

BEAD Benefit of the Bargain Primer

July 2025



OKLAHOMA
Broadband Office

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Overview

Connecting to high-speed internet is no longer a luxury—it is a necessity. News, politics and our social interactions increasingly happen online. E-commerce is now the foundation for successful businesses. Online learning is the fastest growing medium for educational opportunities and secure remote access is also becoming a catalyst for innovation and expediency within healthcare. For Oklahomans to stay informed, educated, healthy and successful, they need to be connected not only at school and work, but also from their home.

The Broadband, Equity, Access, and Deployment (BEAD) program will bring service to the remaining homes, businesses and Community Anchor Institutions that are still lacking adequate access and speeds.

Internet service providers (ISPs) will compete in an open, fair and competitive subgrantee process in order to secure funding for designated service areas across the state. This grant funding will be used for improved last-mile related projects and will be awarded through a rigorous subgrantee selection process. **The administration published new guidance titled [BEAD Restructuring Policy Notice](#) (Policy Notice) on June 6, 2025.** This document will outline how that process will work in accordance with the Policy Notice so that ISPs can participate in the application process in a thoughtful and robust manner.

The Oklahoma Broadband Office encourages potential applicants to utilize this document as a guide, but to be mindful that this document is not an application template.

Questions can be sent to BEAD@broadband.ok.gov.

Published July 11, 2025.

Changes outlined in Policy Notice

The Policy Notice published on June 6, 2025, modified some of the original requirements and preferences from the [BEAD NOFO](#). The Oklahoma Broadband Office as the Eligible Entity signed and submitted a letter agreeing to make the changes now required by NTIA. It was approved by NTIA on July 1, 2025.

Changes outlined in the Policy Notice include the elimination of the following requirements:

- Labor, employment and workforce development.
- Climate resilience (only best practices defined by NTIA).
- Open access/net neutrality.
- Local coordination and stakeholder engagement.
- Favoring non-traditional providers, such as municipalities and political subdivisions.
- Middle class affordability plan.
- Model low-cost service option (subgrantee sets the LCSO rate).
- The Extremely High-Cost Per Location Threshold
- Potential Non-Deployment activities

The Policy Notice modified the Low-Cost Service Option (LCSO). Under the new terms, Eligible Entities may not require a specific low-cost rate for applicants. The Policy Notice also redefined eligible subscribers for the low-cost options to align with eligibility requirements of the Lifeline Program.

NTIA eliminated the "Fiber Preference" section in the NOFO creating a technology neutral BEAD Program. Additionally, the term "Priority Broadband Project" was redefined. Fiber-optic technology, cable modem/hybrid fiber-coaxial technology, LEO satellite services, and terrestrial fixed wireless technology utilizing entirely licensed spectrum, entirely unlicensed spectrum, or a hybrid of licensed and unlicensed spectrum, can now seek to be treated as Priority Broadband Projects. However, all Priority Broadband Projects must adhere to speed and latency requirements, easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services.

Subgrantee Selection Process

The Policy Notice requires all Eligible Entities to run at least one subgrantee selection round titled the "Benefit of the Bargain Round", in which all technology types are encouraged to participate utilizing the new Priority Broadband Project definition. The Oklahoma Broadband Office will open its Benefit of the Bargain Round on July 14, 2025, at 9:00am CT, and it will close July 23, 2025, at 11:59pm CT.

Applicants from the prior BEAD subgrantee selection round are encouraged to update their original application in order to align with NTIA's June 6th Policy Notice. The OBO BEAD portal will reopen the original applications and will note new questions based on the Policy Notice changes for ease of applicant edits. An applicant has the following options regarding a previously submitted application:

1. Submit as-is.
2. Fill out the new fields to align their original application with the new guidance.

3. Create a new application altogether.

If the original application is left unchanged it will move forward and be scored utilizing the originally submitted responses. An applicant may also choose to remove its original application from the pool of submitted proposals by emailing okhelpdesk@ready.net.

New applicants must first register to access the OBO BEAD portal and then fill out a Pre-Qualification application. Once approved, access will be granted to fill out a Benefit of the Bargain application. Applicants may begin registering to access the BEAD portal starting July 14, 2025.

