



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

January 15, 2021

OFFICE OF
THE CHAIRMAN

The Honorable Shelley Moore Capito
United States Senate
172 Russell Senate Office Building
Washington, DC 20510

Dear Senator Capito:

Thank you for your letter regarding the implementation of the Commission's Rural Digital Opportunity Fund. Closing the digital divide has consistently been my top priority. I have seen for myself what affordable high-speed Internet access can do for a community—for its families, its schools, its hospitals, its farms, its businesses—as well as the impact of its absence. I know you share my view that rural Americans have waited long enough for digital opportunity.

On December 7, 2020, the Commission announced the results of the successful Rural Digital Opportunity Fund Phase I Auction. A total of 180 bidders won funding to deploy high-speed broadband to over 5.2 million unserved homes and businesses, almost 99% of the locations available in the auction. Moreover, 99.7% of these locations will be receiving broadband with speeds of at least 100/20 Mbps, with an overwhelming majority (over 85%) getting gigabit-speed broadband. As you note, in West Virginia, the auction allocated \$36.06 million in support to expand broadband to 119,267 unserved homes and businesses over the next ten years. Nearly all locations in West Virginia that were eligible for the auction will be receiving access to broadband with speeds of at least 100/20 Mbps, with an overwhelming majority (91%) getting gigabit-speed broadband. The auction unleashed robust competition that resulted in more locations being awarded at less cost to Americans who pay into the FCC's Universal Service Fund.

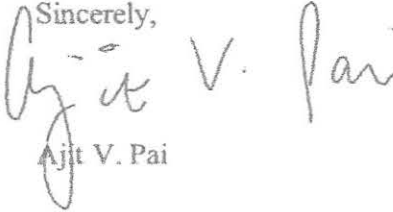
Each winning bidder is required to file a detailed long-form application demonstrating to Commission staff that they are legally, technically and financially capable of providing the required coverage and performance levels within the specified timeframe in the geographic areas in which it won support. Long-form applicants are required to submit a detailed technology and system design that explains how they will meet the relevant performance requirements, including information regarding quality, coverage, voice service, network management and on-going operation. In addition, winning applicants must submit audited financial statements. Commission staff will closely review each winning bidder's long form before authorizing them to receive support.

Once authorized, winning applicants must submit an irrevocable letter of credit covering the first year of support. Support recipients also are required report their deployed location and technology data on an annual basis in the online High Cost Universal Broadband portal, make certifications when they have met their service milestones, and will be subject to performance

testing to ensure their networks are delivering the service carriers promised to consumers. Carriers failing to meet these obligations may be subject to recovery of support already received, plus enforcement action and forfeiture, as appropriate.

I have utmost confidence in the long-form application review process to ensure that providers will meet their obligations to the Commission and to West Virginians.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai