Connect New Mexico Fund
Scoring Guide

The New Mexico Office of Broadband Access and Expansion ("OBAE") presents the following Scoring Guide for the Connect New Mexico Fund.

The Scoring Guide provides a detailed overview of the selection criteria. These criteria are organized among several scoring categories and component areas. Please refer to the Notice of Funding Opportunity ("NOFO") for additional information regarding the program purpose, eligibility factors (e.g., project types, technologies, service areas, entities), performance requirements (e.g., network performance, service offerings, etc.), allowable expenditures and post-award compliance requirements.

1.   Scoring Guide Objective

The Scoring Guide identifies the specific categories and consideration factors by which applications will be evaluated. The Scoring Guide aims to: 1) provide a methodical, structured approach to comprehensively assess an application's potential to achieve the purpose of the Connect New Mexico Fund; 2) ensure that all applications receive a consistent standard of evaluation; 3) identify critical shortcomings, for an otherwise strong application, which can be raised and cured during the due diligence phase.

As stated in the NOFO, the Connect New Mexico Fund aims to foster the deployment of broadband access to unserved and underserved locations (residents, businesses, and community institutions) through scalable, sustainable networks and financially viable business plans that serve the comprehensive community with reliable, reasonably priced high-speed solutions while promoting digital inclusion. The selection criteria reflect these elements.

2.   Review Process

Applications will be reviewed and evaluated by a Review Team assigned by OBAE. They will score the application based on the criteria stated in this Scoring Guide. The score may be adjusted based on additional information received and cured during the due diligence process.

3.   Selection Criteria and Weights

This team will use the following selection criteria and associated point values to score applications (Table A) systematically. A total of 200 points are allocated across eight major categories, which are further divided into 25 total components. These criteria will be applied to the information provided by the Applicant. Please provide complete, detailed, and clear responses for all requested information to ensure that an application receives the highest possible score.

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Table A) Selection Criteria

Selection Criteria: Eight Categories and Twenty-Five Components	Points per Component	Category Points
A) Project Impact		
• *Broadband Impact*: The degree of: a) unserved and underserved locations passed by wireline or covered by fixed wireless or alternative technologies; b) unserved locations relative to underserved locations; c) the magnitude of speed increase relative to existing service speeds Note: Locations are defined as residents and businesses per the NOFO.	16	36
• *Comprehensive Community Impact*: The degree to which the network serves the broader community, including community institutions, government facilities, backhaul for commercial mobile and public safety networks, backhaul to data centers, network resiliency and redundancy, etc.	8	
• *Residential Impact:* The degree to which eligible residential locations are connected relative to the total locations being targeted	4	
• *Socioeconomic Development*: Opportunities for the project to foster DISTINCT and UNIQUE social and economic development across targeted communities (e.g., housing development, business or population retention, community institution connectivity, infrastructure resiliency or redundancy, public safety, local employment, community programs to drive online adoption for telehealth or distance learning, etc.)	4	
• *Degree of Economic and Community-Specific Hardships:* The level of economic distress based on key indicators, such as unemployment rates, poverty levels, income levels; considers other hardships (e.g., wildfire damage, threats to community safety, etc.)	4	
B) Community Engagement		
• *Local and Regional Community Partnerships*: Partnerships with local and regional community organizations, businesses, government entities, and other broadband service providers to help achieve the project mission and maximize community impact	8	20
• *Community Support:* The degree of community support from beneficiaries (e.g., connected residents, businesses, community institutions), community leaders, and other local interests	8	
• *Community Financial Contribution:* Financial and/or in-kind contribution from local government, community organizations and individuals	4	
C) Economic Efficiency		
• *Matching Contribution Degree*: The degree to which the matching contribution is above the minimum 25% requirement	8	28

