and wireless last mile broadband providers that (i) expressed interest in interconnecting with middle mile infrastructure planned to be deployed by the eligible entity; and (ii) demonstrated sustainable business plans or adequate funding sources with respect to such interconnection described in (i).
- As part of the Level of Need narrative in the application, applicants are requested to note any specific service providers that have expressed demonstrable interest (written, verbal, or other) in utilizing the network to provide last mile service.
  - As part of the Pro Forma Projection and Analysis spreadsheet, applicants are instructed to include financial projection and analysis related to the project’s sustainability, inclusive of subscribers of which last mile network connections can be critical.
  - Per Section V.A.1 of the NOFO, as per the Act, each applicant must make a binding commitment to prioritize at least one of the three items listed via the funded middle mile network, of which one of the three is connecting middle mile infrastructure to last mile networks that provide or plan to provide broadband service to households in unserved areas.

Although last mile costs cannot be funded per the Middle Mile Grant Program, last mile service objectives should be a target of any proposed middle mile infrastructure to ensure a successful application and sustainable infrastructure project.

**Can a Middle Mile Grant be used to acquire telecom assets from an existing utility?**

Yes. Middle Mile Grant funds may be used to acquire assets, including real property, equipment, and intangible property (i.e., modifiers buying a relay point or dark fiber would count as an asset if connecting two points), in accordance with 2 CFR § 200.316. For example, modifiers buying a relay point or dark fiber would count as an asset if connecting two points. Certain administrative conditions must be met and maintained, including holding in a trust, recording award and specific asset information, and anticipated revenues associated with the acquisition (NOFO Sections VI.D.5 and VI.E.2).

**Is it allowable for an applicant to contribute municipal revenue bond proceeds as matching funds for the Middle Mile grant?**

The Infrastructure Investment and Jobs Act (Act) and Middle Mile NOFO include a maximum Federal share for Middle Mile grants of 70% of total project cost (*see* Section 60401(f) of the Act and NOFO Section III.C). Thus, an Eligible Entity must commit matching funds of at least 30% of total project costs (except in the case of a match waiver for a Tribal Government or Native entity under section 60401(g) of the Act). A non-Federal entity may contribute municipal revenue bond proceeds to meet its Middle Mile matching funds requirement, so long as the contributions meet the criteria laid out in 2 CFR § 200.306(b) and such use is consistent with the terms of the bond. Such a bond would be considered governmental revenue, and not program income under 2 CFR § 200.307(c).

**Is it allowable for the Middle Mile applicant to use program income to repay the municipal revenue bond above?**

A recipient may request that the Grants Officer and NTIA consider the repayment of the principal of the bond as an allowable cost. However, the repayment of the interest portion of the municipal revenue bond would not be allowable for the proposed project purpose. The Grants Officer would have to approve any such a proposal to use program income to repay revenue bonds, and may require special award conditions.

**Can applicants include projects that were already planned but have not yet begun as part of their application? If so, can currently ongoing stages of such a project like network design and engineering activities still apply as part of the application's budget?**

Applicants can submit potential projects for middle mile infrastructure that are in the midst of planning, designing, or other progressive stages that include but are not limited to environmental assessment and construction. Normal constraints on pre-application expenses continue to apply (NOFO Section IV.I.1), as all requests for reimbursement of pre-application and pre-award costs must be reviewed and approved by a Grants Officer since reimbursement is neither automatic nor guaranteed. All activities that have been conducted a priori are considered “work at risk.”

**What benchmark is NTIA using to determine if construction costs are reasonable?**

The Middle Mile Grant Program follows the Uniform Guidance regarding cost reasonableness guidance. 2 CFR 200 Subpart E provides Cost Principles, including a definition for reasonable costs in 2 CFR § 200.404: “A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.” NTIA will consider the additional factors list in 2 CFR § 200.404 when determining reasonableness. Additionally, NTIA will use publicly available benchmarks and do a standard deviation from the mean in order to account for supply chain and logistics issues.

If Build America, Buy America Act (BABA) applies to an award, then BABA requirements would be taken into consideration in analyzing whether the construction costs are reasonable, consistent with 2 CFR § 200.404 analysis. A recipient who is required to comply with BABA may request a waiver for construction costs where BABA requirements result in an increased cost of 25% or more. *See* NOFO Section VI.D.6.

**Will the Open Fields in the web portal be able to accept charts/tables and pictures?**

Applications may include charts/tables and pictures. Narrative fields in the portal are text-only with stated character limits. Images will not be accepted in the narrative fields but may be attached where the web portal has an upload/drop file feature.

**Will a notarized letter of self-certification be sufficient to prove financial and operational experience?**

No. A notarized letter of self-certification is not sufficient.

The Financial Capability certification must be an attestation from an officer-level employee (or individual of comparable rank) stating the applicant is financially qualified to meet the obligations associated with a project, will have available funds for all project costs that exceed the amount of the grant, and will comply with all Middle Mile Grant Program requirements,

including service milestones. As the Grants Officer disburses funding upon completion of the associated tasks, each applicant must certify that it has and will continue to have sufficient financial resources to cover the project's eligible costs until the Grants Officer authorizes additional disbursements (NOFO Section III.B.1).

The Operational Capability certification must be an attestation from an officer-level employee (or individual of comparable rank) stating the applicant's operational capability to complete and operate the proposed project. If applicable, the applicant must submit a certification from an officer-level employee (or individual of comparable rank) that it has operated a middle mile broadband network for at least two years or that it is a wholly owned subsidiary of such an entity and must specify the number of years the applicant or its parent company has been operating. If the applicant has provided a voice and/or broadband service, it must certify that it has timely filed Federal Communications Commission (FCC) Form 477s and the Broadband Deployment Accuracy and Technological Availability (DATA) Act submission, if applicable, as required during this time period, and otherwise has complied with the FCCs rules and regulations. Alternatively, it must explain any pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with FCC rules or regulations (NOFO Section III.B.5).

If the applicant has operated only an electric transmission or distribution service, it must submit qualified operating or financial reports that it has filed with the relevant financial institution for the relevant time period along with a certification that the submission is a true and accurate copy of the reports that were provided to the relevant financial institution.

### **What mapping data can the applicants use to ensure a good planning for the Middle Mile infrastructure?**

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