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#### For Immediate Release

# CONNECT AMERICA FUND AUCTION TO EXPAND BROADBAND TO OVER 700,000 RURAL HOMES AND BUSINESSES

### Auction Allocates \$1.488 Billion To Close the Digital Divide

WASHINGTON, August 28, 2018—Over 700,000 rural homes and small businesses will gain access to high-speed Internet service for the first time through the Federal Communications Commission's Connect America Fund Phase II auction, auction results released today show, and more than half of those 713,176 locations will have service available with download speeds of at least 100 megabits per second.

The auction allocated \$1.488 billion in support to be distributed over the next 10 years to expand rural broadband service in unserved areas in 45 states. A total of 103 providers won support from the Connect America Fund to expand broadband in rural areas where, absent this funding, this type of broadband expansion and ongoing service would not be economically feasible.

"The successful conclusion of this first-of-its kind auction is great news for the residents of these rural communities, who will finally be able to share in the 21<sup>st</sup>-century digital opportunities that broadband provides," said FCC Chairman Ajit Pai. "By tapping the mechanisms of the marketplace, the Phase II auction served as the most appropriate and cost-effective way to allocate funding for broadband in these unserved communities, bringing the highest-quality broadband services to the most consumers at the lowest cost to the ratepayer."

The auction encouraged innovation and deployment of robust service by giving providers the flexibility to use any broadband technology to meet the FCC's buildout and performance standards for fixed service. The auction design included a weighted preference for service with higher speeds, higher usage allowances, and lower latency.

As a result, 53% of all homes and businesses served with support from the auction will have broadband available with download speeds of at least 100 megabits per second. 19% will have gigabit service available. And 711,389 locations—all but 0.25%—will have at least 25 Mbps service available, more than twice the 10 Mbps minimum standard for the Connect America Fund program.

The auction also unleashed robust price competition that means more locations will be served at less cost to Americans who pay into the Fund. Although the 713,176 locations assigned had an initial reserve price of \$5 billion over the next decade, the final price tag to cover these locations is now only \$1.488 billion.

Providers must build out to 40 percent of the assigned homes and businesses in a state within

three years of becoming authorized to receive support. Buildout must increase by 20 percent in each subsequent year, until complete buildout is reach at the end of the sixth year.

The Connect America Fund Phase II auction is part of a broader effort by the FCC to close the digital divide in rural America. In addition to the funding that will provided by this auction, the Commission is working toward the launch of a \$4.53 billion Mobility Fund Phase II auction to expand 4G LTE wireless coverage throughout rural America. And the Connect America Fund is in the midst of providing over \$9 billion over a six-year period for rural broadband in areas served by large carriers.

In addition to modernizing its support programs, the FCC is also working to reduce the cost of broadband deployment by eliminating needless regulatory barriers and by freeing up more spectrum for wireless broadband.

On the following pages are the results of the Connect America Fund Phase II auction by state. A separate chart below lists winning bidders. More information is available at <u>https://www.fcc.gov/auction/903</u>. A map of winning bids is available at <u>https://www.fcc.gov/reports-research/maps/caf2-auction903-results/</u>

# TOTAL 10-YEAR SUPPORT BY STATE

State	Total Assigned Support	Winning Bidders	Locations Assigned
AL	\$5,384,813	2	9,354
AR	\$51,988,094	5	16,048
AZ	\$28,400,478	3	7,285
CA	\$149,026,913	5	51,682
CO	\$17,405,627	5	11,001
СТ	\$0	0	0
DC	\$0	0	0
DE	\$1,336,400	2	1,343
FL	\$5,032,841	1	9,859
GA	\$6,264,362	1	13,815
HI	\$18,160,638	1	3,936
IA	\$54,287,717	7	16,759
ID	\$14,320,176	3	10,921
IL	\$99,729,909	9	32,124
IN	\$29,117,494	6	24,530
KS	\$46,798,657	7	13,817
KY	\$3,120,985	3	4,609
LA	\$4,649,962	2	5,221
MA	\$13,388,288	4	6,644
MD	\$10,219,148	3	7,418
ME	\$4,713,986	1	4,098
MI	\$33,892,020	5	21,451
MN	\$38,863,791	16	11,979
MO	\$254,773,118	11	95,130
MP	\$0	0	0
MS	\$5,484,606	2	13,899
MT	\$9,193,477	2	6,598
NC	\$679,130	1	368
ND	\$7,226,602	2	1,603
NE	\$41,117,139	4	8,900
NH	\$0	0	0
NJ	\$1,621,782	1	510
NM	\$26,232,783	5	12,452
NV	\$29,322,147	4	14,235
OH	\$13,186,434	3	6,420
OK	\$113,599,114	12	70,727
OR	\$13,730,297	2	10,479
PA	\$56,831,061	5	54,812