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• **Financial Need:** Demonstration that absent subsidy support, the project could not move forward after considering total capital investment, reasonable non-state match, other business case inputs (e.g., recurring revenues and costs) to yield a reasonable return on investment for a publicly funded project. Also considers the fairness of the match being contributed in light of these factors.	8	
• **Project Cost Efficiency:** Demonstration that the collective set of decisions across technology selection, network design, procurement processes, and strategic planning yields the most cost-effective budget	8	
• **Leveraging of Existing Assets**: Leverage of existing and planned network assets and facilities that would otherwise require expenditure (e.g., middle-mile)	4	
D) Project Readiness		
• **Network and Technology Details**: Details of network design, route map, technology architecture, and integration with regional networks	8	
• **Detailed Budget**: Detailed itemized budget that lists the quantity and cost for every line item and brief narrative on purpose and reasonableness of expenditure	8	20
• **Detailed Project Schedule**: Details of project activities, milestones, target dates, dependencies, and identification of all major risks and detailed risk mitigation plan	4	
E) Organization Qualifications		
• **Organizational Experience and Capability**: Demonstrated experience and capabilities in executing similar projects	8	16
• **Local and/or Regional Workforce Participation:** Prior experience with and planned strategy for hiring local staff and leveraging local/regional firms and contractors to design, plan, deploy, and operate the project	8	
F) Marketing and Services Strategy		
• **Pricing Competitiveness:** The degree to which prices are commensurate with rates in competitive, urban markets	12	
• **Diverse Set of Service Offerings**: The breadth of service offerings to accommodate a diverse set of customer segments and other supporting services	8	
• **Customer Acquisition and Retention Strategy**: The level of detail and comprehensiveness regarding plans to capture, support and retain customers and customization of strategy for different customer segments (e.g., residents vs. institutions)	8	32
• **Open Access Policies**: A) For last-mile networks, policies and programs to offer wholesale services to other retail last-mile service providers; b) For middle-mile, policies and programs to provide wholesale services, including dark-fiber to other network service providers.	4	

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** Note: For middle-mile segments, NOFO requires grantees to provide interconnection and wholesale services to service providers; dark-fiber must be provided to government entities for government usage.		
G) Adoption Assistance Programs		
• *Affordability Assistance Programs*: Collective set of programs and policies to foster affordability for all community segments Note: OBAE requires applicants to participate in the FCC's Affordable Connectivity Program and other future programs to enable affordability for designated low-income residents.	12	24
• *Digital Inclusion Programs:* Programs and strategies to enable adoption, including devices, digital literacy, outreach, community networks, etc.	12	
H) Project Sustainability		
• *Financial Viability*: Assessment of business case (e.g., comprehensive, detailed showing of revenue and cost elements) and financial strength of applicant	12	24
• *Network Capacity and Scalability*: Total capacity available today and capability of network to efficiently scale to accommodate future bandwidth demand	12	

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4. Consideration Factors under Selection Criteria

The following tables list the consideration factors for the 25 major component areas. For the non-formulaic factors, OBAE will consider other non-listed factors introduced by the Applicant to be relevant for any specific component.

A. Project Impact (36 points)

A1) Impact to Unserved and Underserved Premises	16 points
Overview	Factors for Consideration
Degrees of: a) unserved and underserved premises passed or covered; b) unserved premises relative to underserved premises; c) magnitude of speed increase relative to existing service speeds	✓ Please see table below that provides the score based on the aforementioned degree factors

Anticipated Total Passing's in the Project Area: Scoring Table

	Speed Before	<25/3	<25/3	<25/3	<100/20	<100/20	<100/20
	Speed Now	≥100/20	≥100/100	≥1G/1G	≥100/20	≥100/100	≥1G/1G
Premises Passed	**1-250**	5	8	10	3	5	8
	251-500	6	9	12	4	6	9
	501-1000	7	10	14	5	7	10
	1000+	8	12	16	6	8	12

Note:
- A weighted average will be applied when the project spans across unserved and underserved locations and/or applies different technologies offering varying speeds.
- For projects not offering last-mile (e.g., middle-mile, 5G wireless, special network projects as noted in the NOFO), the evaluation will consider the potential unserved and underserved locations that could benefit from the project in the near- and long-term.
- OBAE will consult the New Mexico Broadband Map to identify eligible locations and eligible community institutions. This map includes data from the FCC National Broadband Map and service providers in the state. The map depicts household and business locations deemed unserved or underserved, and community institutions lacking Gbps speeds.

