

SATELLITE PROGRAM OVERVIEW

ANNOUNCEMENT / DEADLINES:

RUS announced a Request for Proposals in <u>Federal Register</u> on May 7, 2010. The application window is 30 days with a deadline of June 7. Only paper applications will be accepted so plan to complete the application several days early.

FUNDING AMOUNT:

Up to \$100,000,000 is available for grants for Satellite projects.

DESCRIPTION:

Applicants must propose to serve only unserved rural premises in any of the eight (8) Satellite Regions. The regions encompass the following states:

- Region 1: Washington, Oregon, California, Nevada, Idaho, Utah, Arizona
- Region 2: Montana, Wyoming, North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Wisconsin, and Illinois
- Region 3: Colorado, New Mexico, Kansas, Oklahoma, Texas, Missouri, Arkansas, and Louisiana
- Region 4: Michigan, Indiana, Ohio, Kentucky, West Virginia, Pennsylvania, and Virginia
- Region 5: Tennessee, Mississippi, Alabama, Georgia, Florida, South Carolina, and North Carolina
- Region 6: Maryland, Delaware, New Jersey, New York, Connecticut, Rhode Island, Massachusetts, New Hampshire, Vermont, and Maine
- Region 7: Alaska
- Region 8 Hawaii

Applicants may apply in one of two (2) ways.

Option 1: The first option is to submit a Regional Application which covers one or more regions, breaks out the information for each region, and contains distinct proposed subscriber amounts.

Option 2: The second option is to submit a National Application which covers at least six of the Satellite Regions and contains only one national proposed subscriber amount.

One or two Applicants may be selected to serve each Satellite Region. Funds will be disbursed among the eight Satellite Regions as the Agency determines is necessary to promote geographic diversity of funding throughout each Satellite Region, and funds will be divided within the same Satellite Region, if two awardees are chosen, based on the strength of each proposal.

ELIGIBLE ENTITIES:

- a. A satellite Internet Service Provider (ISP);
- b. A reseller of satellite ISP service;
- c. A distributor or dealer of satellite ISP service; and
- d. A consortium of a, b, or c above, except for a consortium of more than one satellite ISP.

REQUIREMENTS:

At a minimum, an application for Satellite projects must commit to providing no cost customer premise equipment CPE (including no installation, activation, or other fees) for all packages offered.

The applicant must offer the Basic Service Package at a rate no higher than \$50 per month for at least one year with no length of service requirements, unless the Applicant offers the Basic Service Package at less than \$40 per month. In such case, the Applicant may propose a one-year contract requirement, if an unconditional 30-day cancellation clause is provided. There are no length of service requirements or price requirements for Expanded Service Packages or Commercial Service Packages.

INELIGIBLE AREAS:

Unserved rural premises within the existing service area of current RUS borrowers currently in build-out, or the service areas of Last Mile Awardees under the First Round NOFA, Second Round NOFA or the BTOP NOFA shall be ineligible for grant funding, regardless of whether the premises are unserved, so as to not compete with RUS or Recovery Act projects being built.

EVALUATION:

Regional and National Applications will be evaluated on the strength of their proposals and the extent to which unserved rural premises will benefit under their proposals. The price of the service to the end-user, the proposed subscriber amount, the length of any proposed discounted service, the quality and transmission speed of the proposed services, especially the Basic Service

DISPERSEMENT OF FUNDS: Awardees will be advanced funds no more than once per month for reimbursing the connection of new unserved, rural premises. The Awardee shall be entitled to the approved proposed subscriber amount of federal assistance for each new eligible subscriber.						