If an ISP submitted a Pre-Qualification application during the prior subgrantee selection round, it is not required to fill out a new Pre-Qualification.

When crafting applications, ISPs must build proposal areas utilizing Network Expansion Territories (NETs). Applicants will be required to mark whether the requested NETs are severable or not. Additionally, ISPs must fill out the BEAD requested amount and the ISPs matching amount on a per NET basis.

The Minimal BEAD Program Outlay is now the **Primary Scoring Criteria**. NTIA defines the Minimal BEAD Program Outlay as the BEAD Requested Amount divided by the total number of BSLs the project will serve. The minimal BEAD Program Outlay excludes any matching funds.

A **Secondary Scoring Criteria** is as follows: Speed to Deployment, Speed of Network, and Preliminary Subgrantees. To apply the Secondary Criteria, no fewer than two applications must be competing for the same general project area where the Minimal BEAD Program Outlay for each project is within 15% of each applications Minimal BEAD Program Outlay.

In the case of multiple applications being within 15% of their Minimal BEAD Program Outlays and within the same general project area, the Oklahoma Broadband Office will score each project using Speed to Deployment, Speed of Network, and Preliminary Subgrantees from the prior round to determine final project scores. View the scoring rubric below.

Scoring Rubric

Primary or Secondary Criteria	Category	Applicant Response	Score
Primary	Minimal BEAD Program Outlay	\$0*-\$999.99	65 - 58.5065 points
		\$1,000-\$1,999.99	58.5 - 52.000065 points
		\$2,000-\$2,999.99	52 - 45.500065 points
		\$3,000-\$3,999.99	45.5 - 39.000065 points
		\$4,000-4,999.99	39 - 32.500065 points
		\$5,000-5,999.99	32.5 - 26.000065 points
		\$6,000-6,999.99	26 - 19.500065 points

		\$7,000-7,999.99	19.5 - 13.000065 points
		\$8,000-8,999.99	13 - 6.500065 points
		\$9,000-\$9,999.99	6.5 - 0.000065 points
		\$10,000-\$14,999.99	0 – (-32.499935) points
		\$15,000 or more	-32.5 points**
Secondary	Speed to Deployment	<12 Months	8
		12.1-23 Months	5
		23.1-36 Months	2
		36.1-48 Months	0
		48+ Months	DQ
Secondary	Speed of Network (Max Download)	1 Gbps+	25 points
		500+ Mbps	15 points
		300+ Mbps	10 points
		100+ Mbps	5 points
		100 Mbps	0 points
Secondary	Speed of Network (Max Upload)	1 Gbps+	25 points
		500+ Mbps	15 points
		300+ Mbps	10 points
		100+ Mbps	5 points
		20 Mbps	0 points
Secondary	Speed of Network (Min Download)	1 Gbps+	25 points
		500+ Mbps	15 points
		300+ Mbps	10 points
		100+ Mbps	5 points
		100 Mbps	0 points
Secondary	Speed of Network (Min Upload)	1 Gbps+	25 points
		500+ Mbps	15 points
		300+ Mbps	10 points
		100+ Mbps	5 points
		20 Mbps	0 points

*Note: 1) Based on the formula: $65 * (\$10,000 - \text{BEAD Program Outlay per Passing}) / \$10,000$. 2) The number \$10,000 is an arbitrary scaling factor but ensures similar treatment across pools in the way that cost-effectiveness affects selection decisions. The "\$0" value for Minimum BEAD Program Outlay is*

included in the table for completeness in elucidating the impact of the formula on applicant scores. The OBO does not expect to receive \$0 offers of deployment, and would be hesitant to accept them if offered, since the lack of a grant would create legal challenges for the office to enforce a deployment commitment. The use of the formula can result in negative point values, implying the Minimal BEAD Program Outlay factor has greater weight than its 65 points would suggest. The range of variation is not from 0 to 65, but from 65 down to negative numbers with no floor.

Severability

Applicants must note which NETs can be severed from the application.

The purpose of the severability matrix is to capture NETs that the applicant will accept in the case of a partial award opportunity.

BEAD applicants should bear in mind that a well-designed severability matrix will be critical to success in potentially receiving BEAD funds. Some projects may win all their proposed areas, but if not, indicating flexibility through severability will increase consideration and potential awards.

