

Utah Telecommunication  
Open Infrastructure Agency



RFP # 2023ISP-002

UTOPIA Fiber answers to respondent questions  
February 7, 2024

## Administrative Questions

*Please elaborate on the intention behind requiring email distribution groups.*

The intention behind requiring email distribution groups is for multiple reasons. Firstly, to provide a clear, continuous pathway of communication regardless of staff changes. Secondly, to provide clear avenues for UTOPIA Fiber to communicate important information (such as maintenance notifications) to service providers and allow service providers to disseminate that information internally or externally as they prefer. UTOPIA Fiber intends to use these distribution groups internally and will not share them with customers/partners unless approved by the service provider.

*Please clarify what is expected for contact information for "IT".*

The request for contact information for "IT" should be for service provider internal IT support or technology point of contact, responsible for internal email maintenance, security, and any software interaction between the service provider and UTOPIA Fiber (such as APIs). The intention is to ensure continuity of communication regardless of any changes in staff. It is up to the service provider to determine if that position overlaps with network engineering or other roles.

## Legal Questions

*Is there an expected number of service providers that may be accepted, or will any/all service providers that meet the necessary criteria be accepted?*

UTOPIA Fiber does not have a set number of applications in mind, and it will depend on the quality of the applicant pool. However, as stated in the RFP, UTOPIA Fiber expressly reserves the right to accept multiple proposals, and/or reject any and all proposals at its sole discretion without justification or compensation.

*Will this RFP be available in the future? If denied, will respondents be able to reapply in the future?*

UTOPIA Fiber will open an RFP for service providers annually. Service providers who have applied previously but were not selected are highly encouraged to reapply.

*Does our business need to be registered in Utah before submitting the RFP or would we be able to proceed with that upon successful notice of the RFP award?*

Respondents do not need to be currently registered to do business in the state of Utah but would be expected to procure one prior to entering into the contract if they were awarded.

## Financial Questions

*What is the timeframe requested for audited financial statements, and what financial statements should be included?*

Third party audited financial statements should be provided for the service provider's most recent fiscal year. Financial statements should include at minimum an Income Statement, Balance

Sheet, and Statement of Cash Flow. Tax returns or similar tax documents will not be accepted. As an additional option, respondents may provide the Auditor's Opinion or Notes, however UTOPIA Fiber understands some auditors may not provide those documents.

*Do statements provided by our external accounting firm satisfy the requirements for a third party audited statement?*

Financial statements provided by any external accounting firm are acceptable.

*If our company has not procured third party audited statements before, would we be able to provide them at the conclusion of the 2023 tax year in January?*

If respondents do not currently have any financial statements audited by a third party, they may provide stand-in financial documents until they are able to provide certified third party documents at the conclusion of the 2023 tax year in January.

*What sort of fees and services are service providers expected to pay to operate on UTOPIA Fiber's network?*

At a minimum, service providers who operate on UTOPIA Fiber's network are charged for the NNI connection to utilize the network and a transport fee for each subscriber depending on the tier and service type. Service providers may also be billed for service truck rolls for non-UTOPIA Fiber issues and custom installation options, which can be passed through to the customer.

*Please elaborate on UTOPIA Fiber's residential pricing structure and process.*

Residential customers currently pay two invoices, one to UTOPIA Fiber and one to the service provider. Service providers are billed monthly on services UTOPIA Fiber provides to them. This is broken down into a flat fee structure per customer based on service tier, with additional items such as the NNI added on to the invoice. UTOPIA Fiber does not have additional charges for additional services provided to customers through service providers, such as TV or VoIP. Service providers may be billed for service truck rolls for non-UTOPIA Fiber issues and custom installation options. Those additional fees may be recovered by the provider from the customer.

*Is there a certain number of residential customers required for service providers to break even?*

Given that UTOPIA Fiber does not know the revenue and costs of individual respondents, we cannot speak to breakeven levels on an individual basis. Service provider profitability varies dramatically based on their own operations and economies of scale. However, UTOPIA Fiber recommends that service providers grow beyond 1,000 residential customers in order to be financially sustainable.

*Does UTOPIA Fiber participate in the federal Affordable Connectivity Program (ACP)? How do service providers receive federal subsidies under the ACP?*

UTOPIA Fiber does not directly participate in the ACP, but service providers on UTOPIA Fiber may participate in ACP. Service Providers are charged the same transport fees for ACP and non-ACP subscribers. Service Providers participating in ACP are responsible for adjusting customer

retail pricing, maintaining eligibility, and coordinating with federal organizations to receive the appropriate reimbursements.

## Technology Questions

*Please elaborate on the type of network UTOPIA Fiber maintains.*

The UTOPIA Network is an Active Ethernet network. The customer will have or be installed with a customer premise equipment (CPE) that hands off a layer 2 service to the customer. For residential customers up to 1G the default is a copper handoff from the CPE. The customer then needs to plug their router or an ISP rental/provided router into the CPE to get service. These layer 2 services are backhauled to the provider NNI at the datacenter they choose to meet us at. We offer options to provide individual layer 2 services per customer or aggregated layer 2 services based on County boundaries. UTOPIA Fiber also provides the option for the provider to have flat data/VoIP/IPTV services on different layer 2 services that are handed off on different CPE ports. Jumbo frames, Q-in-Q (also known as 802.1Q tunneling), and multicast options are available for business customers.

*What is the appropriate length of time expected for storing historical logs of IP addresses to MAC addresses for subscribers? What about inactive subscribers?*

Historical logs of IP addresses to MAC addresses for subscribers should be kept for 6 months. This includes inactive subscribers. This is for CALEA and/or law enforcement purposes.

*Please elaborate on the NNI requirement of one 10Gbps connection and the NNI pricing structure.*

UTOPIA Fiber does not require multiple NNIs per customer type (separate NNIs for residential and business customers) but does require a minimum of 10Gbps to provide residential service. A 10Gbps NNI with UTOPIA Fiber costs \$5,000.00 USD per month. The NNI fee is based on the aggregate bandwidth of all customers based on the 95th percentile looking backward over the past 30 days. A copy of the NNI pricing structure will be posted on our website alongside this question guide and the original RFP document.

## Marketing Questions

*Please elaborate on the requirement to describe how our company will differentiate ourselves in the UTOPIA Fiber network marketplace.*

Some ways that providers have available to differentiate themselves are price, offering a managed router service, peering with other networks, privacy policies, installing and managing a Wi-Fi service for the customer, enhanced customer service (such as in-home assistance), or other services and bundles (such as IPTV and VoIP) that the provider can offer that utilize the existing connectivity. This isn't an exhaustive list and is only a few examples we have seen from other providers.