

March 9, 2021

VIA ELECTRONIC SUBMISSION

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 45 L Street NE Washington, DC 20554

RE: Rural Digital Opportunity Fund, WC Docket No. 19-126; Connect America Fund, WC Docket No. 10-90; The Rural Digital Opportunity Fund Auction, AU Docket No. 20-34;

Dear Ms. Dortch:

On March 8, the undersigned, along with Aaron Bennett, Vice President Broadband Development, NRTC, met by teleconference with Ramesh Nagarajan, Acting Legal Advisor, Wireline to Acting Chairwoman Rosenworcel to discuss concerns with specific subsets of initial winning bidders in the Rural Digital Opportunity Fund (RDOF) Phase I Auction.

Specifically, NRECA and NRTC reiterated concerns raised in our letter and whitepaper, *The Rural Digital Opportunity Fund: Rural America's Broadband Hopes at Risk*,¹ regarding the substantial subset of bids in the RDOF Phase I auction awarded to fixed wireless Gigabit tier bidders and low-earth-orbit (LEO) satellite providers bidding at the 100/20 Mbps tier.² We are asking for a thorough and transparent vetting process to ensure these technologies will meet their respective performance tiers for all locations within each of the census block groups they have been tentatively awarded.

The technological ability of the proposed gigabit fixed wireless bids to fully cover census block groups throughout the country with full consideration for terrain, foliage, and approved oversubscription ratios is not only completely unproven, but it also has yet to be fully explained in an acceptable way.

Regarding, LEO satellite, the service is still primarily in the beta testing phase, it has yet to demonstrate consistent 100/20 Mbps performance levels to all beta test users, and Starlink has admitted that it does not yet have a functional voice service, required of RDOF winners.

The FCC stated in its Auction Procedures Public Notice that "Auction 904 is not the appropriate venue to test unproven technologies using universal service support."³ Despite this, both unproven

¹ NRTC & NRECA, *The Rural Digital Opportunity Fund: Rural America's Broadband Hopes at Risk*, filed February 2, 2021, available at: <u>https://www.fcc.gov/ecfs/filing/10202734510982</u>.

 $^{^2}$ Briefly discussed on the call also were concerns about some incumbent LECs who failed to meet CAF II 10/1 Mbps buildout requirements despite receiving much higher support levels and who now won initial RDOF bids to deploy Gigabit level service for much lower support raising concern this is a long road to another default that will block all State and Federal funding support for these areas for the next 6-10 years. Large cable providers also won very low bids for rural area they have never shown interest in serving, which raises concern about them actually follow up on these commitments.

³ *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020*, Notice and Filing Requirements and Other Procedures for Auction 904, AU Docket No. 20-34 et. al., (rel. June 11, 2020) (*"Auction Procedures Public Notice"*), ¶¶ 98-99.

technologies were allowed to bid and win in their respective speed tiers. We agree with the statement in the Public Notice and simply ask the FCC to adhere to it.

Separately, we reiterated concerns raised in our letter and white paper, regarding the substantial subset of bids in the RDOF Phase I auction awarded to bidders that lack the capital and human resources to fully execute the commitments they have made across wide swaths of rural areas in many states.

NRECA and NRTC fully support responsibly designed Fixed Wireless and Satellite technologies. NRECA members and NRTC have a long and successful history of delivering services to rural America with both technologies. Both technologies are vital tools in the toolbox to help bridge the digital divide when their real-world abilities are taken into consideration.

NRECA and NRTC also reiterated that none of these concerns arise from competitive desires. NRECA and NRTC celebrate any technology or company that actually delivers robust and lasting broadband services to rural Americans. The concern is quite simply that without thorough and transparent vetting of these applications, these rural areas awarded to bidders described above will not actually receive the services promised and will also be locked out of any additional funding support for 6-10 years. The review must be completed in a timely fashion. The worst possible outcome for these rural communities would be for the agency to take eight months or more to determine any initial winning bidder is unqualified. During the review period, these areas are likely precluded from consideration for any additional federal broadband funding. That means these unserved areas could not only lose out on RDOF funding but would also be excluded from the Rural Utility Service's ReConnect Round 3 and other broadband funding programs established in the December 2020 stimulus bill and administered by NTIA, and potential state broadband funds. This cannot be allowed to happen.

If a significant number of initial RDOF awardees are deemed unqualified during the long-form review, we urge the FCC to hold an RDOF "Phase 1.5" auction just for these areas in which there were multiple bidders to mitigate the delay of funding to areas that otherwise would have been covered by disqualified applications.

Thank you for your attention to this correspondence. Please contact the undersigned if you have any questions about this submission. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Brian M. O'Hara Senior Director Regulatory Issues – Telecom and Broadband NRECA

cc: Ramesh Nagarajan