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For Immediate Release

FCC WILL VOTE JUNE 9 ON FINAL PROCEDURES FOR \$16 BILLION RURAL BROADBAND AUCTION

Groundbreaking Step Toward Bridging the Digital Divide

WASHINGTON, May 18, 2020—Federal Communications Commission Chairman Ajit Pai today shared with his colleagues draft procedures for the upcoming \$16 billion Phase I Rural Digital Opportunity Fund auction (Auction 904). With financial support from the auction, service providers will expand broadband service to millions of unserved homes and businesses in rural areas. At the Commission's June 9 open meeting, the FCC will vote on finalizing these draft procedures. Auction 904 is the first phase of the Commission's \$20.4 billion Rural Digital Opportunity Fund initiative, which is modeled on the Commission's successful Connect America Fund Phase II auction in 2018. Bidding in Auction 904 is scheduled to begin on October 29, 2020.

"Closing the digital divide is my top priority as Chairman, and this auction is our boldest step yet to ensure that broadband is available to all Americans," said FCC Chairman Ajit Pai. "We've designed this auction to ensure robust participation, with incentives for bidders to build high-performance networks so we get fast broadband to as many as six million American homes and business that aren't currently connected. The COVID-19 pandemic highlights the need for the Commission to continue its work to ensure that all Americans have access to high-speed broadband as soon as possible. That's one reason why we're moving full speed ahead with the Rural Digital Opportunity Fund."

The draft auction procedures strike a balance between building sustainable networks that will meet the needs of the future while maximizing the number of locations that receive service. The auction targets census blocks that current data show are wholly unserved. Funds will be allocated through a multi-round reverse auction format similar to that used in the Connect America Fund Phase II auction. The Rural Digital Opportunity Fund Phase I auction more than doubles the minimum speeds that providers must deliver to 25/3 Mbps. It also prioritizes bids offering to provide even faster speeds (up to a gigabit) and lower latency by giving those bids greater weight in the auction and awarding support to the bidder offering the best combination of speed and latency in each area once the aggregate price of all bids drops below the auction's budget. These bidding procedures will enable providers to start planning for the start of the auction in October by determining the amount of support they will need to provide a specified level of service to a specified set of eligible areas.

The Commission held a webinar (https://go.usa.gov/xvexr) May 5 to provide an overview of proposed procedures for applications and bidding in the auction. On May 20, the Commission will hold another webinar (https://go.usa.gov/xvexN) to help state, local, Tribal, and territorial government officials understand the auction framework, and provide tips for service providers that want to participate in the auction.

Here is the draft timetable for availability of materials and deadlines for the auction:

- Online auction application tutorial would be available by June 15
- Short-form application (FCC Form 183) filing window would open July 1
- Short-form application (FCC Form 183) filing window would close July 15
- Auction bidding tutorial would be available online by October 14
- Mock auction would begin October 26
- Auction would begin October 29

NOTE: Those wishing to participate in this auction would be required to submit the short-form application (FCC Form 183) electronically prior to 6:00 p.m. EDT, on July 15, 2020, and comply with all applicable Commission rules, including the requirement to abide by the Commission's National Security Supply Chain proceeding.

A draft of the public notice will be made public tomorrow and available at https://www.fcc.gov/news-events/events/2020/06/june-2020-open-commission-meeting.

Questions about the FCC's rural broadband auction can be directed to the FCC's Rural Broadband Auctions Task Force at ruralbroadband@fcc.gov. Auction 904 specific questions from entities interested in participating in the auction should be directed to auction 904@fcc.gov. Please visit https://www.fcc.gov/auction/904 for additional information about the auction.

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