

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020; Notice and Filing Requirements for Auction 904, AU Docket No. 20-34; WC Docket Nos. 19-126, 10-90.*

With this Public Notice, we are one step closer to initiating the FCC's Rural Digital Opportunity Fund Phase I auction, and hopefully, significantly expanding broadband service for those Americans who continue to lack access. Focusing on these truly unserved areas—some of the most difficult locations in the country to serve—has been one of my primary objectives since arriving at the Commission. While the Public Notice itself may be slightly arcane and tedious to read, getting the procedures right is vital to ensuring a competitive, accountable, and efficient auction framework. With a few small caveats, today's item helps ensure that promising outcome.

One of the key principles that I have sought to advance, in both the auction context and elsewhere, is the concept of technology neutrality. Markets, and not the government, are best situated to pick winning and losing technologies, and we undermine innovation and efficiency when we engage in central planning and regulatory favoritism. As a general matter, that means recognizing the realities of the current communications marketplace and eliminating unnecessary and outdated rules that create asymmetric burdens among competitors. And, in the auction context, it involves crafting rules that offer a fair shot to innovators across all sectors and don't unduly tilt the playing field toward particular providers. Therefore, I would have preferred an auction design without up-front technology restrictions; all interested providers should have the opportunity to demonstrate whether they can meet our speed and latency benchmarks at the short-form application stage. After all, the whole point of the auction is to support the deployment of broadband services that wouldn't otherwise exist in the absence of subsidies.

I am grateful to the Chairman for agreeing to expand eligibility for the low-latency performance tier and change language that was prejudicial to certain providers. While a technology neutral policy across the board may have been more effective in promoting innovation and maximizing the value of ratepayer investments, I recognize that a balancing act was necessary to reach the current disposition. I also thank the Chairman for agreeing to clarify that the Commission will re-evaluate the eligibility conditions prior to moving forward with the second phase of the auction. Communications technology evolves at an extremely rapid pace, and who knows which technologies will have advanced or emerged by the time we get to Phase II?

Finally, I commend the Chairman for moving forward with the auction despite certain calls to "expedite" funding for a particular class of providers. In addition to undermining any principles of technology neutrality, such an approach would have huge downsides, including greater numbers of Americans left in the dust without broadband service. As long as we meet the timelines established by the Commission, we will get the Phase I money out the door in an expeditious fashion.

I look forward to our next steps in implementing the auction and will vote to approve.