



PUBLIC NOTICE

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DA 16-30

Released: January 12, 2016

RURAL BROADBAND EXPERIMENT SUPPORT AUTHORIZED FOR WINNING BID SUBMITTED BY SKYBEAM, LLC

WC Docket No. 10-90
WC Docket No. 14-259

By this Public Notice, the Wireline Competition Bureau (Bureau) authorizes rural broadband experiment support for Skybeam, LLC for the winning bid identified in the Attachment to this Public Notice. The \$569,795.93 in support that we authorize today will bring new broadband service to 265 census blocks in Iowa.

On December 5, 2014, the Bureau announced the first round of provisionally selected bidders for the rural broadband experiments.¹ On March 4, 2015, the Bureau announced a second round of provisionally selected bidders.² The Commission requires provisionally selected bidders to submit, by specified deadlines, and to certify as accurate, certain technical and financial information as well as a letter of credit (LOC) commitment letter from a bank meeting the Commission's requirements, a Bankruptcy Code opinion letter from legal counsel, and proof of eligible telecommunications carrier (ETC) designation in all areas for which they will receive support.³ Absent waiver, the failure to timely provide such information and materials constitutes default and warrants removal of the bidder's project from any further consideration for RBE support.

On September 15, 2015, after reviewing the post-selection submissions, the Bureau announced that it was ready to authorize support for 13 specific provisionally selected bids, including the winning bid identified in the Attachment. As a condition of authorization, Skybeam was required to submit, by September 29, 2015, at least one acceptable irrevocable stand-by LOC and Bankruptcy Code opinion letter from legal counsel.⁴

¹ *Wireline Competition Bureau Announces Entities Provisionally Selected for Rural Broadband Experiments; Sets Deadlines for Submission of Additional Information*, WC Docket No. 10-90, Public Notice, 29 FCC Rcd 14684 (WCB 2014).

² *See Wireline Competition Bureau Announces Additional Provisionally Selected Bidders for Rural Broadband Experiments and Sets Deadlines for Submission of Additional Information*, WC Docket Nos. 10-90 and 14-259, Public Notice, 30 FCC Rcd 2045 (WCB 2015).

³ *Connect America et al.*, WC Docket Nos. 10-90 and 14-58, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8769, 8778-79, 8787-88, paras. 22-23, 52, 54 (2014) (*Rural Broadband Experiments Order*).

⁴ *Wireline Competition Bureau Announces Rural Broadband Experiments Support for 13 Provisionally Selected Bids is Ready to Be Authorized and Releases Updated Frequently Asked Questions*, WC Docket Nos. 10-90 and 14-259, Public Notice, 30 FCC Rcd 5038 (WCB 2015); *see also id.* (granting Skybeam's request for waiver of the deadline for filing proof of ETC status based on good faith efforts to comply).

For the winning bid identified in the Attachment, the Bureau has reviewed the submissions, including the LOC and Bankruptcy Code opinion letter from Skybeam’s legal counsel. Based on the representations and certifications in the application, the Bureau now authorizes support for the winning bid listed in the Attachment. A list of the relevant census blocks is available at <https://www.fcc.gov/encyclopedia/rural-broadband-experiments>.

Upon issuance of this Public Notice, the Universal Service Administrative Company (USAC) is directed and authorized to obligate and disburse from the Connect America reserve account the support amounts identified in the Attachment to Skybeam. Because Skybeam elected to receive 30 percent of the total support upfront in exchange for meeting accelerated deployment obligations, USAC shall disburse 30 percent of the total support amount with the first monthly payment and disburse the remaining 70 percent of its support in 120 equal monthly installments over the 10-year term.⁵ USAC will make disbursement payments to the account on file for the 498 ID (formerly Service Provider Identification Number) associated with the rural broadband experiment study area code (SAC).

We remind Skybeam that a winning bidder that has been authorized to receive rural broadband experiment support will default if it fails to meet its build-out obligations to offer service delivering the requisite speed, latency, usage and pricing, fails to keep open and renew its LOC, or fails to fulfill any other term or condition of rural broadband experiment support.⁶ Under the terms of the LOC, the Commission will be entitled to draw upon the LOC after a recipient’s default and opportunity to cure.⁷ Recipients may also be subject to other sanctions for non-compliance with the terms and conditions of the rural broadband experiments or the Commission’s rules.⁸

We note that price cap carriers that serve the census blocks where the rural broadband experiment winning bidders have been authorized to receive support no longer have a federal high-cost ETC obligation to continue to offer voice in those census blocks pursuant to the forbearance granted in the *December 2014 Connect America Order*.⁹

For further information, please contact Nissa Laughner, Telecommunications Access Policy Division, Wireline Competition Bureau at 202-418-7400 or at TTY (202) 418-0484.

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⁵ *Rural Broadband Experiments Order*, 29 FCC Rcd at 8794, para. 75.

⁶ *Rural Broadband Experiments Order*, 29 FCC Rcd at 8799, para. 90.

⁷ *Id.* at 8799, paras. 92–93.

⁸ *Id.* at 8800, paras. 94, 96.

⁹ *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order, 29 FCC Rcd 15644, 15663–71, paras. 50–70 (2014); *see also* 47 CFR § 54.201(d)(3). We will remove these census blocks from the list of census blocks where price cap carriers continue to have the federal high-cost ETC obligation to provide voice service. The “List of Census Blocks Subject to Federal High-Cost Voice Obligations” is available at <https://www.fcc.gov/encyclopedia/price-cap-resources>.

Attachment
Authorized Winning Bidder and Bid

Category One¹⁰

Bidder Name	State	Selected Bid Project ID	Selected Bid Amount	Census Blocks Covered by Selected Bid	Number of Covered Locations	Study Area Code
Skybeam, LLC ¹¹						
	IA	10 ¹²	\$569,795.93	265	794	356136

¹⁰ Recipients authorized to receive support for category one projects must deploy a network capable of delivering 100 Mbps downstream/25 Mbps upstream and offer at least one service plan that provides 25 Mbps downstream/5 Mbps upstream to all eligible locations. For that service plan, recipients must provide usage that is reasonably comparable to usage available for comparable wireline offerings in urban areas, at a price that meets the Commission's reasonable comparability benchmarks, and latency no greater than 100 milliseconds.

¹¹ The Bureau previously authorized Skybeam to begin receiving rural broadband experiment support for bids numbers 2, 3, 7 and 8. *Rural Broadband Experiment Support Authorized for Ten Winning Bids for Skybeam, LLC, Consolidated Communications Networks, Inc., Delta Communications LLC, and Allamakee-Clayton Electric Cooperative, Inc.*, WC Docket Nos. 10-90 and 14-259, Public Notice, 30 FCC Red. 8283 (WCB 2015). Skybeam withdrew bid number 6 from further consideration. See Letter from Jeff Kohler, Chief Development Officer, Skybeam, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90 and 14-259 (filed Mar. 30, 2015).

¹² The Bureau has adjusted the bid amount as well as the census block and location counts to account for Skybeam's withdrawal of two Nebraska census blocks (containing three covered locations) from its bid. See Letter from Jeff Kohler, Chief Developmental Officer, Skybeam, LLC to Marlene K. Dortch, Secretary, FCC, WC Docket Nos. 10-90 and 14-259 (Dec. 15, 2015), <http://apps.fcc.gov/ecfs/comment/view?id=60001331710>.