

BEAD Program: A Framework to Allocate Funding for Broadband Availability

State Broadband Report: Nevada

January 2024



1 Eligible Locations

How many unserved/underserved locations are eligible for BEAD funding?

5%
54K LOCATIONS
OF NEVADA LOCATIONS LACK HIGH-SPEED BROADBAND IN JUN 2023
VS. 9% STATE/TERRITORY AVERAGE

UNSERVED LOCATIONS, JUN. 2024



32.0K
LOCATIONS

Are estimated to lack broadband access at **25/3 Mbps**

UNDERSERVED LOCATIONS, JUN. 2024



9.0K
LOCATIONS

Are estimated to lack broadband access at **100/20 Mbps**

These locations are primarily in rural areas and are eligible for BEAD funding to deploy broadband service.

2 Total Funding

How much capital funding is the State/Territory estimated to have?

\$417M
IN BEAD FUNDING HAS BEEN ALLOCATED TO NEVADA
VS. \$743M STATE/TERRITORY AVERAGE

ESTIMATED BEAD FUNDING:

BEAD Funds allocated by NTIA

\$417M

Estimated Provider Match

\$115M

Estimated Total Capital

\$531M

The provider match is estimated using a high-level service provider business case. See national summary deck for full details.

3 Deployment

How many locations can be covered with fiber and other technologies?

\$81M-\$417M
OF BEAD FUNDS IS REQUIRED TO BUILD HIGH-SPEED BROADBAND TO ALL ELIGIBLE LOCATIONS

DEPLOYMENT SCENARIOS:



Baseline Fiber



Maximum Fiber

100%
LOCATIONS REACHED

43%
FIBER LOCATIONS

100%
LOCATIONS REACHED

74%
FIBER LOCATIONS

\$196M

TOTAL CAPITAL COST

\$531M

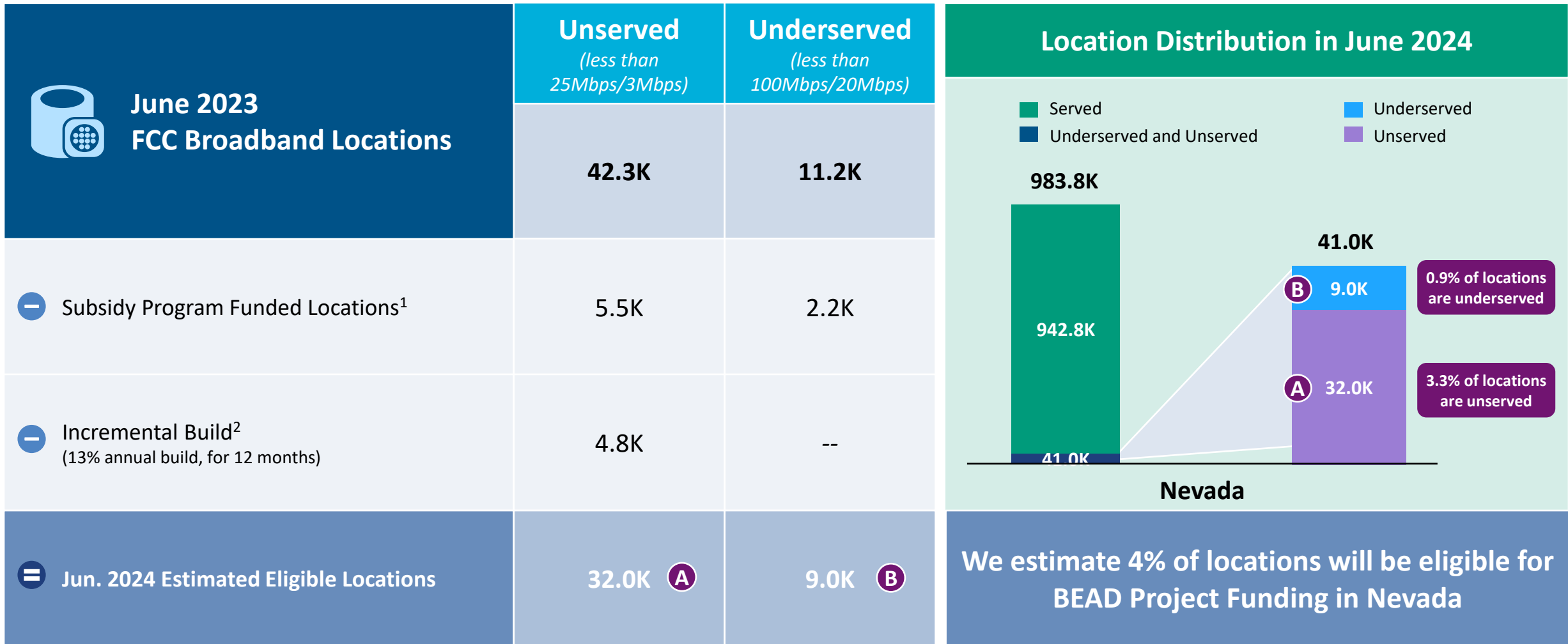
TOTAL CAPITAL COST

\$336M

REMAINING BUDGET

\$--M

REMAINING BUDGET



1. Locations with “commitments” to receive support from federal subsidy programs

2. Given the uncertainty around the magnitude of locations moving from unserved to underserved, we have not made incremental builds adjustments to underserved locations

