

Media Contact: Mark Wigfield, (202) 418-0253 mark.wigfield@fcc.gov

For Immediate Release

FairPoint Accepts \$37.4 Million in Annual Support from Connect America Fund to Expand and Support Broadband for Over 200,000 Consumers in 14 States

WASHINGTON, August 19, 2015 – FairPoint Communications Inc. has accepted \$37,430,669 in annual, ongoing support from the Connect America Fund to expand and support broadband for over 200,000 of its rural customers.

The Connect America Fund support will enable FairPoint to deliver broadband at speeds of at least 10 Mbps for downloads and 1 Mbps uploads to over 105,000 homes and businesses in its rural service areas where the cost of broadband deployment might otherwise be prohibitive.

"FairPoint's decision to accept support from the Connect America Fund will greatly benefit its rural customers by expanding robust broadband in their communities," said FCC Chairman Tom Wheeler. "The Connect America Fund is delivering on its promise of ensuring that all Americans have access to the opportunities provided by modern broadband service, no matter where they live."

| State | Homes and Businesses Served | Amount of Funding | |
|-----------------|--------------------------------|-------------------|--|
| FairPoint Total | 105,220 | \$ 37,430,669 | |
| | | | |
| AL | 1,601 | \$ 806,445 | |
| FL | 4,321 | \$ 1,854,554 | |
| IL | 1,711 | \$ 1,086,151 | |
| MA | 252 | \$ 63,258 | |
| ME | 35,500 | \$ 13,289,220 | |
| MO | 3,503 | \$ 1,689,794 | |
| NH | 13,131 | \$ 4,376,606 | |
| NY | 8,807 | \$ 2,505,011 | |
| ОН | 1,247 | \$ 420,997 | |
| OK | 650 | \$ 215,303 | |
| PA | 467 | \$ 155,938 | |

Below is the amount of annual support provided by the offer and number of homes and businesses served by municipality:

| VA | 2,440 | \$ 857,021 |
|----|--------|-----------------|
| VT | 28,399 | \$ 8,789,359 |
| WA | 3,191 | \$ 1,321,014 |

Like telephone service in the 20th Century, broadband has become essential to life in the 21st Century. But, according to the FCC's latest Broadband Progress Report, nearly one in three rural Americans lack access to 10/1 broadband, compared to only one in 100 urban Americans. The Connect America Fund is designed to close that rural-urban digital divide.

The FCC's traditional universal service program succeeded in ensuring telephone network coverage in rural America by providing subsidies where the cost of service would otherwise be prohibitive. In late 2011, the FCC modernized the program to support networks capable of providing broadband and voice services, and created the Connect America Fund to efficiently and effectively administer that support to expand broadband in rural areas where market forces alone can't support expansion.

Over the next six years, Phase II of Connect America will provide more than \$10 billion to expand broadband-capable networks throughout rural America nationwide, all without increasing the cost of the program to ratepayers. Overall, the FCC's Universal Service Fund allocates \$4.5 billion annually through various universal service programs for high-cost areas to support voice-and broadband-capable networks in rural America.

Carriers receiving Connect America Fund support must build out broadband to 40 percent of funded locations by the end 2017, 60 percent by the end of 2018, 80 percent by the end of 2019, and 100 percent by the end of 2020.

###

Office of Media Relations: (202) 418-0500 TTY: (888) 835-5322 Twitter: @FCC <u>www.fcc.gov/office-media-relations</u>

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).