RI	\$475,303	1	165
SC	\$233,490	1	80
SD	\$5,086,429	2	927
TN	\$8,457,337	5	3,290
TX	\$82,420,436	4	35,933
UT	\$6,330,099	2	3,817
VA	\$108,923,613	5	39,896
VT	\$0	0	0
WA	\$19,943,507	4	16,644
WI	\$4,709,505	4	7,789
WV	\$11,997,199	3	7,962
WY	\$30,652,957	7	16,646
Total	\$1,488,329,864		713,176

Note: Alaska, New York, Puerto Rico, and the U.S. Virgin Islands are not included in the auction.

### WINNING BIDDERS

	Total Assigned		
Bidder	Support	Locations	States
3E8 Broadband Solutions, LLC	\$3,621,847	811	1
Air Link Rural Broadband, LLC	\$11,371,438	2,321	1
Allen's T.V. Cable Service, Inc.	\$1,776,733	794	1
AMG Technology Investment Group LLC	\$281,283,794	100,661	6
ArisWave Consortium	\$12,298,811	7,680	5
Armstrong Telephone Company - Northern Division	\$2,642,413	1,949	1
Barry Electric Cooperative	\$6,103,454	2,308	1
BEK Communications Cooperative	\$1,182,155	534	1
Ben Lomand Communications, LLC	\$333,797	171	1
Benton Ridge Telephone Company	\$52,371,819	23,957	3
Bloosurf, LLC	\$5,468,497	5,091	2
Broadband Corp	\$428,117	128	1
Bruce Telephone Company, Inc.	\$177,933	34	1
Cal.net, Inc.	\$50,516,652	20,859	1
California Internet, L.P.	\$87,832,403	11,845	2
Casey Mutual Telephone Company	\$244,923	107	1
Chariton Valley Communications Corporation	\$4,179,666	847	1
Cincinnati Bell Inc.	\$1,098,830	342	2
Citynet LLC	\$6,517,708	898	1
ClearSKY Systems, Inc.	\$127,414	207	1
Commnet Wireless, LLC	\$79,941,691	31,824	6
Computer 5 Inc. d/b/a LocalTel Communications	\$6,847,092	1,910	1
Consolidated Telephone Company	\$934,934	358	1
Consortium 903	\$5,357,649	13,657	1
Crocker Communications, Inc.	\$1,193,077	404	1
Crystal Automation Systems, Inc.	\$27,299,087	17,610	1
Declaration Networks Group, Inc	\$6,784,141	5,383	2
Echo Wireless Broadband, Inc.	\$5,475,911	1,717	2
Farmers Mutual Telephone Company	\$348,992	163	1
Federated Telephone Cooperative	\$1,431,039	808	1
Fidelity Communications Company	\$72,827	19	2
Fond du Lac Reservation Business Committee	\$55,011	13	1
Frontier Communications Corporation	\$51,553	23	1
Garden Valley Telephone Company	\$880,346	95	1
Gila Local Exchange Carrier, Inc.	\$104,499	29	1
Halstad Telephone Company	\$19,635	7	1
Hankins Information Technology	\$1,911,329	1,083	1