BEAD eligible locations does not account for state-specific eligibility rules set forth in Initial Proposals

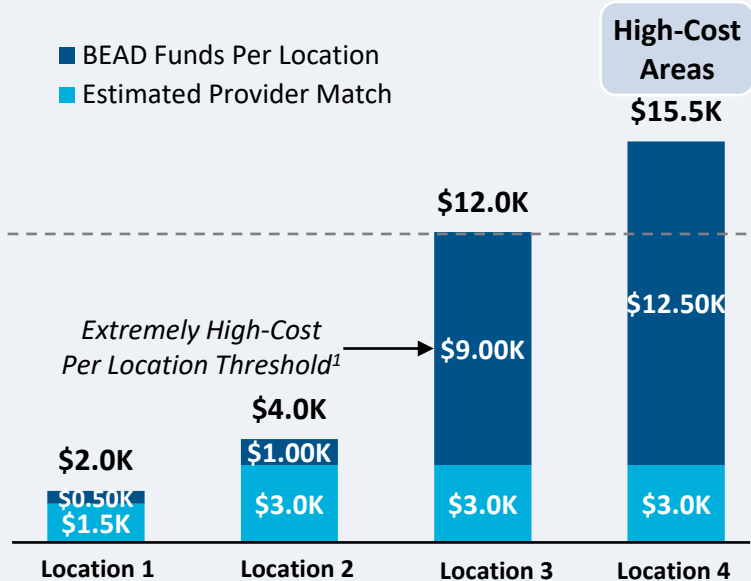
Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023)

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Provider Match Examples

Total Deployment Cost per Location

- BEAD Funds Per Location
- Estimated Provider Match

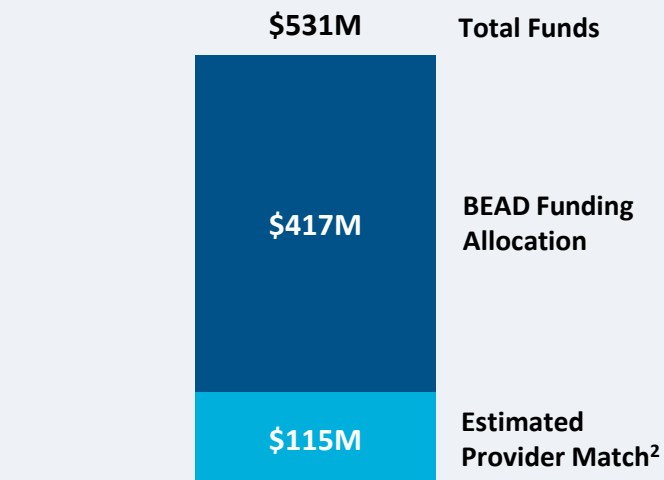


Provider Match %

75%	75%	25%	19%
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To be conservative, we assume provider match amounts have a maximum of 75% and a minimum of 25%, except in high-cost areas

Total Capital Available - Nevada



\$531M in total capital is estimated to be available to serve unserved/underserved Nevada locations (combining BEAD funding and estimated provider match)

Provider Match - Nevada

Total Estimated Provider Match: **\$115M**

Total Estimated Eligible Locations: **41.0K**

Average Provider Match: **\$2,794 PER LOCATION**

We estimate the average provider match will be \$2,794 – provider matches will be 75% where cost to deploy is less than \$4K

1. The model uses a \$9k threshold, however, States/Territories will individually need to determine their appropriate extremely high-cost threshold

2. In reality, providers will determine the viable level of match funding for each project using a business case model. They will be willing to contribute a greater match in some locations and less in others. Locations which are hardest to serve may need to be fully funded by BEAD with no match. Competitive bidding should drive provider matches towards this level.

Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023), Benton, NTIA

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Nevada | Cost to Deploy Fiber by Decile

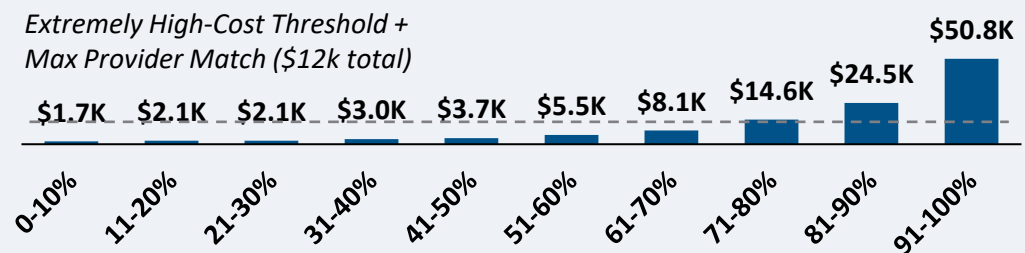
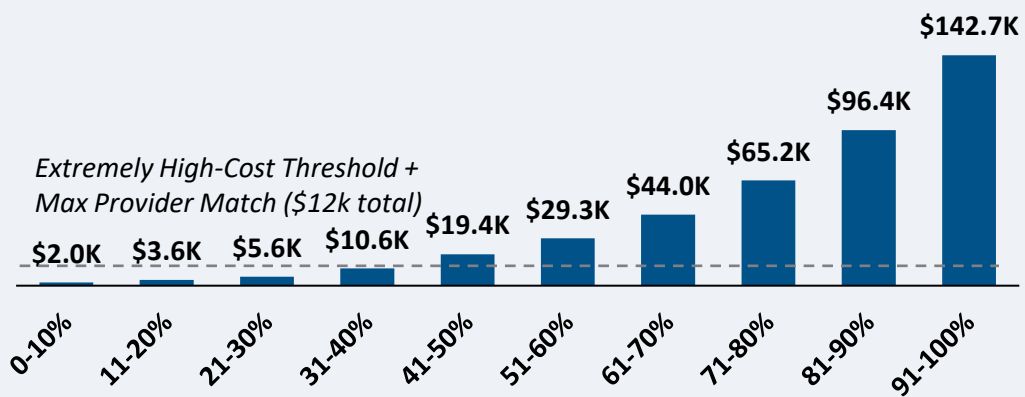
CAPEX Fiber Deployment Cost per Location Segmented by Cost Deciles¹

Unserved Locations

Underserved Locations

Overall Average Cost per Location: \$43,811

Overall Average Cost per Location: \$14,508



Average Tract Density (Location per sq. Mile)

605	166	52	32	8	3	3	1	1	0
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Average Tract Density (Location per sq. Mile)

617	380	380	57	88	36	28	65	24	9
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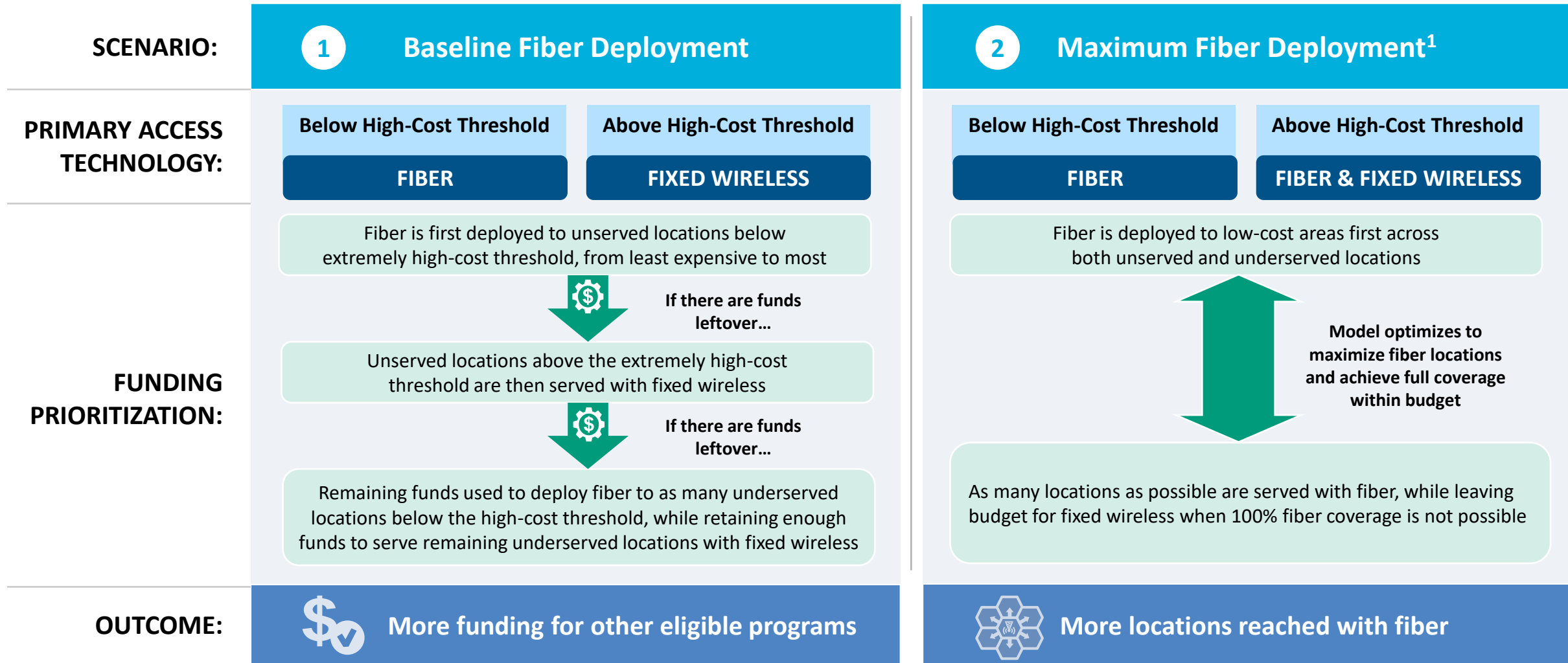
32.0K Locations

