



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

August 3, 2018

The Honorable Michael Bennet
United States Senate
458 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Bennet:

Thank you for your letter on the importance of high-speed, reliable, affordable broadband for rural communities in the 21st century economy. In my first remarks to FCC staff as Chairman, I declared that my highest priority would be making sure every American who wants high-speed Internet access can get it. Rural Americans deserve the same digital access as those living in urban areas. That is why the Commission has made every effort to bring digital opportunity to all Americans.

I am glad that you highlight the Commission's Connect America Fund Phase II auction in your letter. As you may know, the Commission decided to hold such an auction in 2011, but it was not until last year that we began to devise that auction in earnest. And I'm pleased that the \$1.98 billion auction to build out high-speed Internet access to unserved rural Americans kicked off last month.

We aim to ensure that all interested providers capable of delivering reliable, affordable, high-speed broadband to eligible areas are permitted to compete for CAF II auction funding. The Commission adopted auction rules that encourage a variety of providers—including wireless Internet service providers, small-town cable operators, electric co-operatives, and others—to compete for support. And those same rules reward those willing to offer higher-quality services to rural America—all the way up to 1 gigabit per second. To foster full participation, Commission staff conducted outreach about the auction and the application process, including hosting an Auction Application Workshop on March 14, 2018 for all interested parties, meeting with representatives from various industry groups and state and local governments, conducting auction-related webinars, and publishing an online tutorial. The Commission has urged prospective applicants to carefully review the Commission's orders and public notices relating to the Connect America Fund and has made auction-related documents available online and at the Commission's headquarters.

On June 25, 2018, the Rural Broadband Auctions Task Force, the Wireless Telecommunications Bureau and the Wireline Competition Bureau announced that 220 applicants had qualified to bid in the auction. This Public Notice, as well as other information about the auction, is available on the Commission's website at www.fcc.gov/auctions/903. Qualified bidders include small and large telecommunications companies, cable companies, wireless Internet service providers, and electric co-operatives, and certain information about the

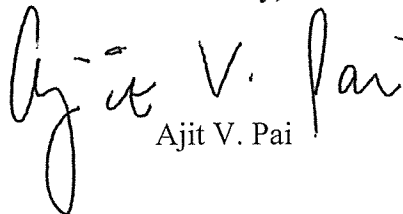
applicants is publicly available. However, to preserve the integrity of the auction, additional information about the bidders—including the states and service tiers for which they are eligible to bid—will remain confidential until after the auction.

As they did for the short-form application process, the Rural Broadband Task Force, the Wireless Telecommunications Bureau, and the Wireline Competition Bureau provided step-by-step instructions and assistance to qualified bidders to ensure they are prepared to participate in the auction. They have published a user guide and tutorial online and conducted a workshop and mock auction so that bidders could learn how the bidding system works. Further instructions about completing the long-form application and addressing regulatory requirements will be provided to winning bidders at the close of the auction.

I should note that the CAF Phase II auction is not the last opportunity to ensure broadband reaches all Coloradans. We then plan to move on to the Remote Areas Fund for those areas still without high-speed broadband—and we will ensure that any funding originally intended for Colorado that is not allocated to Colorado in the CAF Phase II auction will be available in that second auction. Additionally, the Commission has moved aggressively over the past 18 months on many fronts to modernize its regulations in order to promote greater Internet access. Among other things, we have made it easier and cheaper for new entrants to attach broadband equipment to utility poles; have streamlined the rules for wireless infrastructure to promote deployment; have made it easier for companies to shift investment from the fading copper networks of yesterday toward the resilient fiber networks of the future; have approved the first-ever non-geostationary satellite constellations that aim to provide high-speed access to rural areas; and have made available more wireless spectrum in order to promote high-speed mobile broadband services that consumers increasingly rely upon.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Ajit V. Pai