

## Current Issues 2024

Virginia's Road to Universal Broadband Coverage

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# Virginia Telecommunication Initiative

The Virginia Telecommunication Initiative (VATI) extends broadband service to currently unserved areas. VATI prepares communities to build, utilize, and capitalize on telecommunications infrastructure with the goal of creating strong, competitive communities.

#### FY2017 - FY2023

235 Applications Over \$1.2 billion requested

\$935 million awarded \$1.2 billion leveraged Over 388,000 Locations in Project Areas 87 projects awarded across 80 localities



#### FY2024 VATI

25 Applications from 38 localities \$185.2 million requested 60,552 proposed locations







## VATI Funding Availability & Sources

#### FY2017 - FY2021

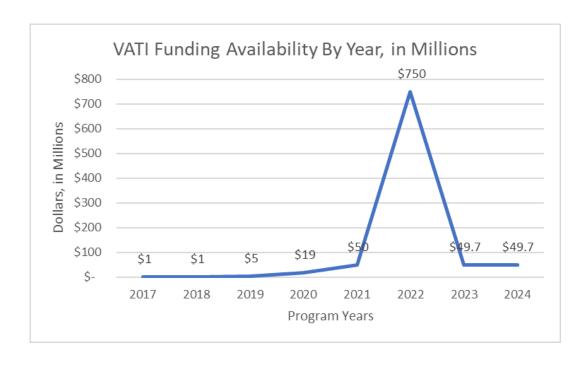
State General Funds

#### FY2022

- State General Funds
- American Rescue Plan Act
  - State Fiscal Recovery Fund
  - Capital Projects Fund

#### FY2023 and FY2024

State General Funds



## RDOF in Virginia: Scope & Approach

#### Scope:

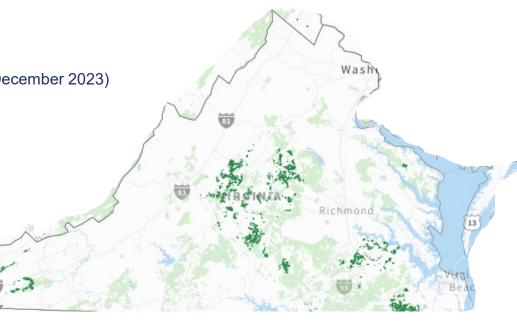
\$158.9M in authorized awards

107,415 authorized locations (12,740 deployed by December 2023)

16 Broadband Providers

#### Approach:

- Incentivize accelerated construction by awarding state funds adjacent to RDOF award area, points for accelerating RDOF build
- Require RDOF awardees to challenge state grant applications on the basis of RDOF, commit to accelerated construction timeline
- Enter into MOUs with RDOF awardees in challenged areas to accelerate construction.



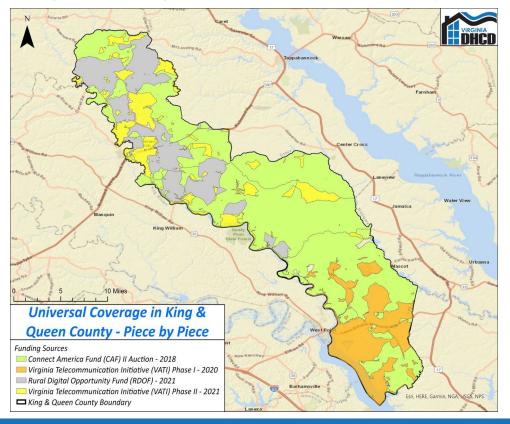
## Braiding Federal Funds Spotlight: King and Queen County

#### **Best Practices**

- Use state funding adjacent to federal funded awarded areas
- Example shown includes VATI Phases I and II, CAFII,
   RDOF\*(diff ISP), local and private investment.
- > VATI-\$5.8 million\*
- ➤ Local-\$3.1 million
- > ISP-\$2.4 million

#### Results

- Holistic, county-wide fiber build to 4,046 locations
- Revenue sharing agreement between ISP and County
- Less complicated census block level construction
- Easier communication to residents and stakeholders



### Lessons learned as we move towards BEAD

#### The More State-Level Authority, the Better

- State General Funds and American Rescue Plan Funding better enabled states to flexibly fund projects
- Overprescription of BEAD NOFO and Statutory Provisions may place the state authority under BEAD at risk.

#### Find Ways to Ensure Delivery of RDOF Funded Locations

- Leverage BEAD, ARPA, and State Funds to require timely delivery of RDOF funded locations
  - Virginia has enforceable commitments with 5 ISPs for 8,280 RDOF locations in 7 Counties
  - Keep solutions open between the RDOF awardee and other ISPs

#### Fill Gaps in Federal Rules via BEAD

- CAF-II only requires 95% of awarded locations to be served
- Newly constructed homes since RDOF award are not required to be served
- Ambiguous federal rules about special construction costs and requirement to cover them under CAF-II and RDOF
- Be clear with stakeholders about these gaps and utilize BEAD to fill them



## Planning for BEAD Spotlight: Goochland County

#### **Goochland County Expanding Broadband Access** Virginia Senate: 10th 8,016 Locations with Broadband Access Virginia House: 56th & 57th 5.125 Locations without Broadband Access GO Virginia Region: 4 \$3,537,500 2,892 Matching funds from Locations awarded the local government funding for broadband access through VATI August Firefly 15,2025 Port 80 Projected Network Internet Service Partner(s) Construction Completion have contributed \$21,976,808,40

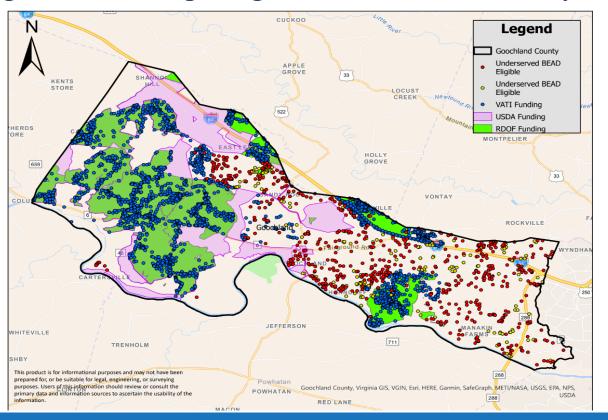
This infographic includes data from VATI award(s) announced since January 2021. 'Locations without Broadband Access' may exceed 'Locations awarded funding for broadband access through VATI' because of federal awards to internet service providers by the Federal Communications Commission (FCC) or U.S. Department of Agriculture for broadband expansion, VATI awards prior to January 2021 currently under construction, or additional unserved areas without a known funded source in the locality.

Learn more: dhcd.virginia.gov/vati

Virginia Telecommunication Intiative (VATI)



## Planning for BEAD Spotlight: Goochland County



## Questions & Answers



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