A2) Comprehensive Community Impact	8 points
Degree of impact beyond connectivity to residents and businesses, including: community institutions, government sites,	✓ Degree of connectivity to community institutions, government sites, farms lacking adequate broadband

backhaul service to commercial mobile and public safety networks, connectivity to data centers, etc.	✓ Network design that accommodates commercial mobile network operators and current and planned macros and micro cells ✓ Backhaul services designed for public safety network operators (e.g., FirstNet) ✓ Connections to existing and planned data centers
A3) Residential Impact	**4 points**
The degree to which eligible residential locations are connected relative to the total locations being served	✓ A higher percentage of residential locations will earn more points.
A4) Socioeconomic Development	**4 points**
DISTINCT or UNIQUE opportunities for the project to foster social and economic development, safety and security, commercial advancement, public services, and other noteworthy measurable benefits for the targeted communities	✓ Community Development: Specific drives to foster Internet adoption, telehealth enrollment initiatives, electric grid modernization, smart-city services ✓ Safety and Security: Enhancement of public safety communications, reduction of mobile coverage gaps, replacement of lines impacted by wildfires, enhancement of communication redundancy and resiliency ✓ Economic Development: Housing development, local workforce development programs, retaining and attracting new business establishments, attraction and retention of residents, farming efficiency and productivity, tourism growth initiatives, etc. ✓ Commerce: Connecting (or bypassing) emerging or planned business centers, industrial parks, government facilities, retail centers, data centers, economic development zones, etc. ✓ Public Services: Enhancement to capabilities to execute mission in more effective and efficient manner (across schools, libraries, hospitals, clinics, social service centers, community gathering centers, etc.) ✓ Strategic Plan Fit: Degree to which project fits into an existing community strategic plan
A5) Degree of Economic Distress and Other Local Hardships	**4 points**
Level of existing economic distress and local hardships	✓ Degree to which the rates for unemployment, poverty, free/reduced lunch eligibility, or population loss are significantly adverse relative to statewide averages

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	✓ Degree to which median household income is lower than statewide average ✓ Specific hardships faced by the targeted communities, such as telecom infrastructure being damaged by wildfires

B. Community Participation (20 points)

B1) Local and Regional Partnerships	8 points
Overview	**Factors for Consideration**
• Local and regional community partnerships	✓ Partnerships with local, tribal, and regional governments aimed to expedite permitting, serve as anchor clients, form a public-private partnership, etc. ✓ Partnerships with community organizations to foster project awareness, serve as anchor clients, etc. ✓ Collaboration with broadband service providers to share network facilities, purchase backhaul, etc. ✓ Potential benefits enabled by these partnerships
B2) Community Support	**8 points**
• Degree of breadth and depth of community support from beneficiaries (e.g., residents, businesses, institutions), community leaders, and other local interests	✓ Degree of "personalized" letters that reflect a broad spectrum of community members ✓ Recent survey that covers broad spectrum of community with statistically meaningful results regarding level of need, gaps, and project support ✓ Evidence of community outreach efforts to gauge interest in project ✓ Other community feedback that shows compelling need and project support
B3) Community Financial Contribution	**4 points**
• Financial and in-kind contribution from local government (Tribal, counties, municipality), community organizations and individuals	✓ The degree of financial contribution from community-based members and institutions ✓ In-kind resource commitments from community-based members and institutions ✓ Evidence to support verification of pledge

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C. Economic Efficiency (28 points)

C1) Matching Contribution	8 points
Overview	Factors for Consideration
• The degree to which the matching contribution is above the minimum 25% requirement	✓ Following table assigns points for a higher proportion of a matching contribution

Matching Contribution	Points
50% or greater	8
40 - 49.9%	6
35 - 39.9%	4
30 - 34.9%	2
25 - 29.9%	0

