Co-ops Connect FYI

By Jonathan Chambers ● Jun 17, 2022

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Updates and insights for electric cooperatives considering or operating rural broadband networks.

Before the Broadband Gap, There's a Mapping Gap to Be Addressed

Jim Stegeman, the president of CostQuest, knows a lot about mapping unserved areas. **His company was selected by the FCC to provide the "data fabric" that is being used to map unserved areas.**

Jim is a serious and intelligent fellow, and we've worked together over the course of the past 10 years. In a recent interview, Jim was asked his

estimate of the number of locations lacking broadband.

His response: 23-25 million unserved and underserved locations.

I'd encourage everyone to watch **[this brief interview with Jim](#)**, **particularly the final five minutes** or so. It will give you a sense of the enormity of the task in mapping the country. It gave me a sense of how inaccurate the data will be in the collection process.

Why mapping matters:

The BEAD program money, $42.45 billion, *hinges on the accuracy of the maps.*

- It is of such significance that, if you care about broadband in your rural community, you probably can't risk sitting back and hoping the FCC and NTIA get this right.

- **You'll need to be prepared to act later this year.**

Funding for any broadband project under BEAD is *years, not months, away*.

- Given NTIA's and the FCC's seeming indifference to the urgency of the moment, **it will be at least a year to 18 months** before you may even apply for funding.

But, when you apply for funding, you don't want to discover that your opportunity has been precluded by past decisions. Since much of the country has already been excluded from funding, **understanding the potential eligible areas should be your starting point.**

- Locations that lack access to 25/3 Mbps are going to be used to calculate the allocation and will likely be prioritized by state programs.

- Locations that lack access to 100/20 Mbps will be eligible for funding. Lacking 100/20 Mbps is a proxy for lacking access to fiber or hybrid fiber coax (cable) networks.

- While 20 Mbps upload speeds are not a given for cable networks, cable operators will report at least 100/20 Mbps wherever they have cable plant.

Reporting by fixed wireless and gaming are the real wild cards.

- The FCC is attempting to require fixed wireless companies to be more precise in their reporting and to identify whether licensed spectrum is being used.

- A better approach would have been to exclude fixed wireless from consideration.

- Once the fixed wireless data is made publicly available, it will be the most likely focus of challenges to the FCC maps.

- Prior reporting has been rife with efforts to game the system. In the data collected for RDOF, ISPs reported 25/2 instead of 25/3 Mbps, moved DSLAMs, or simply misrepresented their service in order to exclude or include areas for funding.

**What else will be excluded?** Locations with:

- CAF II Auction funding

- RDOF funding

- CARES, ARPA I and/or ARPA II funding

- Some ACAM funding

- ReConnect funding

- Various other state and federal programs
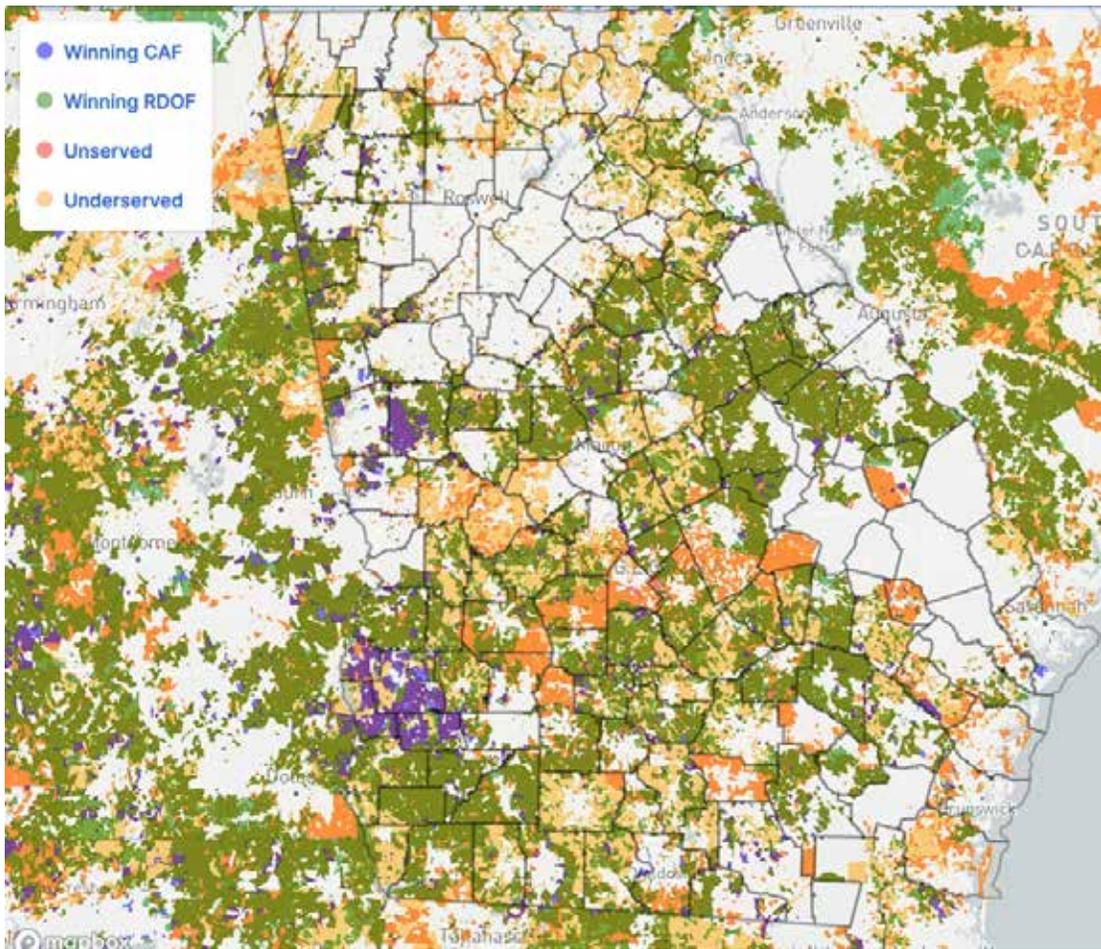
The Maps

