

Rural Digital Opportunity Fund Order, February 7, 2020

Available Support

- Total RDOF support is \$20.4 billion to be awarded over 10 years.
- Phase I will distribute up to \$16 billion to provide broadband service to census blocks that are wholly unserved at 25/3 Mbps speeds.
- The remaining \$4.4 billion will be available in Phase II after the FCC has implemented polygon shapefile broadband reporting to determine unserved areas.
- RDOF Phase I support will not be available where 25/3 Mbps service has been funded through the RUS ReConnect program or other similar federal or state broadband programs.

Competitive Bidding

- RDOF support will be awarded through competitive bidding with an auction later in 2020.
- Reserve prices will be set based on the FCC's cost model.
 - Tribal and unserved census blocks (lacking 10/1 Mbps service) get a preference through an additional \$10 per location added to the available reserve price.
- There will be four performance tiers:
 - Minimum tier – 25/3 Mbps speed with higher of 250 GB or U.S. average usage cap
 - Baseline tier – 50/5 Mbps speed with higher of 250 GB or U.S. average usage cap
 - Above baseline tier – 100/20 Mbps with 2 TB usage cap
 - Gigabit tier – 1 Gbps/100 Mbps with 2 TB usage cap
- There are two latency requirement options:
 - Low latency – 100 ms or less
 - High latency – 750 ms or less
- Preference will be given to higher speed and lower latency bids.
- Once the “clearing round” is reached, where the total of all bids is at or below the \$16 billion budget, support will be awarded to bids with the highest speeds and lowest latency in an area.
- Bidding requirements:
 - Submit a pre-auction short-form application with information on ownership; types of technology; technical and financial qualification certifications; operational history; eligible telecommunications carrier (ETC) status; access to spectrum; and due diligence certification.

- A bidder does not need to be an ETC to participate in the auction but must become an ETC prior to receiving support.
- Winning bidders will submit a long-form application with more detailed information on ownership and technical system design; certifications of financial and technical capability, compliance with public interest obligations, and availability of funds; proof of ETC designation; and letters of credit.

Buildout Requirements

- RDOF recipients must build out to 40% of the required locations by the end of the third full calendar year of funding, and to an additional 20% in each subsequent year.
 - If there are more locations in the eligible census blocks than reflected in the FCC's data the provider is responsible for building out to 100% of those locations by the end of the eighth year of support.
 - If the number of locations in the eligible census blocks is less than 65% of the FCC's number support will be reduced on a pro rata basis.