C2) Financial Need	8 points
• Demonstration that absent subsidy support, the project could not move forward after considering total capital investment, reasonable non-state match, other business case inputs (e.g., recurring revenues and costs) to yield a reasonable return on investment for a publicly funded project. Also considers the fairness of the match being contributed in light of these factors.	✓ Assessment of financial analysis performed by 3rd party firms regarding a fair net private investment for targeted communities ✓ Consideration of total unit economics (e.g., total cost/unit, match/unit) population density, etc. ✓ Detail, comprehensiveness and clarity of pro forma financials ✓ Review of return on investment (ROI) under scenarios without and with requested subsidy

C3) Project Cost Efficiency	8 points
• Demonstration of strategic choices and actions to foster cost-efficiency (e.g., technology, network design, procurement policies, etc.)	✓ Demonstration that the network technology and design constitute most cost-effective approach relative to population density, aggregate bandwidth requirements, etc. (e.g., consideration of both capital costs and longer-term total cost of ownership) ✓ Plans and commitment to engage in competitive procurement for major expenditures ✓ Other plans and steps to efficiently manage project costs ✓ Consideration of upfront and recurring replacement costs for non-fiber technologies to assess its cost advantages

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C4) Leveraging Existing Assets	4 points
Degree to which project leverages existing network assets and facilities and non-network resources that would otherwise require expenditures	✓ Clear identification of middle-mile assets (e.g., through IRU's) ✓ Clear identification of last-mile network elements (e.g., co-location facilities, data centers, towers) ✓ Clear description of non-network resources and assets being contributed (e.g. personnel, premises, offices, etc.)

D. Project Readiness (20 points)

D1) Network and Technology Details	8 points
Overview	Factors for Consideration
• Details regarding the technology architecture, network design, route maps and locations to be connected	✓ Details of network route and coverage map (e.g., delineation, identification of premises) ✓ Consistency between network route map and key metrics (e.g., number of premises being connected and/or passed, route passed) ✓ Vendor details for any proprietary technology ✓ Details regarding network architecture ✓ Technology specifications that clearly indicate purported speeds and network indicators can be met ✓ Wireless projects: Specification of frequency band, required spectrum, licensee
D2) Budget Details	**8 points**
• Submission of a detailed, granular budget with delineation of estimated units and prices	✓ Itemized line items for all cost items with estimates of units and prices ✓ Narrative section completed in the budget template with details regarding quantity justification and price determination
D3) Project Schedule Details	**4 points**
• Details regarding project schedule and risks identification and mitigation strategies	✓ Details regarding all project activities and milestones across all stages (e.g., planning, permitting, deployment, testing and commercial service rollout) ✓ Detailed narrative on project schedule ✓ Degree that project schedule is detailed, structured, clear, and consistent with committed deadlines ✓ Comprehensive identification of all major risk areas ✓ Specific details regarding impact to project scope, budget and timeline

	✓ Comprehensive identification of project risks and mitigation strategies

E. Organization Qualifications (16 points)

E1) Organizational Experience and Capability	**8 points**
Overview	Factors for Consideration
• Demonstrated experience and capabilities in executing similar projects	✓ Details regarding experience and results in having deployed similar networks ✓ Details regarding key personnel (e.g., qualifications, resumes) ✓ Identification of key project partners, roles, and letters of project commitment
E2) Local/Regional Workforce Participation	**8 points**
• Track record and strategy to hire local workers and leverage local and regional firms and contractors to design, plan, deploy, and operate the project	✓ History of using local and regional firms ✓ Coordination with local and regional workforce development programs ✓ Specific local firms that have agreed to partner with applicant to plan and deploy the project ✓ Details regarding strategy to hire local firms, workers, and contractors