After identifying unserved locations and excluding CAF and RDOF, maps of eligible areas will look like the following examples.

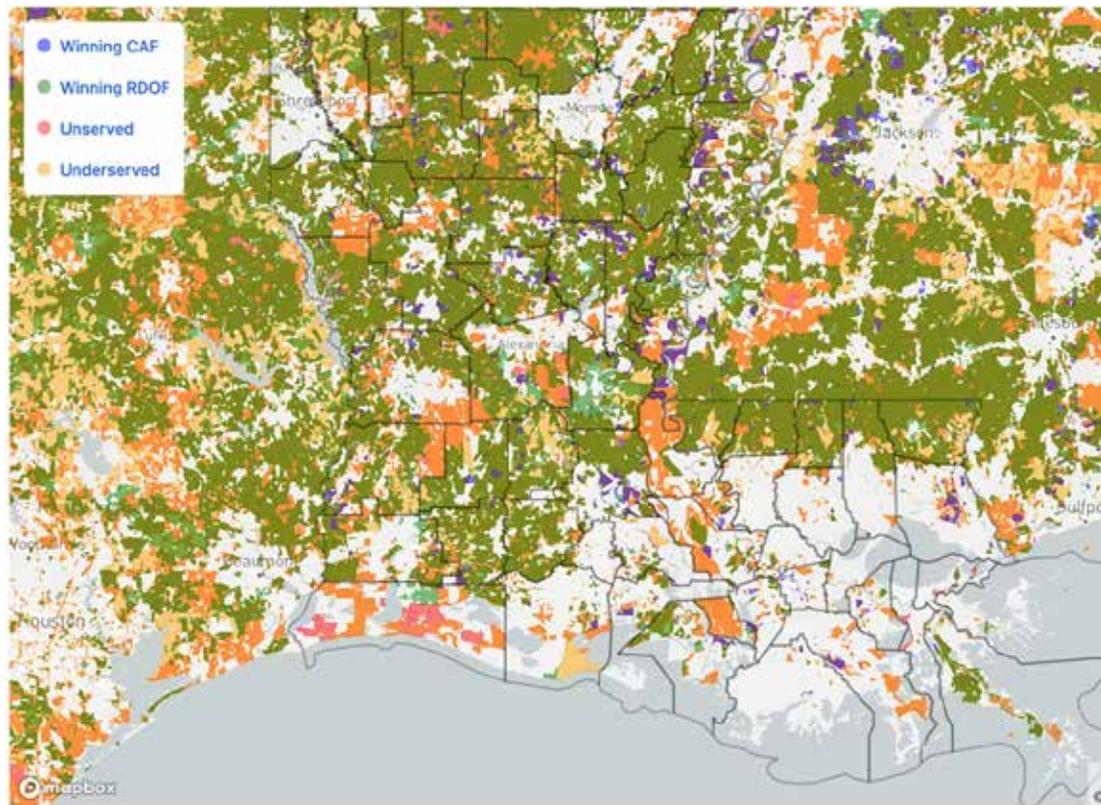- **Yellow