The Policy Notice states that applicants can now drop broadband serviceable locations that they determine to be excessively high cost and would cause a project to become economically unviable. Applicants that wish to exclude a location from a NET must indicate their reasoning for removing that location. Eligible reasoning includes location(s) that are extremely high cost, and/or "No BEAD Code" 1, 2, 3, 5, and 7.

What a severability matrix might look like.

Area Name	Severable	Funding Request	Match Amount	Total Cost	Match Percent
834: Le Flore Choctaw	No	\$390,000	\$130,000	\$520,000	25%
783: Le Flore Choctaw	Yes	\$390,000	\$130,000	\$520,000	25%
830: Le Flore Choctaw	No	\$390,000	\$130,000	\$520,000	25%

Eligible Locations

In accordance with the June 6, 2025, Policy Notice, the OBO opened a claims window from June 16 to June 23 for Unlicensed Fixed Wireless providers to notify the OBO of their intent to provide evidence

claiming BEAD funding is no longer required for certain BSLs. The office then opened a response window from June 23 to June 30 for ISPs to submit evidence supporting the claims that BEAD funding was no longer required for BSLs currently served by Unlicensed Fixed Wireless or for other Reason Codes as outlined in the BEAD Final Proposal Guidance.

The OBO was also required to revise the original BEAD eligible Location list based on new Federal enforceable commitments identified by NTIA, locations no longer listed in the latest Fabric, and the implementation of revised definition of a Community Anchor Institution (CAI). The office was notified on June 13, 2025 that no new Federal enforceable commitments would impact the BEAD eligible Location list. However, 2,867 BSLs were removed from the BEAD eligible location list as a result of being dropped between versions and 1,197 CAIs were removed after aligning to the Policy Notice and Final Proposal Guidance.

Here is the final BEAD eligible location list: [List of BSLs](#)

Here is the final list of CAIs: [List of CAIs](#)

Proposals for projects shall only include BSLs found in the final BEAD eligible location list. As mentioned above, applicants will be required to select NETs to create their proposed project area.

<u>Application Requirements</u>
Number of miles of aerial fiber (if applicable).
Number of miles of buried fiber (if applicable).
Estimated number of employment opportunities.
Anticipated start date.
Anticipated completion date.
Upload a technical narrative as a PDF detailing how the proposed infrastructure will deliver service that reliably meets or exceeds the program required speeds and latency for all proposed BSLs and CAIs in the project area.
Upload a zipped file folder containing shapefiles illustrating the subgrantee applicant's proposed network design.
Upload a logical network design drawing (Network Diagram) as a .pdf that illustrates the logical connectivity for the network and conveys the network's capacity to provide each proposed BSL and CAI with the required broadband speeds and latency.
Provide committed baseline price for the relevant speed tier of service that will be offered in the proposed project area for speeds of 100 Mbps/20 Mbps.
Upload business plans and related analyses that substantiate the sustainability of the proposed project. This can be provided in the form of pro forma statements or analyses inclusive of quarterly cash flow balance sheet and customer adoption rate projections and should include 7-10 years of operating cash flow projections post targeted completion of project depending on the useful life of equipment deployed throughout the project area.
Upload the signed and dated Professional Engineer (PE) Certification (requirement of the BEAD NOFO (page 74) that certifies to the network design, diagram, project costs, build-out timeline, and milestones for project implementation. This certification also confirms that the project's proposed network design can deliver broadband service that meets the performance requirements to all locations served by the project.

Upload Resolution of Consent documentation from the appropriate Tribal authority(s) as required in the BEAD NOFO.
List and identify all network assets being leveraged (e.g. middle-mile data centers colocation facilities, towers etc.). This includes all publicly and privately funded assets.
Address whether all required government approvals and permits for this project to begin construction have been identified and included in the project timeline/schedule.
Provide a narrative explaining the subgrantee applicant's approach to project staffing, including if the workforce is directly employed subcontracted or a combination of the two.

<u>Additional Resources</u>
Broadband, Equity, Access, and Deployment Notice of Funding Opportunity
Oklahoma Broadband Office Initial Proposal Volume II
2 CFR 200
Tribal Resolution of Consent