

BEAD Program: A Framework to Allocate Funding for Broadband Availability

State Broadband Report: Utah

January 2024





1 Eligible Locations

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

6%
64K LOCATIONS
OF UTAH LOCATIONS LACK HIGH-SPEED BROADBAND IN JUN 2023
VS. 9% STATE/TERRITORY AVERAGE

UNSERVED LOCATIONS, JUN. 2024



31.7K
LOCATIONS

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

UNDERSERVED LOCATIONS, JUN. 2024



18.6K
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?

\$317M
IN BEAD FUNDING HAS BEEN ALLOCATED TO UTAH
VS. \$743M STATE/TERRITORY AVERAGE

ESTIMATED BEAD FUNDING:

BEAD Funds allocated by NTIA

\$317M

Estimated Provider Match

\$146M

Estimated Total Capital

\$464M

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?

\$134M-\$317M
OF BEAD FUNDS IS REQUIRED TO BUILD HIGH-SPEED BROADBAND TO ALL ELIGIBLE LOCATIONS

DEPLOYMENT SCENARIOS:



Baseline Fiber

100%
LOCATIONS REACHED

37%
FIBER LOCATIONS

\$280M
TOTAL CAPITAL COST

\$183M
REMAINING BUDGET



Maximum Fiber

100%
LOCATIONS REACHED

63%
FIBER LOCATIONS

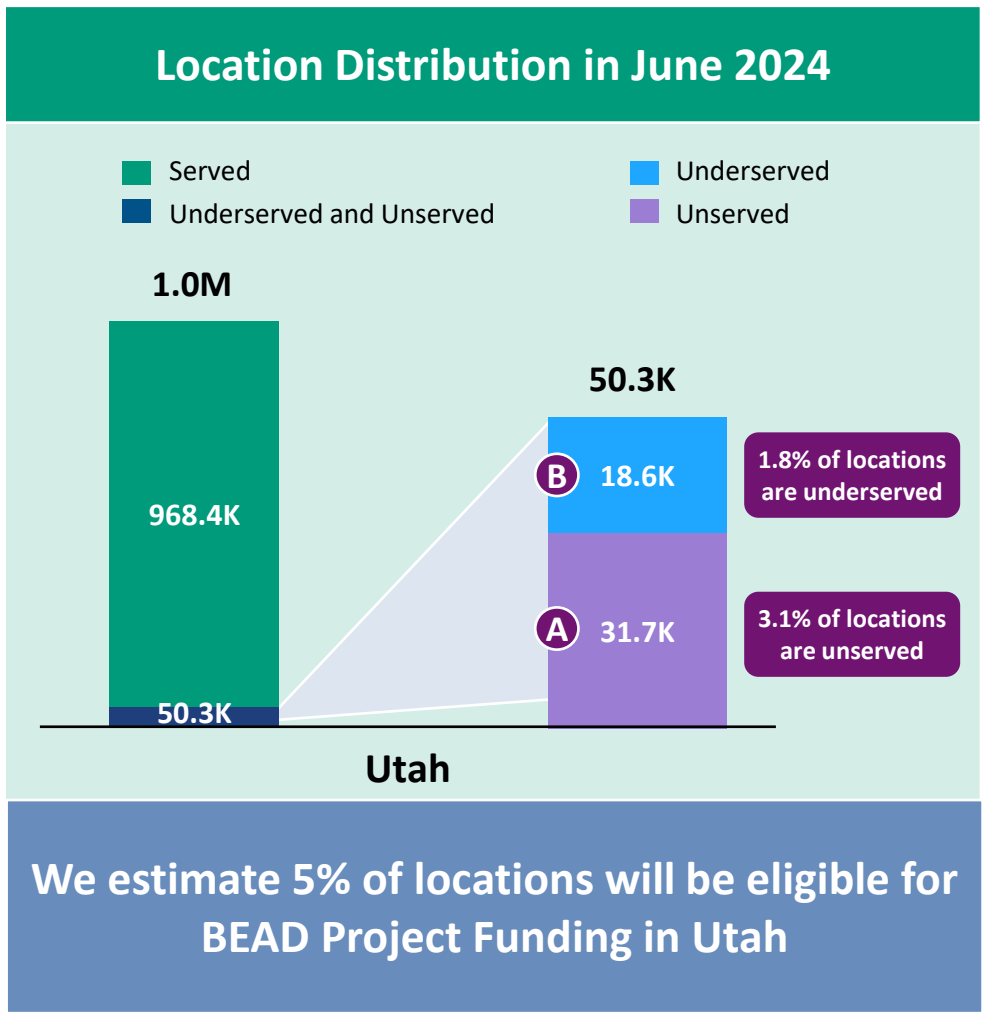
\$464M
TOTAL CAPITAL COST

\$--M
REMAINING BUDGET

1 Estimate Eligible Locations

Utah | Estimated Eligible Locations for BEAD Projects

June 2023 FCC Broadband Locations	Unserved <i>(less than 25Mbps/3Mbps)</i>	Underserved <i>(less than 100Mbps/20Mbps)</i>
Subsidy Program Funded Locations ¹	6.8K	1.8K
Incremental Build ² <i>(13% annual build, for 12 months)</i>	4.7K	--
Jun. 2024 Estimated Eligible Locations	31.7K (A)	18.6K (B)