9.0K Locations

Over 45% of locations are estimated to fall below the High-Cost Threshold + Provider Match

1. Chart values are average cost per location for each decile bucket
 Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023)
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Nevada | Fiber Preferencing Scenarios



1. Scenario 2 deploys fiber beyond the extremely high-cost threshold
 Source: Cartesian
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3 Develop Deployment Scenarios

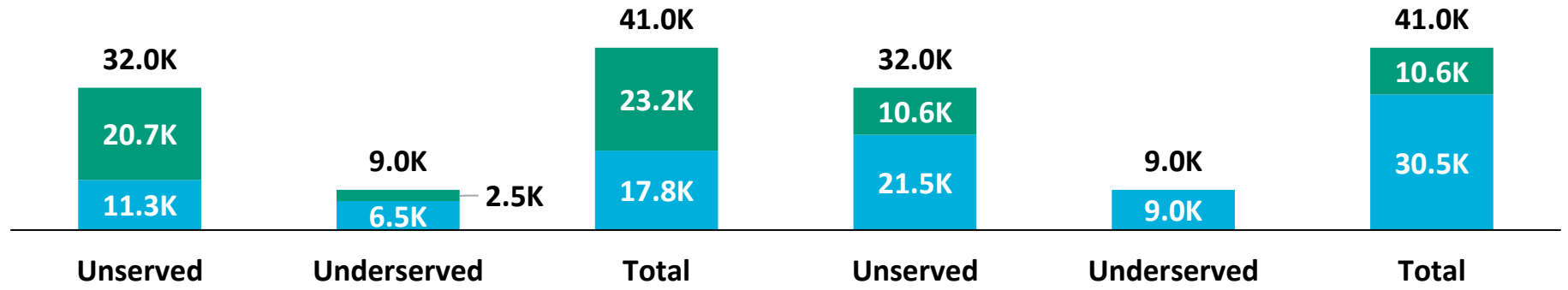
Nevada | Scenario Analysis Results

SCENARIO:

1 Baseline Fiber Deployment

2 Maximum Fiber Deployment

■ Fixed Wireless
■ Fiber



	Scenario 1	Scenario 2
Capex Required per Locations ¹	\$4,879	\$4,763
BEAD Funds Available to State	\$417M	\$417M
+ Estimated Provider Match	\$115M	\$115M
= Total Available Capital	\$531M	\$531M
- Capex Required to Build	\$196M	\$531M
= Remaining Funds	\$336M	\$--M
% of Locations Reached	100%	100%
% of Locations Reached with Fiber	43%	74%

1. Funding to deploy fiber before the maximum \$3k provider match per location
 Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023), Benton, NTIA
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Nevada | Conclusion



Funding Summary

Nevada is expected to receive

\$417M in BEAD funding



\$115M in estimated provider matching

We estimate the funding is sufficient to reach all of Nevada's 41.0k eligible locations with high-speed broadband



Key Findings

Nevada will need to decide how far to deploy fiber while considering the trade-off of having higher fiber coverage vs. retaining funds for other BEAD eligible programs

A Baseline Fiber Deployment...



Maximizing Fiber...

- Leaves \$336M additional funds for affordability programs
 - Reaches 43% of locations with fiber
 - Requires 57% to be reached with other tech.
- Exhausts funds without leaving additional funds for affordability programs
 - Reaches 74% of locations with fiber
 - Requires 26% to be reached with other tech.

States/Territories will set their own extremely high-cost threshold and may choose a threshold or funding paradigm different from these two scenarios

Nevada | ACA Connects Members

Member Name
Caribbean Communications Corp dba Innovative Cable
CC Communications
Consolidated Communications, Inc.
Fort Mojave Television, Inc.
Lict Corp
Rio Virgin Cablevision
Rural Telephone Company
Stimulus Technologies Of Missouri, LLC
TDS Telecom
Wirelessbeehive.com, LLC



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