



## BEAD Program Application Evaluation Criteria & Scoring Rubric

### Benefit of the Bargain (BOTB) Round

#### Project Application – The Benefit of the Bargain Round:

The Arizona Commerce Authority (ACA) will follow the scoring rubric outlined in the NTIA BEAD Restructuring Policy Notice by prioritizing Project Applications with the lowest cost to the Program. The evaluation process for the Benefit of the Bargain round is structured to ensure compliance with the guidelines specified in the policy to focus on minimizing the cost of deployment under the BEAD Program, and to comply with the ACA's Procurement Guidelines as published on the ACA website.

During the Benefit of the Bargain Round, Applicants will have the opportunity to propose from the following options:

- **Option 1:** Proposing 100% BSLs in the Project Area with a single or a mixed technology solution(s).

Note: The Applicant can choose to propose a 100% Priority Broadband Project or a 100% Non-Priority Broadband Project.

If choosing to propose both Priority BSLs and Non-Priority BSLs, Applicants should include at least 90% of BSLs under the Priority Broadband Project category ensuring they meet future scalability and performance standards, and classify the remaining BSLs as Non-Priority, where scalability standards are not applicable. The ACA will initially review the Priority BSLs and, if necessary, will then evaluate the Non-Priority BSLs.

During evaluation, both the Priority and Non-Priority projects will be individually reviewed and scored based on the applicable scoring criteria.

- **Option 2:** Proposing select BSLs in the Project Area to serve with a single or a mixed technology solution(s) and excluding select BSLs from the Project Area. Applicants should include at least 90% of the Unserved and Underserved BSLs in the Project Area.

For any excluded locations, the ACA will solicit grant applications from other potential Applicants to serve these areas, or an Applicant may propose a multi-provider solution to serve these areas. It is our objective to provide 100% coverage in the BEAD program and will consider minimal program outlay to reach this objective.

For evaluation purposes, the Reference Price (Subsidy Available) for the selected Project Area will be pro-rated based on the number of proposed BSLs included in the Project Application.

Project Applications providing the most technically feasible and cost-effective solution for affordable broadband deployment through the BEAD Program will be prioritized, as they provide ACA and the state of Arizona with the best value.

The ACA will prioritize Priority Broadband Projects over Non-Priority Broadband Projects for a Project Area. If the ACA determines that selecting a Priority Broadband Project for the same project will add excessive costs to the Program, the ACA will select a lower cost Non-Priority Broadband Project. The ACA will utilize its internal cost-benchmarking analysis and CostQuest Associates (CQA) data to determine what constitutes an excessive cost.

To determine what constitutes an excessive cost for evaluation and prioritization of the Project Applications, the ACA will ensure that BEAD funding is allocated to the Project Areas to maximize coverage with projects that are seeking the capital subsidy amount for a given Project Area within a specific range of grant funding allocated by the ACA.

**Prioritization:** Evaluating the completed Project Applications received, Applications will be reviewed based on the Project Areas and proposed technology type to determine whether a Project Application includes technology capabilities and solutions classified as a Priority Broadband project, or a Non-Priority Broadband project based on the following criteria:

**Priority Broadband Projects:** A “Priority Broadband Project” means a project that provides broadband service with:

- A minimum speed of 100 megabits per second (Mbps) for downloads and 20 Mbps for uploads;
- A latency less than or equal to 100 milliseconds; and
- **Can** easily scale speeds over time to:
  - Meet the evolving connectivity needs of households and businesses (Refer to the ACA’s definition of evolving connectivity under the secondary scoring criteria for Priority Broadband Projects); and
  - Support the deployment of 5G, successor wireless technologies, and other advanced services.

**Non-Priority Broadband Projects:** A “Non-Priority Broadband Project” means a project that provides broadband service:

- A minimum speed of 100 megabits per second (Mbps) for downloads and 20 Mbps for uploads;
- A latency less than or equal to 100 milliseconds; yet
- **Cannot** meet the statutory scalability requirements to easily scale speeds over time:
  - Cannot meet the evolving connectivity needs of households and businesses; and
  - Do not support the deployment of 5G, successor wireless technologies, and other advanced services.

### Deployment Scoring Criteria - Priority Broadband Projects

The ACA will implement the following evaluation criteria and respective scoring weights when assessing Priority Broadband Project Applications submitted by eligible Applicants. These criteria are in accordance with the project scoring guidelines detailed in Section 3.4: Scoring Rubrics of the BEAD Restructuring Policy Notice released on June 6, 2025. Specific evaluation criteria are provided for each scoring category below.

