

**Before the
NATIONAL TELECOMMUNICATIONS AND
INFORMATION ADMINISTRATION
Washington, D.C. 20230**

Proposed BEAD Alternative Broadband)
Technology Guidance)
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COMMENTS OF CTIA

CTIA¹ hereby responds to NTIA’s Proposed Guidance on Broadband Equity, Access and Deployment (“BEAD”) Alternative Broadband Technology (“Proposed Guidance”)² that would provide states and territories (“Eligible Entities”) additional flexibility to use a new “capacity subgrant” model aimed at low-earth orbit satellite (“LEO”) Alternative Technology applications. CTIA continues to review the Proposed Guidance to assess how it would work in practice, but any approach set forth in the guidance should be technologically neutral.

I. FIXED WIRELESS ACCESS IS HELPING CONNECT ALL AMERICANS TO ROBUST BROADBAND AND CAN DO EVEN MORE UNDER THE BEAD PROGRAM.

In its January 2022 Request for Comment seeking input on how best to implement the broadband programs in the Infrastructure Investment and Jobs Act (“IIJA”), NTIA rightly observed that BEAD and the other programs offer a “historic investment ... to help close the

¹ CTIA – The Wireless Association® (“CTIA”) (www.ctia.org) represents the U.S. wireless communications industry and the companies throughout the mobile ecosystem that enable Americans to lead a 21st century connected life. The association’s members include wireless providers, device manufacturers, suppliers as well as apps and content companies. CTIA vigorously advocates at all levels of government for policies that foster continued wireless innovation and investment. The association also coordinates the industry’s voluntary best practices, hosts educational events that promote the wireless industry and co-produces the industry’s leading wireless tradeshow. CTIA was founded in 1984 and is based in Washington, D.C.

² NTIA, *Proposed BEAD Alternative Broadband Technology Guidance*, (Aug. 26, 2024), https://broadbandusa.ntia.doc.gov/sites/default/files/2024-08/Draft_BEAD_Alternative_Broadband_Technology_Policy_Notice_for_Public_Comment.pdf.

digital divide and ensure that all Americans have access to reliable, affordable, high-speed broadband.”³ “Internet for All” is the guiding principle for NTIA’s broadband programs, and the wireless industry is proud of the significant and widespread role we play in bringing affordable, robust, resilient, and secure broadband to all communities, including rural, Tribal, and low-income urban areas. Since 2018, the year 5G launched, providers have invested over \$190 billion in growing and improving their networks—nearly 4.5 times the \$42.5 billion committed to the BEAD Program.⁴ 5G fixed wireless access in particular continues to grow across the country, accounting for 95 percent of net broadband additions over the past two years and importantly, one out of five net 5G home adds were entirely new home broadband subscribers.⁵

The BEAD Notice of Funding Opportunity (“NOFO”) incorporated a fiber-first technology hierarchy for funding subgrants, with awards going to Priority Broadband Projects—end-to-end fiber—provided their cost is below the Extremely High Cost Per Location Threshold (“EHCPLT”).⁶ It is well understood, however, that the \$42.5 billion in BEAD funding will not deliver fiber to all unserved and underserved locations across the nation. NTIA has always acknowledged that connecting everyone in America will require a variety of technologies. Indeed, if an application for a Priority Broadband Project exceeds the EHCPLT, an Eligible Entity may consider Reliable Broadband Service applications from the following technologies, provided their cost is below the EHCPLT: fiber-optic; cable modem/hybrid fiber-coaxial; digital

³ Infrastructure Investment and Jobs Act Implementation, Request for Comment, 87 Fed. Reg. 1122, 1122 (Jan. 10, 2022).

⁴ CTIA, *2024 Annual Survey Highlights*, at 5 (Sept. 10, 2024), <https://www.ctia.org/news/2024-annual-survey-highlights>.

⁵ *Id.* at 7.

⁶ NTIA, *Notice of Funding Opportunity, Broadband, Equity, Access, and Deployment Program* at 36-39, 41 (2022) (“BEAD NOFO”), <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>.

subscriber line; and terrestrial fixed wireless using licensed or licensed/unlicensed spectrum. If no application for a Priority Broadband Project or Reliable Broadband Service project is submitted for a project area or if none are below the EHCPLT, then the Eligible Entity may consider Alternative Technology projects including unlicensed fixed wireless and LEO applications where they would be less expensive.⁷

Increasingly, many states have made clear that the BEAD Program’s fiber-first approach, with an EHCPLT set to advance fiber builds to unserved locations, will deplete their BEAD allocations and leave them short of delivering Internet for All.⁸ Indeed, since the inception of the BEAD Program, CTIA has called for a technologically neutral approach to the award of BEAD funding in support of wireless alongside fiber and other options, recognizing that different technologies will be the right choice in different circumstances.⁹ As NTIA is well aware, fixed wireless access delivers at minimum the 100 Mbps downstream / 20 Mbps upstream speeds set forth in the IJJA that meet the needs of Americans both today and tomorrow. Fixed wireless access can often be deployed faster, at lower cost than fiber, and with higher levels of reliability than Alternative Technologies. And BEAD funds committed to deploy fixed wireless access will deliver a multiplier effect in the communities they serve as the infrastructure deployed for fixed wireless will support mobile broadband as well.