and orange areas will be eligible for funding.**
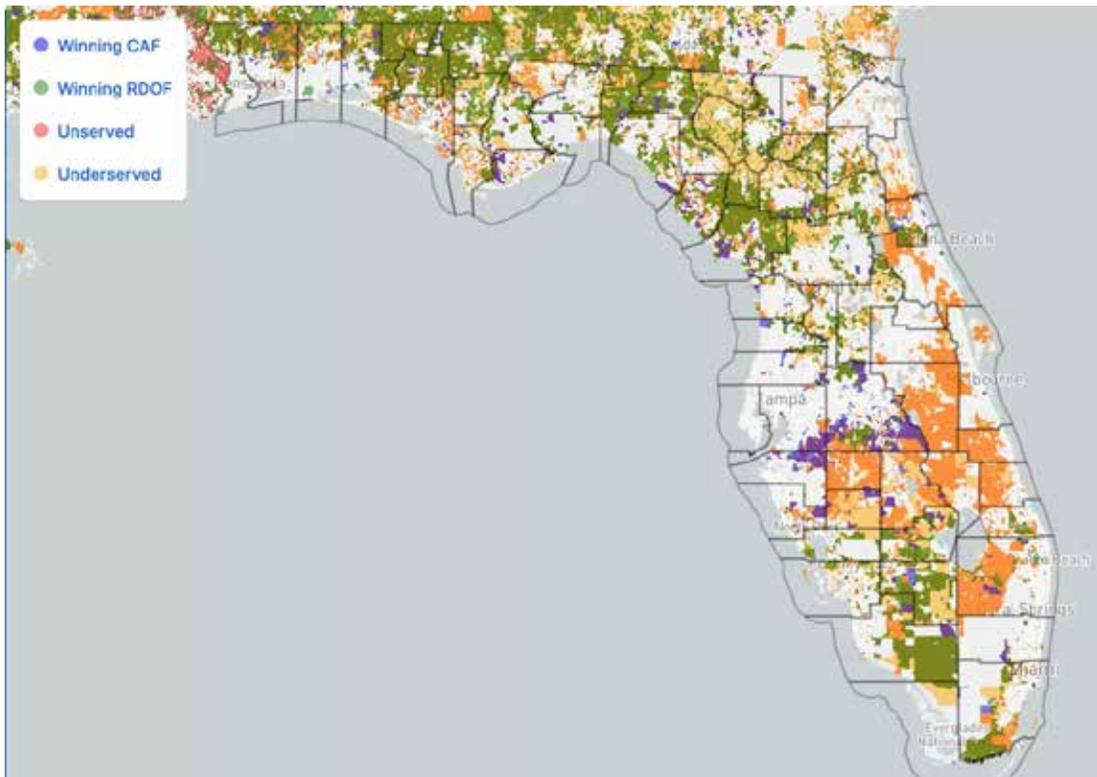
At the state level, maps look like this:
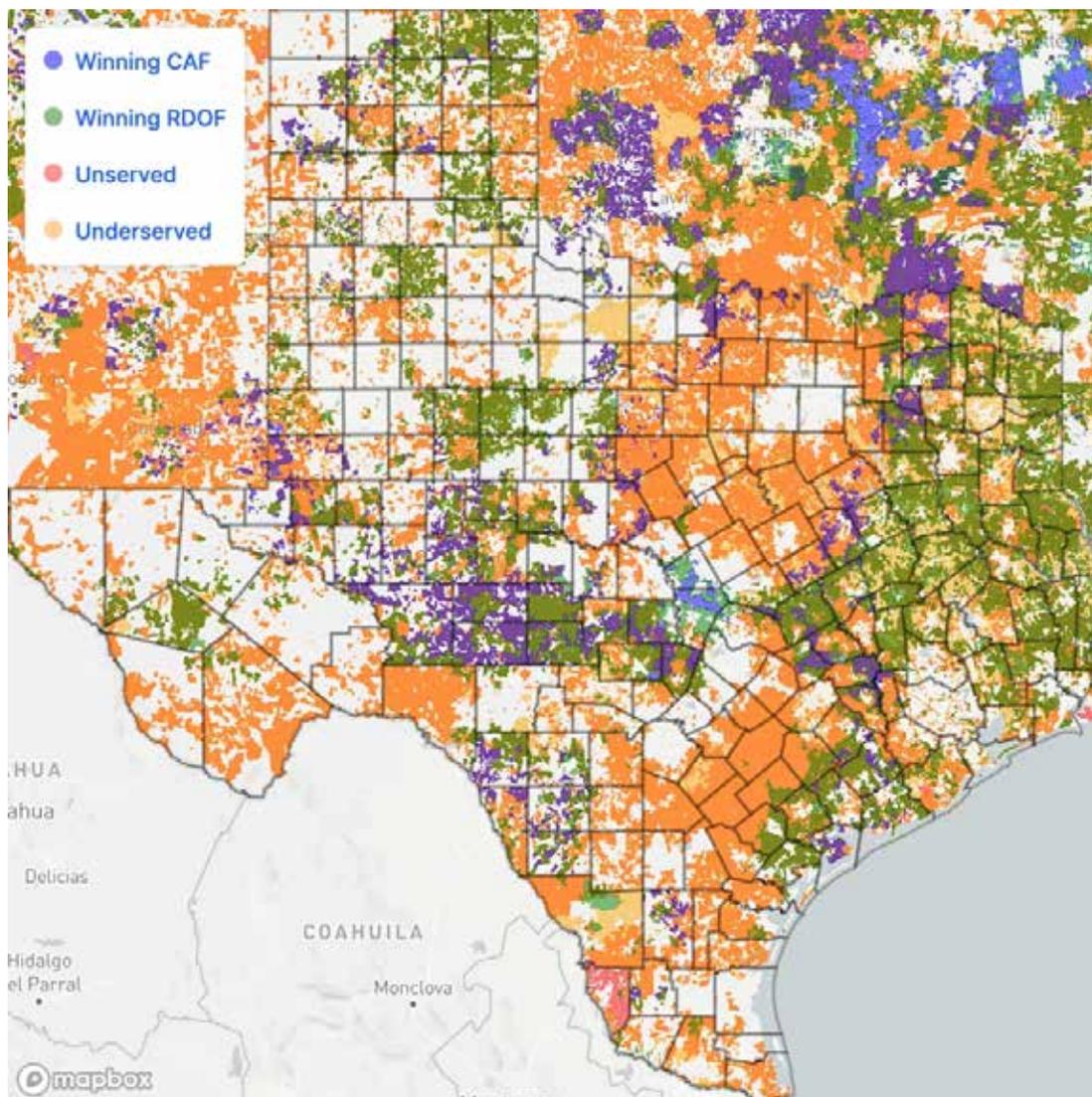
Texas