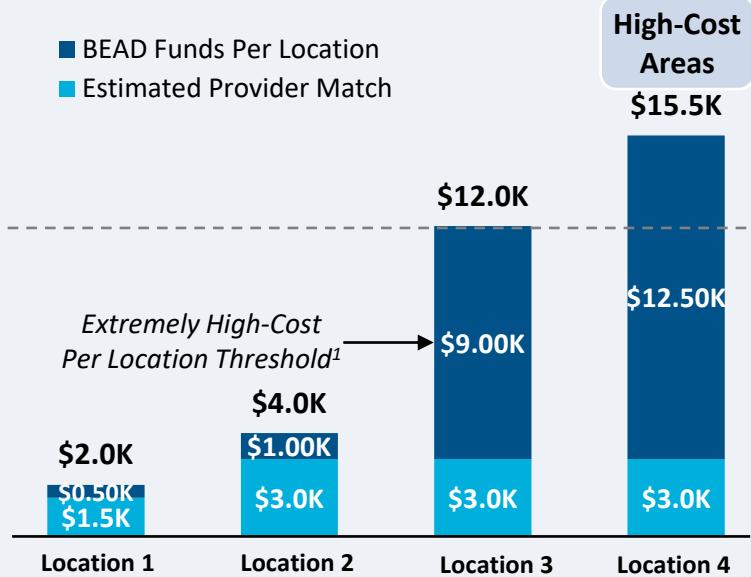
1. Locations with "commitments" to receive support from federal subsidy programs
 2. Given the uncertainty around the magnitude of locations moving from unserved to underserved, we have not made incremental builds adjustments to underserved locations
 BEAD eligible locations does not account for state-specific eligibility rules set forth in Initial Proposals
 Source: Cartesian, FCC National Broadband Map (June 2023 data, released in November 2023)
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Utah | BEAD Funding & Estimated Provider Match

Provider Match Examples

Total Deployment Cost per Location

- BEAD Funds Per Location
- Estimated Provider Match

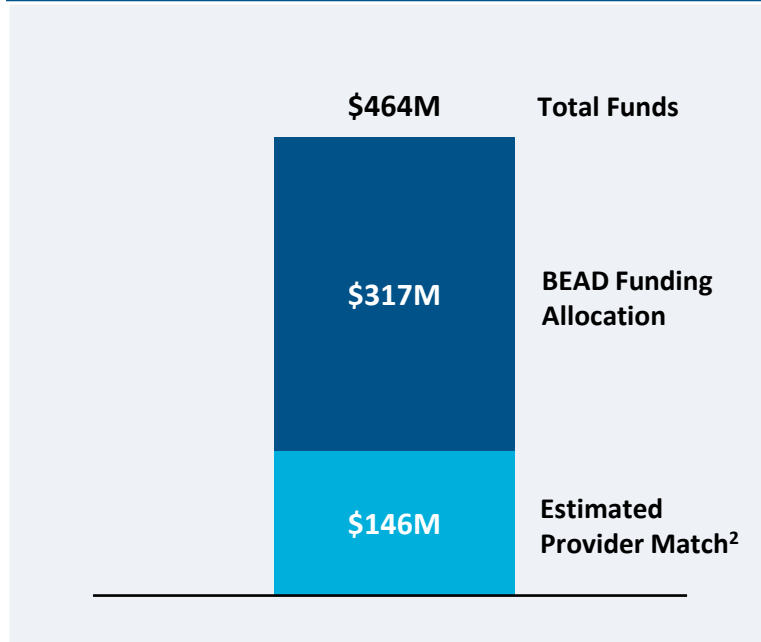


Provider Match %

75% 75% 25% 19%

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 - Utah



\$464M in total capital is estimated to be available to serve unserved/underserved Utah locations (combining BEAD funding and estimated provider match)

