



PUBLIC NOTICE

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WAVELENGTH'S RURAL DIGITAL OPPORTUNITY FUND BIDS IN DEFAULT ANNOUNCED

AU Docket No. 20-34
WC Docket No. 19-126
WC Docket No. 10-90

By this Public Notice, the Wireline Competition Bureau (WCB or Bureau) and the Office of Economics and Analytics (OEA) announce that Wavelength LLC, a Rural Digital Opportunity Fund (RDOF or Auction 904) long-form applicant, has defaulted. The long-form applicant's defaulted bids are identified in Attachment A.

On December 7, 2020, we announced that there were 180 winning bidders in the auction and established the deadlines for winning bidders to submit their long-form applications for RDOF support.¹ Winning bidders had the opportunity to assign some or all of their winning bids to related entities by December 22, 2020.² All winning bidders that retained their winning bids and all related entities that were assigned winning bids were required to submit long-form applications by January 29, 2021.³ On February 18, 2021, we announced that there were 417 long-form applicants.⁴ Long-form applicants must file "more extensive information" than was required in their short-form applications in order to "demonstrat[e] to the Commission that they are legally, technically, and financially qualified to receive support."⁵ The Commission conducts an in-depth review of timely submitted applications both for completeness and compliance with the Commission's rules *and* to determine whether an applicant is financially and technically qualified for support.⁶ If a long-form applicant is found ineligible or unqualified to receive support, the applicant will be announced in default and subject to forfeiture.⁷

¹ *Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced; FCC Form 683 Due January 29, 2021*, AU Docket No. 20-34 et al., Public Notice, 35 FCC Rcd 13888 (WCB and OEA 2020) (*Auction 904 Closing Public Notice*).

² *Id.* at 13890-91, paras. 9-14.

³ *Id.* at 13892-93, para. 16.

⁴ *417 Long-Form Applicants in the Rural Digital Opportunity Fund Phase I Auction (Auction 904)*, AU Docket No. 20-34, Public Notice, 36 FCC Rcd 4140 (WCB and OEA 2021) (*Auction 904 Long-Form Applicants Public Notice*).

⁵ *Rural Digital Opportunity Fund et al.*, Report and Order, 35 FCC Rcd 686, 717, para. 68 (2020) (*Rural Digital Opportunity Fund Order*).

⁶ *Id.* at 722, 725 paras. 79, 86 (noting that the long-form application process "will provide an in-depth extensive review of the winning bidders' qualifications" and that long-form applicants "are required to submit extensive information detailing their respective qualifications in their long-form applications, allowing for a further in-depth review of their qualifications prior to authorization of support"). See also *Rural Digital Opportunity Fund Phase I*

(continued...)

Wavelength - Arizona. The Bureau has concluded its review of Wavelength’s long-form application in Arizona. Wavelength proposes to deploy service to 12,418 estimated RDOF locations in Arizona. The Bureau has determined that, based on the totality of the long-form application and its inadequate responses to the Bureau’s follow-up questions, Wavelength has failed to demonstrate that it is financially qualified to receive support to meet its RDOF program obligations in the areas where it has winning bids in Arizona. The Commission has an obligation to protect limited Universal Service Funds and to avoid extensive delays in providing needed service to rural areas, including by not subsidizing risky proposals that propose deployment plans that are unrealistic or that are predicated on aggressive assumptions and predictions. Accordingly, we deny Wavelength’s long-form application in Arizona, and Wavelength is in default on all winning bids not already announced as defaulted, as listed in Attachment A. We will refer these defaults to the Enforcement Bureau for further consideration.

A defaulter is subject to a base forfeiture per violation of \$3,000.⁸ A violation is defined as any form of default with respect to the census block group. In other words, there shall be separate violations for each census block group assigned in a bid.⁹ So that this base forfeiture amount is not disproportionate to the amount of a winning bidder’s bid, the Commission has limited the total base forfeiture to 15% of the bidder’s total assigned support for the bid for the support term.¹⁰ Notwithstanding this limitation, the total base forfeiture will also be subject to adjustment upward or downward based on the criteria set forth in the Commission’s forfeiture guidelines.¹¹

Further Information Contact:

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Auction Scheduled for October 29, 2020; Notice and Filing Requirements and Other Procedures for Auction 904, Public Notice, 35 FCC Rcd 6077, 6112, para. 97 (2020) (*Auction 904 Procedures Public Notice*) (explaining the Commission’s expectation that “the more in-depth long-form application process will further minimize the risk of authorizing an unqualified applicant”); *Auction 904 Closing Public Notice*, 35 FCC Rcd at 13888, 13895, para. 18 (“Timely submitted applications will be reviewed by Commission staff for completeness and compliance with the Commission’s rules and to determine if the long-form applicant has demonstrated that it is technically and financially qualified to fulfill its Rural Digital Opportunity Fund public interest obligations if authorized to receive support.”).

⁷ *Auction 904 Procedures Public Notice*, 35 FCC Rcd at 6178, para. 321. See also *id.* at 6116, para. 108 (noting “an applicant will be deemed in default if at the long-form application stage, Commission staff determines the applicant is not reasonably capable of meeting the public interest obligations associated with its winning bids”); *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 735, para. 114; *Auction 904 Closing Public Notice*, 35 FCC Rcd at 13895 para. 18 (explaining that “[i]f a long-form applicant ultimately fails to provide all the required information or demonstrate that it is technically and financially qualified, [the Bureau] will release a public notice identifying the applicant and the winning bids that are considered in default”).

⁸ *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 735-36 para. 115; *Auction 904 Procedures Public Notice* 35 FCC Rcd at 6178, para. 332.

⁹ *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 735, para. 115; *Auction 904 Procedures Public Notice*, 35 FCC Rcd at 6178, para. 322.

¹⁰ *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 736, para. 117; *Auction 904 Procedures Public Notice*, 35 FCC Rcd at 6178, para. 322.

¹¹ See 47 U.S.C. § 503(b)(2)(B); 47 CFR § 1.80(b)(10), note to paragraph (b)(10); *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 736, para. 115; *Auction 904 Procedures Public Notice*, 35 FCC Rcd at 6178, para. 322.

General Universal Service Information**Wireline Competition Bureau,
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Auction 904 Information

General Auction Information, Process, and
Procedures

**Office of Economics and Analytics,
Auctions Division**

(717) 338-2868

Post-Auction Rules, Policies, and Regulations

**Office of Economics and Analytics,
Auctions Division**

(202) 418-0660

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FCC Internet Sites

<http://www.fcc.gov>

<https://www.fcc.gov/auction/904>

This Public Notice contains the following attachment:

[Attachment A: Bids in Default](#)

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