Each Project Application can earn a maximum of 500 points. The evaluation criteria are categorized into primary and secondary segments, with 250 points allocated to the primary category and 250 points to the secondary category applicable for only competing Project Applications. Each of these categories encompasses several elements to be assessed and rated according to the specified considerations within each area.

The details of each scoring category, subcategory, and relative weighting are described below.

#### Minimal BEAD Program Outlay Analysis

A minimal BEAD analysis will be conducted to ascertain whether the Subsidy Requested falls within the acceptable range of the Subsidy Available for the proposed BSLs in the Project Area by the ACA. Based on the analysis conducted for each Project Application submitted, the ACA will recommend either preliminarily selecting or entering into negotiations with the Applicant, moving to a Non-Priority Broadband Project Application, if applicable.

- **Reference Price:** The amount of Subsidy Available by the state for all the BEAD eligible locations (Unserved and Underserved BSLs) included in each Project Area
- **Subsidy Available per BSL:** Reference Price / Total number of Unserved and Underserved BSLs in the Project Area
- **Project Cost:** The total overall project cost submitted by the Applicant
- **Project Match:** The Applicant's proposed match

- **Subsidy Requested:** The total BEAD funding that will be required to complete the project by the Applicant.  

$$\text{Subsidy Requested} = \text{Project Cost} - \text{Project Match}$$
- **Subsidy Requested per BSL:** Cost to Program per BSL  

$$\text{Subsidy Requested per BSL} = \text{Subsidy Requested} / \text{Total number of Unserved and Underserved BSLs proposed to be served}$$

### Primary Scoring Criteria - Minimum BEAD Program Outlay

The ACA will prioritize Project Applications with the lowest cost based on minimal BEAD Program outlay. This category covers the Subsidy Requested, considering the Applicant's Project Cost and the Applicant's proposed Project Match. Projects with higher matching funds and lower Subsidy Requested per BSL against the Subsidy Available per BSL will score more points. This Primary Scoring Criteria related to Program costs at a particular Project Area may, if a Proposal is otherwise a Priority Proposal (or a non-Priority Proposal, if no Priority Proposals exist) be determinative in and of itself. If this Primary Scoring is not determinative, then the Scoring Evaluation Criteria outlined below will be utilized by ACA.

Additionally, the ACA may assess the total overall cost to the Program based on the number of the Project Applications submitted by the Applicant post preliminary selection and further negotiations, if applicable.

Based on the combination of the primary and secondary criteria and after the negotiation process, the Applicant with the highest score will move forward with preliminary selection.

#### 1. Assessment of Cost to the Program per Location – 250 Maximum Points

This Evaluation Criteria will score the cost-effectiveness of the selected Project Area by evaluating the Subsidy Requested per BSL against the Subsidy Available per BSL. For evaluation purposes, the Reference Price for the selected Project Area will be pro-rated based on the number of proposed BSLs included in the Project Application.

Each Project Area will be scored separately using a sliding scale system as shown below:

- In the event of a single Project Application for a Project Area, it will be considered for preliminary selection for further negotiations.
- In the event of competing Project Applications for the same Project Area, the ACA may score and prioritize the lowest Subsidy Requested per BSL and other competing Project Applications within 15% of the lowest cost Project Application based on the following criteria:

If the Subsidy Requested per BSL is > 5% of the Subsidy Available per BSL, the ACA may consider negotiations with the Applicant.

Scoring	Priority Project Points
> 15% of the Subsidy Available per BSL	0
> 5% to ≤ 15% of the Subsidy Available per BSL	150
> 0% to ≤ 5% of the Subsidy Available per BSL	175
> -10% to ≤ 0% of the Subsidy Available per BSL	200
> -15% to ≤ -10% of the Subsidy Available per BSL	225
≤ -15% of the Subsidy Available per BSL	250

#### 2. Assessment of the Total Overall Lowest Cost to the Program

Additionally, the ACA will evaluate the combination of Project Applications with the lowest overall cost to the Program against the Subsidy Available for the selected Unserved and Underserved BSLs for the Project Areas. This may involve selecting a proposal that is not the lowest-cost option for a given set of BSLs but is part of the combination of selected projects with the lowest overall cost to the Program, wherever applicable.