Provider Match - Utah

Total Estimated Provider Match: **\$146M**

Total Estimated Eligible Locations: **50.3K**

Average Provider Match: **\$2,906 PER LOCATION**

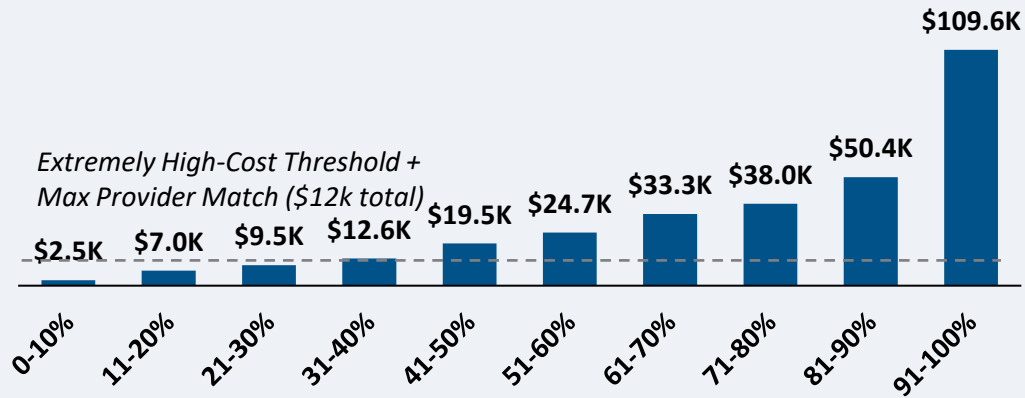
We estimate the average provider match will be \$2,906 – provider matches will be 75% where cost to deploy is less than \$4K

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.

CAPEX Fiber Deployment Cost per Location Segmented by Cost Deciles¹

Unserved Locations

Overall Average Cost per Location: \$31,925



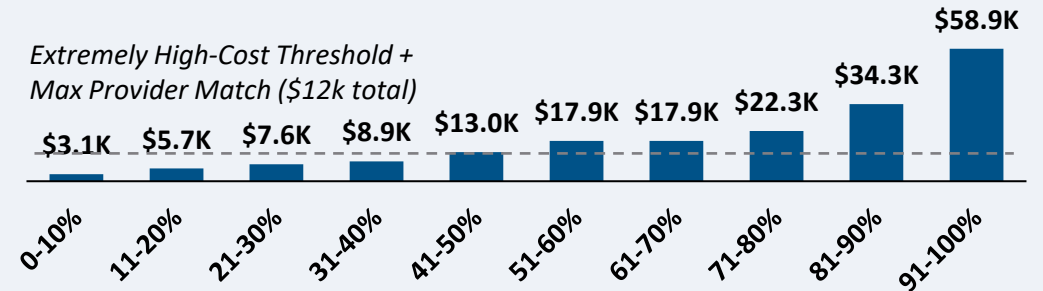
Average Tract Density (Location per sq. Mile)

87	28	25	19	6	7	3	2	2	0
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31.7K Locations

Underserved Locations

Overall Average Cost per Location: \$19,778



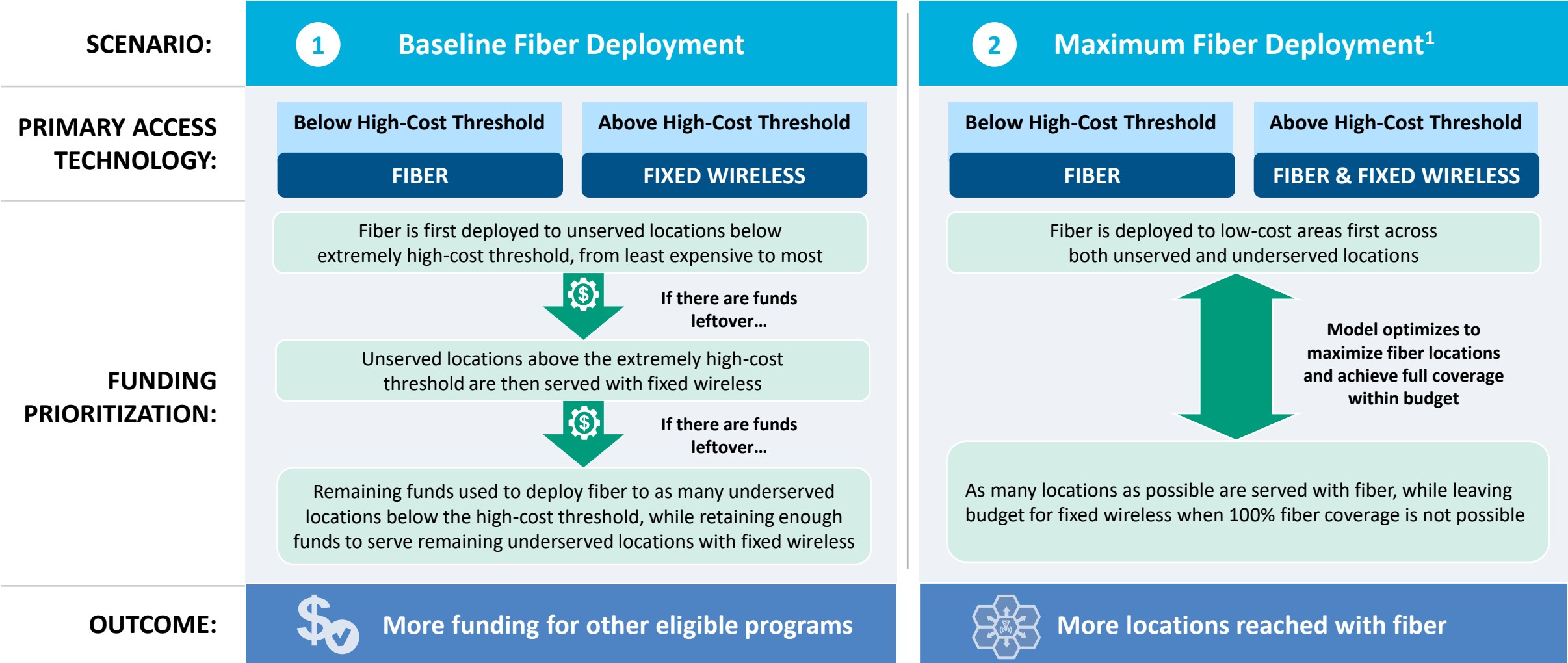
Average Tract Density (Location per sq. Mile)