Georgia

Louisiana

Florida

You can search for your state or county **here**.

The Numbers

The areas displayed by these maps are based on current FCC data. According to that data, nationally, we estimate that **over 20 million people living in over 9 million housing units lack access** to 100/20 Mbps.

- That's the number of people and housing units in census blocks where no Internet Service Provider reports that cable or fiber service is available, according to FCC data.

- There are likely another 1-2 million unserved and underserved businesses in those same areas.

- **CostQuest believes** that once the data is collected and mapped on a more granular level, the number of unserved and underserved locations **will be not 10-12 million, *but 23-25 million***.

What's next:

By September 1, 2022, the FCC will collect new, more granular data on service availability. The data will still be self-reported. We have excluded fixed wireless from our estimates, so the new FCC data may reveal both greater and fewer unserved locations.

- Greater because the new data should reveal locations in census blocks that are not fully served.

- And fewer because fixed wireless is notoriously imprecise in the reporting — which is why we would have excluded fixed wireless completely.

Go deeper:

Having spent the better part of the past decade working with the FCC's data, I expect the number that the FCC releases will be close to 10-12 million locations, but I am intrigued by Jim's comments and know he has access to good data that informs his view.

A few counterpoints *(why I think the number will be lower)*:

- NTIA's map, which uses Ookla and M-Lab speed test data, shows 9,279,340 households lacking 100/20 Mbps.

- The cable industry has long stated that it makes high-speed internet access service available to 90 percent of households that have access to cable broadband. As a starting point, that would leave just 13 million unserved or underserved.

- The telephone industry has been receiving $4-5 billion a year for a decade to improve broadband in rural areas. Some of that has been used to build fiber networks where there is no cable.

- The fixed wireless industry, including both mobile operators with fixed wireless home internet and pure play fixed wireless companies, operate in rural areas outside cable footprints.

- **Yes, but: I can't gauge the level of gaming and which way the over- and under-reporting nets out.**

Finally, when it comes to funding, NTIA and the states will remove areas funded by various state and federal programs.

- The CAF II and RDOF auctions will remove nearly 6 million locations.

- CARES, ARPA I and ARPA II, ReConnect, and NTIA programs will remove hundreds of thousands, perhaps a million more.