In the case of multiple Project Applications for the same Project Area, if there are one or more competing Project Applications within 15% of the lowest Subsidy Requested per BSL proposal, the ACA will score and prioritize applications with the following secondary criteria:

### Secondary Scoring Criteria

#### 1. Pledged Speed to Deployment for Priority Broadband Projects – 50 Maximum Points

All recipients of the BEAD Program funds designated for network deployment are required to use technologies that exhibit greater ease of scalability and execute the planned broadband network and commence delivering services to all subscribers seeking broadband services within the Project Area no later than four years after the subgrantee receives the award from the ACA. The ACA will assess Project Applications based on their pledged speed of deployment using a sliding scale system as shown below.

Deployment Schedule	Priority Project Points
< 24 months	50
24 - 36 months	40
36 - 42 months	30
42 – 47 months	20
48 months	0

#### 2. Speed of Network and Other Capabilities for Priority Broadband Projects – 150 Maximum Points

Two elements will be evaluated as part of this category. For Project Applications suggesting the adoption of technologies that offer enhanced scalability with reduced future expenditure for Priority Broadband Projects, the ACA will evaluate long-lasting capital assets using a sliding scale system under the following categories:

- **The Speed of Network and Latency - Maximum of 75 points**

Speed of Network and Latency	Priority Project Points
≤ 10 Gbps download and 2.5 Gbps upload or greater, maximum latency of 100ms	75
≤ 1 Gbps download and upload, maximum latency of 100ms	50
≤ 1 Gbps download and 250 Mbps upload, maximum latency of 100ms	25
≤ 250 Mbps download and 100 Mbps upload, maximum latency of 100ms	10
< 100 Mbps download and 20 Mbps upload, maximum latency of 100ms	0

- **Other Technical Capabilities - Evolving Connectivity Capabilities – Maximum 75 points**

The proposed technological solution will be evaluated on the ability to meet the evolving connectivity needs as defined by ACA by the following:

Applicants will be evaluated based on the supported per subscriber downstream and upstream usage (in Mbps) at 100% take rate at 100% by the end of the period of performance, without any additional costs for network upgrades provided in the application.

**Calculation Assumptions:** To be technology independent in evaluating the evolving connectivity needs offering, the Applicant shall assume:

- A **shared port** is defined as the shared resource (such as a PON port, a DOCSIS service group, etc.) common across multiple subscribers.
- **100% take rate** of the subscribers connected to a shared port
  - o For example, if the subscriber assumes 1:64 split, 100% take rate implies that 64 subscribers are connected. If 256 subscribers are assumed in a DOCSIS service group, then 256 subscribers are connected.
- **100% concurrent usage** of the subscribers on a shared port during the peak time
  - o That is, all the subscribers on a shared port (for example, 64 active subscribers in 1:64 split PON configuration) are active at the same time.
- 2026 starting simultaneous **downstream usage** per subscriber is **5 Mbps**
- 2026 starting simultaneous **upstream usage** per subscriber is **1 Mbps**

**Other Technical Capabilities - The minimum simultaneous support usage per subscriber** will be scored against a sliding scale for a maximum of 75 points. The Applicant must score at least 15 points under this category to be considered under the priority broadband projects category evaluations. If the minimum simultaneous supported usage per subscriber is:

Minimum simultaneous supported usage	Priority Project Points
≥ 100 Mbps downstream and ≥ 10 Mbps upstream	75
≥ 80 but < 100 Mbps downstream and ≥ 8 but < 10 Mbps upstream	60
≥ 40 but < 80 Mbps downstream and ≥ 4 but < 8 Mbps upstream	45
≥ 20 but < 40 Mbps downstream and ≥ 2 and < 4 Mbps upstream	30
≥ 5 Mbps < 20 Mbps downstream and ≥ 1 but < 2 Mbps upstream	15
< 5 Mbps downstream and 1 Mbps upstream	0

### 3. Preliminary/Provisionally Selected Subgrantees – 50 Maximum Points

For the BSLs, where the ACA has already identified preliminary or provisionally selected subgrantees during Round 1, the ACA will give additional weight to those Project Applications in the Benefit of the Bargain Round by providing 50 additional points.