153	35	24	22	26	21	21	11	8	2
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18.6K Locations

Over 30% of locations are estimated to fall below the High-Cost Threshold + Provider Match

Utah | Fiber Preferencing Scenarios



1. Scenario 2 deploys fiber beyond the extremely high-cost threshold
 Source: Cartesian
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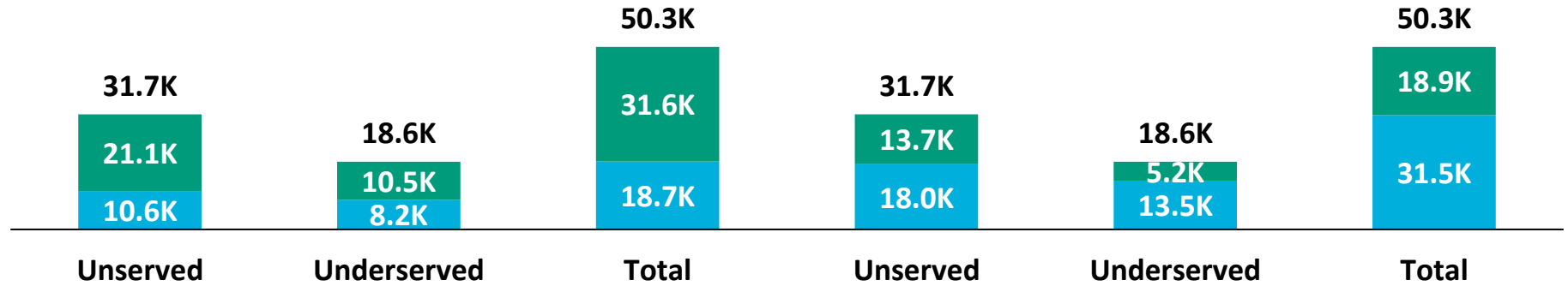
Utah | Scenario Analysis Results

SCENARIO:

1 Baseline Fiber Deployment

2 Maximum Fiber Deployment

Fixed Wireless
Fiber



Capex Required per Locations¹

Scenario	Unserved	Underserved	Total
1 Baseline Fiber Deployment	\$5,512	\$5,676	\$5,572
2 Maximum Fiber Deployment	\$8,891	\$9,536	\$9,130

BEAD Funds Available to State

\$317M

\$317M

+ Estimated Provider Match

\$146M

\$146M

= Total Available Capital

\$464M

\$464M

- Capex Required to Build

\$280M

+\$183M

\$464M

= Remaining Funds

\$183M

\$--M

% of Locations Reached

100%

100%

% of Locations Reached with Fiber

37%

+26%

63%

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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Funding Summary

Utah is expected to receive

\$317M in BEAD funding



\$146M in estimated provider matching

We estimate the funding is sufficient to reach all of Utah's 50.3k eligible locations with high-speed broadband



Key Findings

Utah 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 \$183M additional funds for affordability programs
- Reaches 37% of locations with fiber
- Requires 63% to be reached with other tech.

- Exhausts funds without leaving additional funds for affordability programs
- Reaches 63% of locations with fiber
- Requires 37% 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

Utah | ACA Connects Members

Member Name
All West Utah, Inc.
Caribbean Communications Corp dba Innovative Cable
Consolidated Communications, Inc.
Emery Telcom Video
Lict Corp
Manti Telephone Company
South Central Utah Telephone
Spanish Fork City
TDS Telecom
Uintah Basin Electronic Telecom dba Strata Network
Wirelessbeehive.com, LLC



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