F. Marketing and Services Strategy (32 points)

F1) Pricing Competitiveness	**12 points**
Overview	Factors for Consideration
• Prices commensurate with rates in competitive, urban markets	✓ Demonstration that price points reflective of prices in competitive markets with similar demographic backgrounds ✓ Assessment regarding prices being consistent with FCC's Urban Rate Survey ✓ Note: Five-year service commitment is required.
F2) Range of Service Packages to Target Variety of Customer Segments	**8 points**
• Breadth of service offerings regarding broadband and other supporting services	✓ Range of service offerings and price points to meet unique needs of diverse base of customer

	segments (e.g., household, business, institution) and their affordability levels ✓ Upload speeds that reflect unique circumstances of increased teleworking and remote learning ✓ Offerings that enable purchase of unbundled Internet at reasonable price points without obligations
F3) Customer Acquisition and Retention strategy	**8 points**
• Details around plans to capture and retain customers	✓ Specific strategy regarding customer segmentation, targeting and positioning ✓ Details regarding overall sales strategy to support customer journey - e.g., awareness, evaluation, purchase, service initiation, customer care/billing, retention ✓ Details regarding sales organization and relevant partners
F4) Open Access Policies	**4 points**
• For last-mile networks, policies to offer wholesale services to other retail service providers • For middle-mile networks, policies to provide backhaul, transport services, and dark-fiber IRU to other network service providers. • Note: For specifically middle-mile segments, NOFO requires applicants to provide interconnection, wholesale services, and dark-fiber for government usage.	✓ Details regarding open access policy ✓ For open-access last-mile network, identification of retail ISP partner(a) and status of contract negotiations (e.g., MoU, signed commitment, etc.) ✓ Clear description of wholesale services and rates and reasonableness based on similar services provided in competitive markets ✓ For middle-mile, consideration of pricing, service terms/conditions, frequency of interconnection points, etc.

G. Adoption Assistance Programs (24 points)

G1) Affordability Assistance Programs	**12 points**
Overview	Factors for Consideration
• Collective set of programs and policies to foster affordability for all community programs.	✓ Initiatives to help low-income residents take advantage of the FCC's Affordable Connectivity Program (ACP) and Lifeline Program

• Note: NOFO requires applicants to participate in the FCC's Affordable Connectivity Program to enable affordability for designated low-income residents.	✓ An entry-level service tier(s) that provides a minimum level of broadband (e.g., 100/20 Mbps) for an affordable rate to encourage adoption ✓ Special discounted rates for small businesses and community institutions ✓ Special programs and partnerships that provide significant discounts to economically disadvantaged customers
G2) Digital Inclusion Programs	**12 points**
• Programs to provide devices, digital literacy, call support services, community networks, etc.	✓ Detailed description of planned broadband adoption activities – e.g., fostering awareness, access to low-cost devices, digital literacy training, technical support, community networks, etc. ✓ Complementary digital inclusion programs ✓ Technology strategies to enable adoption to general public (e.g., community networks that provide public Wi-Fi, others)

H. Project Sustainability (24 points)

H1) Financial Viability	**12 points**
• Sustainability of the business case based on detailed forecasts of revenue and cost drivers and financial strength of applicant (or consortium)	✓ Two-years of audited financial statements and other documentation to demonstrate the financial standing of the enterprise ✓ Detailed financial statements of project (cash flow, balance sheet, income statement) for ten years to enable review of capital deployment stage and recurring revenue and operating expenditures ✓ Details regarding when project generates positive operating cash flows; financial sources to cover early years of net cash outflows ✓ Discussion of key financial risks that could impede sustainability (e.g., revenue shortfalls, cost overruns) and mitigation strategy ✓ Additional capital investment sources are available if projects require a cash infusion ✓ Key metrics regarding the financial targets required by non-State match contributors and how the business plan achieves those objectives

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H2) Network Capacity and Scalability	12 points
• Total capacity available today and capability of network to efficiently scale to accommodate bandwidth demand • Demonstration that the capital investment today delivers a network that meets demand today and for the long-term	✓ The degree of capacity available relative to estimated long-term demand (e.g., considering maximum adoption rates, future speed tiers, bandwidth consumption forecasts) ✓ Capacity of middle-mile networks to accommodate demand on the last-mile segment ✓ General overview to upgrade network capacity – including the process, time, costs ✓ Useful life of the technology