

August 20, 2025

To: CNMI Broadband Policy & Development Office

From: Docomo Pacific (Saipan), Inc.

Re: Draft CNMI BPD BEAD final Proposal

In following the CNMI BPD Office guidance inviting public review and comment on the August 16, 2025 announcement of its Draft Final Proposal, Docomo Pacific (Saipan), Inc. hereby submits the following comments and concerns on the Draft CNMI BPD BEAD final proposal.

1. Benefit-of-the-Bargain Round

When President Donald J. Trump assumed the reins of the Office of the Presidency earlier this year, one of his directives, along with his appointed Secretary of Commerce, Howard Lutnick, to the administering authority of the BEAD program, the National Telecommunications and Information Administration (NTIA), aimed at reforming the burdensome and costly requirements which increased taxpayer costs and limited marketplace competition.

Consequently, the NTIA made significant, common sensical program revisions which resulted in the June 6, 2025 BEAD Restructuring Policy Notice. Secretary Lutnick heralded this by noting then that “we proudly announce a new direction for the BEAD program that will deliver high-speed internet access efficiently on a technology-neutral basis, and at the right price. President Trump promised to put an end to wasteful spending, and thanks to his leadership, the American people will get the benefit of the bargain, with connectivity delivered around the country at a fraction of the cost of the original program.”

In short, the Benefit of the Bargain round was established under this to focus on cost efficiency and technology neutrality in broadband deployment. The key changes under this Benefit of the Bargain round were as follows:

*Technology-Neutral Approach---the Trump Administration eliminated the previous reference for fiber deployments, allowing various technologies (including fixed wireless, hybrid fiber coax, and satellite) to compete for funding. ***This change was intended to lower costs and expedite broadband access.***



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*Revised Proposal Process---the Trump Administration explicitly directed that all the States and Territories (including the Commonwealth of the Northern Mariana Islands) to conduct a new round of *subgrantee selection mandating that all applicants compete on an equal basis, regardless of the technology used, ensuring that the lowest-cost solutions are prioritized.*

*Cost-Focused Evaluation---the Trump Administration clearly articulated that *“the primary criterion for funding will now be the lowest total cost per location, which is expected to lead to significant savings and potentially unspent funds within the BEAD program.”*

“The lowest-cost proposal among the Priority Broadband Project applications was designated the preliminary winner for its respective PFA” (CNMI-BPD-BEAD-Final-Proposal-ver-1_0, p. 10). By this measure, the award should go to the bidder whose proposal can deliver the desired speed and latency with the least amount of BEAD funding. Doing so ensures that federal dollars are used as efficiently as possible, consistent with both the letter of the directive and in maximizing the reach and impact of these funds.

Based on our evaluation of the CNMI BPD Office announcement, it appears that there was a blatant disregard for the criteria which the Trump Administration had required all states and territories to follow in determining program awards.

As a matter of record, Docomo Pacific, Saipan submitted a complete, program conforming, technologically viable, cost-efficient solution for expedient deployment of broadband in each underserved/non-served sector throughout the CNMI.

Our bid amount for coverage in the CNMI came in at \$1,783,851.74. The intended awardee in the CNMI BPD Office announcement came in with a bid amount at \$31,394,731.

The difference here is a staggering \$29,610,879 or 1,660% above our technical solution proposal.

This is very concerning and is a perverse waste of American taxpayer dollars, and is brazenly contrary to the June 6, 2025, policy directive which President Trump, the Department of Commerce, and NTIA issued to all broadband offices.

We are respectfully requesting clarification on how awardees were chosen and the criteria that was used in its analysis, including speed to deployment; speed of network; and other technical capabilities. We also respectfully request an independent committee comprised

of technical experts review all applications and score the submissions based on technical merits in meeting the requirements of the program, followed by the bid price as outlined in the directive from the NTIA to choose the awardee who “will deliver high-speed internet access efficiently on a technology-neutral basis, and at the right price.”

According to an analysis by GlobalData, hybrid-fiber coax (HFC) networks will continue to dominate the residential broadband market in the United States through 2027 at 65% market share. Throughout the country, HFC is the prevailing broadband solution that has successfully delivered stable, high-quality, internet to millions of Americans at speeds that far exceed BEAD requirements. To unilaterally dismiss this high-speed solution, which is a prevalent means of providing services throughout the country, is unconscionable – especially in doing so costs the American taxpayer over \$29 million more.

Aside from other technologies besides buried fiber being appropriate and acceptable throughout the United States, on Guam, approximately 80% of the island is served with such proven and reliable (non-buried fiber to the premises) technologies to deliver high speed broadband to consumers, enterprise customers, federal and local governments and the military commands. This has resulted in the vast number of previously designated unserved and underserved areas being deemed as covered and ineligible for buildout deployment funding by the NTIA itself. We are unsure how the CNMI BPD Office can pitch for anything different than what is deemed sound for its neighbors in the same time zone, latitude and longitude proximity, and climate area. The award to one bidder, with a complete disregard of all other solutions that have been deemed acceptable by the NTIA, is puzzling.

2. Draft Proposal and Posted Documents

The draft proposal and supporting documents are difficult to follow, especially when trying to identify awardees and their related projects. For instance, the file titled *FP Subgrantees* lists every Internet Service Provider (ISP) that submitted a bid. At first glance, this could easily be mistaken for the list of actual awardees. For someone without experience in grant programs or technical terminology, it gives the impression that all listed ISPs have been selected as subgrantees.

The confusion continues in the *FP Deployment Projects* file, which identifies the winning bidders only by their UEI numbers. Without the ISP names, it is difficult to tell which project went to which company if you are unfamiliar with grants.

This lack of clarity is troubling given that these materials are meant for public review. If the goal is to invite meaningful feedback, the documents should present the information in a way that is straightforward and accessible to all readers.

Even more concerning is the lack of transparency in failing to identify the awardee in all public announcements available through traditional media outlets as well as social media.



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The public announcement on the awardee requires citizens to access a computer, have sufficient service to be able to access the website, and then to navigate it to find the information. If we simply acknowledge that the overwhelming number of households throughout the CNMI have been deemed unserved/underserved, it is illogical to expect the vast majority of citizens in the CNMI to be able to access much less be informed.

3. Reconsideration

We understand that no independent, professional and certified engineers or consultants were employed to undertake the evaluation and analysis of the submissions. In a small community where everyone knows each other, where biases may influence perception, and where influence may be exerted – having outside parties with expertise in the technical and cost requirements of a program like BEAD would seem logical. If evaluators do not understand the technology that they are scoring, or the cost/benefit considerations that should be factored into their decisions, the review and scores provided are fundamentally flawed.

On behalf of the 388 Docomo Pacific, Saipan employees and their family members, we respectfully request a comprehensive review of the CNMI BPD Office Final Proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "CBaleto", written in a cursive style.

Christine Baleto
President & Chief Executive Officer

References

CNMI Broadband Policy Division. (2025, July 9). *BEAD benefit of the bargain round FAQ sheet* [PDF]. <https://bpd.cnmi.gov/storage/2025/07/BEAD-Benefit-of-the-Bargain-Round-FAQ-Sheet-07.09.25.pdf>

National Telecommunications and Information Administration. (2025, June 6). *BEAD restructuring policy notice*. U.S. Department of Commerce. <https://www.ntia.gov/other-publication/2025/bead-restructuring-policy-notice>