

# NUSF 108 Broadband Deployment Guidelines

## Project Notice

After an NUSF-108 order that approves the model support for any given year is approved, the Commission will publish a list of blocks that are eligible for broadband deployment support (BDS). Carriers can request a list of maximum reimbursable amounts up to which build-out expenses can be reimbursed on a block level. Carriers will be required to have an account set up with CostQuest and have signed a Non-Disclosure Agreement (NDA) for the SBCM data.

Once the list of eligible blocks and amounts are available, carriers can submit notices for projects in those blocks. Projects must provide 25/3 capable service to all eligible locations that are part of the project notice. Project notices should include:

- List of blocks
- Cost Estimate

Cost estimate requirements:

- Cost estimates should be based on a list of allowable and disallowable expenses for NUSF-108 BDS – if non allowable expenses are included in your estimates, they will not be reimbursed just because the project site and estimates were approved.
- Cost estimates for the notice should not exceed the sum of the investment amount calculated by the SBCM for each individual block that comprise an application.
- Funding available from the previous years can be carried over for one year.

Project notices can be submitted at any time. After a project notice is filed with the Commission, carriers will have two years to complete the project. In 2019, the Commission will allow carriers to submit notices for projects that were not completed prior to July 1<sup>st</sup>, 2018 but that were built in blocks deemed eligible for BDS.

Below are examples of how available funding is calculated:

*Example 1, available funding calculation*

<b>Funding Year 1:</b>	\$ 50,000
Submitted project notice with cost estimate:	\$ 30,000
Available funding end of year	
- Year 1:	\$ 20,000
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<b>Funding Year 2:</b>	\$ 70,000 (\$ 50,000 Year 2 funding + \$ 20,000 leftover Year 1 funding)

Example 2, available funding calculation and one year limit for fund carry-over:

<b>Funding Year 1:</b>	\$ 50,000
Submitted project notice with cost estimate:	\$ 20,000
Available funding end of year - Year 1:	\$ 30,000
<b>Funding Year 2:</b>	\$ 80,000 (\$ 50,000 Year 2 funding + \$ 30,000 leftover Year 1 funding)
Submitted project notice with cost estimate:	\$ 20,000 (deducted from Year 1 leftover funding)
Available funding end of year - Year 1:	\$ 10,000 (this amount cannot be carried over for more than one year and it will be returned to unallocated NUSF funds)
- Year 2:	\$ 50,000
<b>Funding Year 3:</b>	\$ 100,000 (\$ 50,000 Year 3 funding + \$ 50,000 Left over Year 2 funding; Year 1 leftover funding is not carried over)

Example 3, application cost estimate:

List of blocks in the project notice:	Maximum reimbursable amount according to the data provided by the Commission:
Block #1111	\$ 10,000
Block #2222	\$ 6,000
Block #3333	\$ 12,000
Maximum cost estimate that can be used for this project notice:	\$ 28,000

## Project Reimbursement Request

The Commission has published on its website lists of support amounts for deployment for Rate of Return (ROR) Carriers ([Link](#)), as well as a list of eligible census blocks where the support must be used to provide minimum 25/3 service ([Link](#)).

Carriers can also access for the company the SBCM modeled Total Investment, which represents the maximum amount that a company would be reimbursed for projects that bring service to locations within those census blocks. This information can be provided by the Commission subject to a non-disclosure agreement (NDA) with the SBCM model provider (CostQuest).

Companies should submit a project notice to the Commission that indicates the estimated projected cost for the project, and the eligible census blocks in which they plan to extend service.

For reimbursement of costs incurred, companies should submit documentation for allowable project expenses. Reimbursement requests will be paid out after review by the Commission staff.

A list of allowable expenses can be found on the Commissions website ([Link](#)).

Expenses related to the project filed with the Commission can exceed estimated cost and can be reimbursed up to the lesser of:

- Sum of maximum allowable investment as calculated by SBCM for all census blocks that comprise a project
- Total allocated BDS at the time of the reimbursement request

Please note that if you have multiple projects filed with the Commission under NUSF-108 and you exceed a cost estimate on one of them, it can decrease the amount of support available to the other project.

After a project is fully reimbursed, blocks that comprise such projects will be deemed as eligible for ongoing OpEx support since the Commission will be reimbursing CapEx required to build out the project. Once the buildout in the blocks are complete, the carrier should report updated service metrics on their subsequent FCC Form 477 filing.

## Reimbursement Request Checklist

Reimbursement request for projects under NUSF-108 should include the following documentation:

- A cover letter that should specify which project the reimbursement request pertains to. If the project is complete, it should be stated in the cover letter. If the request for reimbursement is final, it should also be stated in the cover letter.
- A table with the total amount requested to be reimbursed by site.
- A Summary of costs covered by the reimbursement request. The following information should be included:
  - o Project site (in case there are multiple sites)
  - o Date (date of the invoice, month for which the salary is paid, etc.)
  - o Amount
  - o Supporting documentation description (i.e. vendor name on the invoice or label the documentation that is attached to the request) – see example below
  - o Description of the cost
- Supporting documentation (invoices, cost accounting documents, etc.)

For details on what the Commission has determined are allowable and disallowed expenses, please consult the following on the Commissions website ([Link](#)).

Supporting documentation should be provided for all line items that exceed \$1,000. Commission staff may request documentation for line items below \$1,000. If your company has an agreement with vendors regarding paperless billing, you must notify the Commission in the cover letter submitted with the reimbursement. In the case of paperless billing, print outs from internal accounting system that state the date, amount, invoice/PO number, vendor and description of the cost must be included.

Reimbursement requests can be submitted only after the expense is incurred. They can be submitted either at any point during the project, or within a year after the project is completed. Monthly reimbursements can be submitted. Reimbursement request will be paid out, after PSC staff review, in the monthly NUSF payment at the end of the month following the month of submission. Complex reimbursement requests may be delayed.

*Example of the Cost Summary:*

<b>Site</b>	<b>Date</b>	<b>Amount</b>	<b>Documentation</b>	<b>Description</b>
Site A	2/1/2019	\$ 17,000	Invoice ABC	Electronics
Site A	3/1/2019	\$ 4,000	Invoice 123	Site inspection
Site B	2/28/2019	\$ 10,000	Invoice 234	Contract Labor
Site B	March 2019	\$ 7,000	Attachment A	Internal Labor

If you have questions regarding this document please contact:

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