⁷ *Id.* at 38-39.

⁸ See, e.g., Julia King, *Colorado BEAD plan is ‘agnostic’ to fiber versus fixed wireless*, Fierce Network (Aug. 9, 2023), <https://www.fierce-network.com/broadband/colorado-bead-plan-agnostic-fiber-versus-fixed-wireless> (noting for some states that have leaned into a fiber-first approach, BEAD funding won’t be enough); Doug Adams, *Pennsylvania Broadband Director Talks BEAD, CPF – and That Municipal Network Law*, Telecompetitor (Mar. 19, 2024), <https://www.telecompetitor.com/pennsylvania-broadband-director-talks-bead-cpf-and-that-municipal-network-law/> (“We have been very upfront in that we know it will take all technologies to get everyone served. We know it’s going to take fiber, hybrid fiber-coax, fixed wireless, and satellite if we’re going to achieve universal access.”).

⁹ See, e.g., Comments of CTIA, Infrastructure Investment and Jobs Act Implementation Request for Comment, Docket No. 220105-0002, RIN 0660-ZA33 (Feb. 4, 2022).

5G fixed wireless access in particular is a robust, attractive options for Americans, and can serve a vital role in the BEAD Program. 5G fixed wireless offerings have significantly broadened consumer broadband options, creating broadband choice for more than 19 million households.¹⁰ 5G home broadband offerings are also introducing competitive pricing into home broadband markets—leading to savings even for those that do not subscribe to it. In fact, a recent report by Econ One predicts that Americans could save more than \$8.1 billion a year thanks to increased home broadband competition from 5G home broadband.¹¹ And 5G fixed wireless access offers tremendous potential across rural America—one report found that “5G fixed wireless access . . . could serve 8.4 million rural households—nearly half the rural homes in the U.S.”¹²

II. THE PROPOSED GUIDANCE SEEKS TO INCORPORATE FLEXIBILITY FOR CERTAIN TECHNOLOGIES AND GRANT MODELS.

CTIA welcomes technological neutrality, flexibility for Eligible Entities, and a level playing field in the BEAD Program. In the Proposed Guidance, NTIA proposes a framework for the use of Alternative Technologies to give Eligible Entities additional options so they can make the required certification in their BEAD Final Proposals that service will be delivered to all unserved and underserved (if financially feasible) locations. Other technologies, however, would not benefit from the additional flexibility considered in the Proposed Guidance.

¹⁰ Nick Ludlum, *FCC Shows How Wireless Is Delivering Much-Needed Home Broadband Competition & Closing the Digital Divide*, CTIA BLOG (Mar. 14, 2024), <https://www.ctia.org/news/fcc-shows-how-wireless-is-delivering-much-needed-home-broadband-competition-closing-the-digital-divide>.

¹¹ Press Release, CTIA, *American Consumers Could Save at Least \$8.1B Annually with 5G Home Broadband, According to New Report* (June 15, 2023), <https://www.ctia.org/news/american-consumers-could-save-at-least-8-1b-annually-with-5g-home-broadband-according-to-new-report>.

¹² Press Release, CTIA, *5G Fixed Wireless Access Could Serve Nearly Half of U.S. Rural Households with High-Speed Broadband, New Study Finds* (Nov. 18, 2021), <https://www.ctia.org/news/5g-fixed-wireless-access-could-serve-nearly-half-of-u-s-rural-households-with-high-speed-broadband-new-study-finds>.

Under the existing framework, the Proposed Guidance would clarify that Eligible Entities may use BEAD funds to cover costs for Alternative Technology projects that serve locations for which no prospective subgrantee submitted an offer to deploy Reliable Broadband Service or where any such offers exceed the EHCPLT, so long as those locations are not currently served, or subject to an enforceable commitment to be served, with an Alternative Technology that meets BEAD network performance requirements.

Consistent with the BEAD NOFO, the Proposed Guidance explains that eligible uses of funding in connection with Alternative Technology projects include largely capital expenditures associated with the deployment of last-mile networks. This includes the construction, improvement, and acquisition of facilities and equipment; long term leases of facilities; engineering design, permitting, and the like; network software upgrades; and workforce training for occupations that support the deployment and maintenance of such networks.¹³ Any Alternative Technology subgrant also must include the cost of any eligible, initial non-recurring fees charged to new subscribers, such as costs for installation or customer premises equipment (e.g., residential radio nodes and satellite terminals).¹⁴

In the case of LEO projects only, however, the Proposed Guidance would add flexibility for Eligible Entities to use BEAD funds to reserve capacity on LEO networks. Under the “capacity subgrant” model, LEO providers would be reimbursed for up to ten years either based on number of subscribers served, a tiered subscription structure, and/or all locations within a project area.¹⁵ While the NOFO structured the BEAD Program to focus on funding capital expenditures and related costs associated with the deployment of broadband networks, the

¹³ BEAD NOFO at 39; Proposed Guidance at 12-13.

