

FCC Releases Order Detailing Competitive Application Rules and Selection Criteria for Rural Broadband Experiments

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As reported earlier on this blog, the FCC has adopted a Report and Order setting forth the application requirements and selection methodology for its forthcoming rural broadband experiments. The FCC will provide \$100 million of Connect America Fund financial support for experiments in areas where the incumbent provider of voice services is a price cap local exchange carrier. As detailed in the Report and Order, released on July 14, 2014, funding will be available in three categories: projects with very high performance standards, projects with minimum performance standards, and projects in extremely high cost areas. Competition for funding in each category will be through a single-round auction on a national basis and selections will be based on a single criterion: "cost-effectiveness" as defined in the Commission's Report and Order.

Proposals from traditional and non-traditional eligible broadband providers will be accepted through **Tuesday, October 14, 2014**, at either the census block or the census tract level as chosen by the applicant. Winning applicants, all of whom will be selected simultaneously, will receive ten years of recurring support, rather than one-time support. The Order also details obligations for winning bidders, including obtaining Eligible Telecommunications Carrier (ETC) status (if not already held), build-out milestones, and reporting requirements, along with enforcement measures in the event of non-compliance.

For more information, please click here for our client advisory.