Look at how the number of eligible locations drops just by removing RDOF locations:
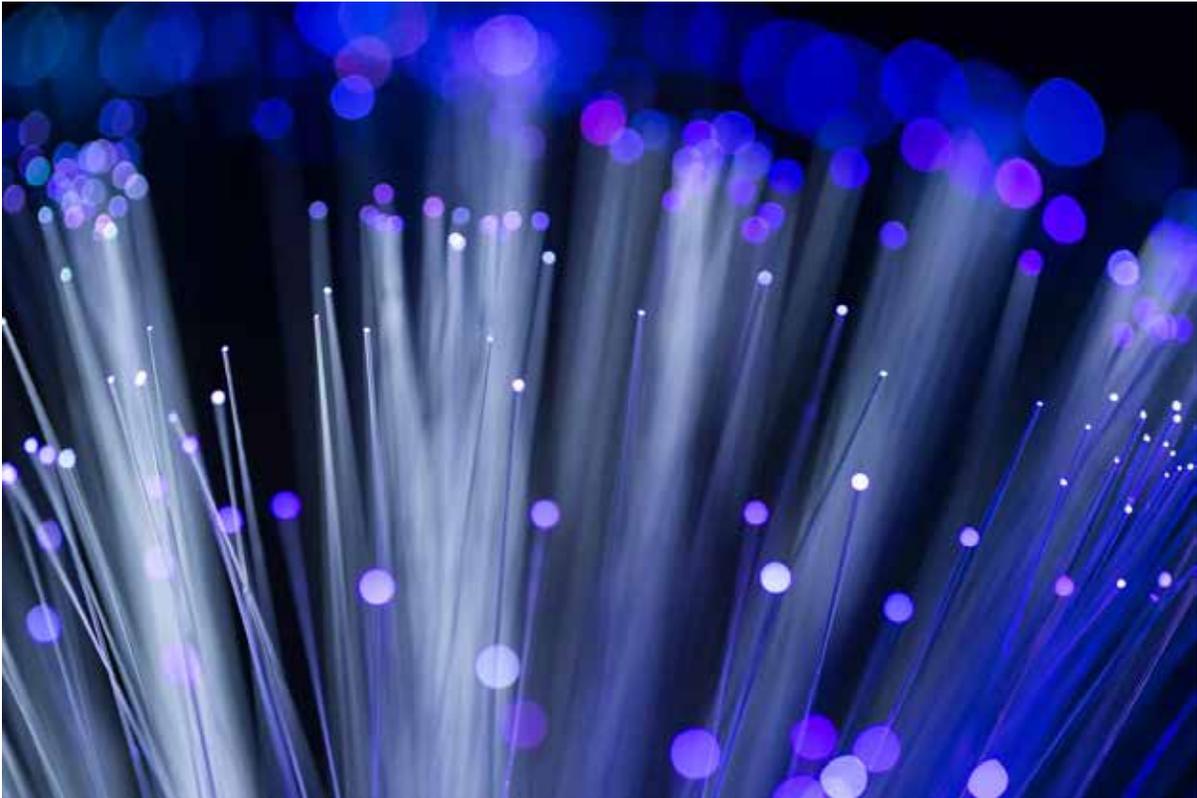
- From 172,000 to 63,000 in South Carolina

- From 268,000 to 88,000 in Georgia

- From 250,000 to 75,000 in Louisiana

Why it matters:

The remaining locations across the country will be eligible for funding by the $42.45 billion BEAD program.

The Challenge Process

After the FCC releases the data to the public, **there will be an opportunity to challenge the validity** of the service being reported at every location in the country.

- The FCC has run challenge processes before both the CAF maps and RDOF maps were finalized.

- The CAF challenge process took nearly two years. RDOF, over 6 months. *And those were limited to census blocks.*

This time, the challenge process involves tens of millions of locations, a brand-new data collection, and a new mapping technique using a new data fabric. State allocations are at stake for $42.45 billion.

What could possibly go wrong?

The challenge process is going to be a bear. The BEAD program is setting itself up for controversy and disappointment.

Back to the key question: What should co-ops and local communities start doing to prepare?

The short answer: Gather data to demonstrate there are unserved locations in your community.

For co-ops:

1. Review pole attachment data to identify the fiber and coaxial cable attachments.

2. Review available FCC data and state maps.

3. Review Ookla and M-Lab speed test data.

4. Use a speed test server and communicate with members about participating in speed tests in unserved and underserved areas.

Final thought:

Verifiable unserved locations are going to be gold in the coming gold rush.

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*Feel free to forward this **Co-ops Connect FYI** to colleagues who want to stay in the know on all things broadband! Subscribe to Conexon's weekly newsletter here.*

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