¹⁴ Proposed Guidance at 12.

¹⁵ *Id.* at 13-15, Appx. A.

Proposed Guidance proposes a new option for LEO providers—rather than fund deployment of new broadband infrastructure, in effect the capacity subgrant serves to fund the operating expenses of LEO systems over a ten-year period.

III. NTIA SHOULD ENSURE THAT ANY TECHNOLOGY SOLUTION IS ELIGIBLE FOR THE EXISTING BEAD DEPLOYMENT SUBGRANT OR THE PROPOSED “CAPACITY SUBGRANT.”

CTIA continues to review the Proposed Guidance to assess how it would work in practice, but any approach set forth in the guidance should be technologically neutral. There is no sound policy reason to limit the proposed capacity subgrant model to a single technology, LEOs. Any applicant should be allowed to choose the model that works best for it—whether for infrastructure deployment or capacity—based on their particular circumstances and the unserved and underserved locations that need broadband.

As required by the NOFO and the Proposed Guidance, all subgrant applications for broadband—including those involving Alternative Technologies—must be subject to a competitive award process.¹⁶ To the extent an Eligible Entity seeks to consider Alternative Technologies as contemplated by the Proposed Guidance, the Eligible Entity should be able to design the competitive process and award subgrants to providers that best meet its needs. For example, the Proposed Guidance identifies two options, conducting a single application round open to all providers and technologies, or a multi-round process where a subsequent round, if necessary based on the results of earlier rounds, would seek only Alternative Technology proposals.

Whether the Eligible Entity adopts a one-round or multi-round approach, applicants using Reliable Broadband Service technologies should be eligible for the same funding models

¹⁶ BEAD NOFO at 35; Proposed Guidance at 9-10.

available to all other applicants on an even playing field. Specifically, providers of Reliable Broadband Service should be permitted to choose between the capital expenditures model established by the BEAD NOFO or the capacity subgrant model set forth in the Proposed Guidance. Allowing applicants to choose between these models, and Eligible Entities to consider more options, promotes the program’s goal of facilitating competition to find the most “robust, affordable, and scalable technologies . . . under the circumstances particular to a location.”¹⁷

CTIA cautions against unintentionally slowing down the BEAD subgrantee selection process, however.¹⁸ For example, under the Proposed Guidance, before Eligible Entities can consider Alternative Technologies to fulfill BEAD obligations, they must consider whether an existing Alternative Technology provider in a project area can meet program requirements. This process could at the very least extend the subgrantee selection process by more than a month.¹⁹ CTIA strongly encourages NTIA and Eligible Entities to ensure that the subgrantee selection process is not structured in a way that would delay making BEAD subgrantee awards.

In addition, the NOFO’s tiered technology framework should carry through to the new capacity subgrant model. NTIA concluded Reliable Broadband Service offers more reliability

¹⁷ BEAD NOFO at 39.

¹⁸ As of filing, NTIA has approved the Volume II Initial Proposals of 40 Eligible Entities. Eligible Entities seeking to modify their Initial Proposals to reflect NTIA’s final guidance on the use of Alternative Technologies would require prior NTIA approval to do so.

¹⁹ Eligible Entities must first determine whether there are enforceable federal, state, or local commitments to deploy Alternative Technologies to some or all locations in a project area (“Case 1” in the Proposed Guidance). Then they must determine whether an Alternative Technology provider serving some or all such locations currently meets BEAD Program requirements (“Case 2” in the Proposed Guidance). Under Case 2, Eligible Entities must give existing Alternative Technology providers at least 37 days to express interest then provide documentation that they meet BEAD Program requirements in the particular project area. Proposed Guidance at 7-9.

and consistency than Alternative Technologies,²⁰ and consistency with the NOFO requires that NTIA apply that same tiered approach for any capacity subgrants, whether such applications are submitted in a multi-round or a single-round bid process. Eligible Entities will then be able to choose the technologies and subgrant models that best meet the needs of their citizens.

IV. CONCLUSION

The BEAD Program represents a tremendous opportunity to advance the goal of universal broadband availability in the United States. Consistent with the comments above, adhering to technological neutrality and providing a level playing field for all applicants will position NTIA, Eligible Entities, and the nation to get the most value from the BEAD Program.

Respectfully submitted,

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²⁰ BEAD NOFO at 28, 38-39 (concluding that locations served exclusively by satellite or services using entirely unlicensed spectrum do not meet the criteria for Reliable Broadband Service, but that Eligible Entities may consider funding such services if no Reliable Broadband Service technology meeting BEAD requirements would be deployable for less than the EHCPLT).