Scoring Criteria	Priority Project Points
Preliminary/Provisionally Selected Subgrantees during Round 1	50
Other Applicants	0

### Deployment Scoring Criteria – Non-Priority Broadband Projects

The scoring rubric for the Non-Priority Broadband projects will be conducted with the following criteria:

## Primary Scoring Criteria – Minimum BEAD Program Outlay

The ACA will prioritize Project Applications with the lowest cost based on minimal BEAD Program outlay. This category covers the Subsidy Requested, considering the Applicant's total Project Cost and the Applicant's proposed Project Match. Projects with higher matching funds and lower Subsidy Requested per BSL against the Subsidy Available per BSL will score more points.

Additionally, the ACA may assess the total overall cost to the Program based on the number of the Project Applications submitted by the Applicant post preliminary selection and further negotiations, if applicable.

Based on the combination of the primary and secondary criteria, the Applicant with the highest score and after the negotiation process, the Applicant with the highest score will be selected for a preliminary award.

### 1. Assessment of Cost to the Program per Location – 250 Maximum Points

This criterion will evaluate the cost-effectiveness of the selected Project Area by evaluating the Subsidy Requested per BSL against the Subsidy Available per BSL. For evaluation purposes, the Reference Price for the selected Project Area will be pro-rated based on the number of proposed BSLs included in the Project Application. Each Project Area will be scored separately using a sliding scale system as shown below:

- In the event of a single Project Application to a Project Area, the Project Application with the lowest Subsidy Requested per BSL will be considered for preliminary award or further negotiations.
- In the event of competing Project Applications for the same Project Area, the ACA may score and prioritize the lowest cost Project Application with the lowest Subsidy Requested per BSL and other competing Project Applications within 15% of the lowest cost Project Application based on the following criteria:

If the Subsidy Requested per BSL is > 5% of the Subsidy Available per BSL, the ACA may consider negotiations with the Applicant.

Scoring	Non-Priority Project Points
> 15% of the Subsidy Available per BSL	0
> 5% to ≤ 15% of the Subsidy Available per BSL	150
> 0% to ≤ 5% of the Subsidy Available per BSL	175
> -10% to ≤ 0% of the Subsidy Available per BSL	200
> -15% to ≤ -10% of the Subsidy Available per BSL	225
≤ -15% of the Subsidy Available per BSL	250

### 2. Assessment of the Total Overall Lowest Cost to the Program

Additionally, the ACA will evaluate the combination of Project Applications with the lowest overall cost to the Program against the Subsidy Available for the selected Unserved and Underserved BSLs for the Project Areas. This may involve selecting a proposal that is not the lowest-cost option for a given set of BSLs but is part of the combination of selected projects with the lowest overall cost to the Program, wherever applicable.

In the case of multiple Project Applications for the same Project Area, if there are one or more competing Project Applications within 15% of the lowest Subsidy Requested per BSL proposal, the ACA will score and prioritize applications with the following secondary criteria:

## Secondary Scoring Criteria

### 1. Speed to Deployment for Non-Priority Broadband Projects – 50 Maximum Points

All recipients of the BEAD Program funds designated for network deployment are required to use technologies that exhibit greater ease of scalability and execute the planned broadband network and commence delivering services to all subscribers seeking broadband services within the Project Area no later than four years after the subgrantee receives the award from the ACA. The ACA will assess Project Applications based on their pledged speed of deployment using a sliding scale system as shown below.

Deployment Schedule	Non-Priority Project Points
< 24 months	50
24 - 36 months	40
36 - 42 months	30
42 – 47 months	20
48 months	0

### 2. Speed of Network and Other Capabilities for Priority Broadband Projects – 150 Maximum Points

For Non-Priority Broadband Projects, the Speed of Network and Latency capabilities will be evaluated with the following sliding scale system:

Speed of Network and Latency	Non-Priority Project Points
≤ 10 Gbps download and 2.5 Gbps upload or greater, maximum latency of 100ms	150
≤ 1 Gbps download and upload, maximum latency of 100ms	100
≤ 1 Gbps download and 250 Mbps upload, maximum latency of 100ms	75
≤ 250 Mbps download and 100 Mbps upload, maximum latency of 100ms	50
< 100 Mbps download and 20 Mbps upload, maximum latency of 100ms	0

### 3. Preliminary/Provisionally Selected Subgrantees – 50 Maximum Points

For the BSLs, where the ACA has already identified preliminary or provisionally selected subgrantees during Round 1, the ACA will give additional weightage to those Project Applications in the Benefit of the Bargain Round by providing 50 additional points.

Scoring Criteria	Non- Priority Project Points
Preliminary/Provisionally Selected Subgrantees during Round 1	50
Other Applicants	0