Hanson Communications, Inc.	\$205,818	35	1
Hardy Telecommunications, Inc	\$47,435	7	1
Hawaiian Telcom, Inc.	\$18,160,638	3,936	1
Hilliary Communications Consortium	\$3,992,041	1,335	2
HolstonConnect, LLC	\$535,417	517	1
Horry Telephone Cooperative, Inc.	\$233,490	80	1
IdeaTek Telcom, LLC	\$6,186,882	2,490	1
Illinois Electric Cooperative	\$2,276,419	804	1
Independent Networks, Inc.	\$288,834	123	1
Interstate Telecommunications Cooperative, Inc.	\$552,330	209	1
Inventive Wireless of Nebraska, LLC	\$5,240,646	1,692	3
Jaguar Communication, Inc	\$510,588	672	1
JCWIFI.com LLC	\$486,424	175	1
Johnson Telephone Company	\$81,273	47	1
Lake Region Technology & Communications, LLC	\$4,024,501	2,247	1
LTD Broadband LLC	\$1,264,673	1,407	5
Maquoketa Valley Rural Electric Cooperative	\$2,262,039	1,107	1
Mark Twain Communications Company	\$3,053,366	676	1
Mercury Wireless	\$4,610,330	11,092	5
Meriwether Lewis Connect LLC	\$1,183,627	290	1
MGW Networks, LLC	\$417,807	238	1
Midcontinent Communications	\$38,902,342	9,371	3
Mid-States Services, LLC	\$1,868,060	358	1
Mountain West Technologies Corporation	\$2,658,057	550	1
Mutual Telephone Company of Sioux Center, Iowa	\$627,920	191	1
NBVDS Investment, L.L.C.	\$2,776,942	667	1
NE Colorado Cellular, Inc.	\$3,097,732	807	3
Newmax, LLC dba Intermax Networks	\$11,556,872	7,952	2
Northern Arapaho Tribal Industries	\$4,070,664	849	1
Orange County REMC	\$10,200,496	4,046	1
Otelco, Inc.	\$921,505	772	1
Paul Bunyan Rural Telephone Cooperative	\$1,313,543	315	1
PC Telcorp, Inc.	\$387,303	33	1
Perry-Spencer Rural Telephone Cooperative,	\$307,303	35	1
Inc.	\$1,182,426	359	1
Pine Cellular Phones, Inc.	\$4,695,551	1,979	1
Plains internet, LLC	\$6,153,040	4,642	3
Red Spectrum Communications LLC	\$521,715	185	1
Redwire, Inc.	\$4,766,846	8,041	1
Roseau Electric Cooperative, Inc.	\$2,081,770	326	1
RTC Communications Corp	\$1,326,394	1,203	1
Rural Electric Cooperative Consortium	\$186,022,490	66,322	8

Shawnee Communications, Inc.	\$1,714,708	567	1
Sunset Digital Communications, Inc.	\$29,575,007	9,093	2
SW DinehNet LLC	\$2,038,738	869	1
SyncWave, LLC	\$24,844	21	1
Tombigbee Communications, LLC	\$1,691,879	279	1
Total Highspeed LLC	\$640,560	386	1
Townes Wireless, Inc.	\$190,098	20	1
Tri County Rural Electric Cooperative, Inc.	\$32,326,228	7,015	1
Tri County Telephone Association, Inc.	\$7,017,178	3,186	2
Tri-County Electric Cooperative	\$117,784	106	1
Twin Valley Communications, Inc	\$45,610	9	1
Union Telephone Company	\$5,437,562	1,468	1
Valley Communications Association, LLC	\$404,754	153	1
Velocity.Net Communications, Inc.	\$230,016	39	1
Verizon Communications Inc.	\$9,476,934	3,361	7
Viasat, Inc.	\$122,499,877	190,595	20
Wabash Independent Networks, Inc.	\$669,462	359	1
West Central Telephone Association	\$611,934	532	1
Westfield Gas & Electric Light Department	\$10,325,401	5,163	1
Wikstrom Telephone Company	\$532,557	56	1
Wilkes Telephone Membership Corporation	\$32,820,017	13,886	2
Winnebago Cooperative Telecom Association	\$179,957	101	1
Wisper ISP, Inc	\$220,319,375	80,149	6
Wood County Telephone Company d/b/a			
Solarus	\$81,920	15	1
WPS	\$324,009	954	1
Total	\$1,488,329,864	713,176	

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