



## **Rural Digital Opportunity Fund- What it means for Maine**

February 23, 2021

# Discussion Topics

- **Overview of RDOF**
- **RDOF Results**
- **What's Next?**

# Consolidated at a Glance



## Experienced Team

3,400 employees



## 23-state fiber network

spanning 46,600 miles and  
more than 1.5 million connections



## Financially Secure

public **Company** (NASDAQ: CNSL)  
**125 years** of innovation and growth



## Responsive, Local, Committed

\$1.5 million annual community investments

# RDOF Overview

The **Rural Digital Opportunity Fund** is a **Federal Communications Commission** program designed to close the digital divide in the United States by in the construction of rural broadband networks.

The budget allocated for this funding initiative amounts to **\$20.4 billion**.

The RDOF will be split into two distinct phases:

## Phase I

- “Up to” \$16 billion will be made available to providers during this phase, which will likely last several years. Exclusively includes census blocks that are **completely unserved** by an existing broadband provider

## Phase II

- \$4.4 billion, alongside any remaining Phase I funds, will be allocated during this second and final phase of the RDOF. Phase II will include remaining areas not completed in Phase I, as well as census blocks that are **“partially serviced”**.

# RDOF Mechanics

## How?

A reverse auction

## Where?

Phase I RDOF addressed **high cost Census Blocks (CB)** that are “unserved” meaning **no locations** in that CB have access to **25/3 service**.

## When?

The Auction opened **October 22, 2020** and final awards were announced December 20, 2020.

First Construction year begins in **2022**

# RDOF Mechanics (Cont.)

## What is a Reverse Auction?

**One buyer** (in this case, the federal government) is attempting to drive down the price of the service, which is distributing broadband infrastructure to rural Americans. To accomplish this, bidding will be opened to **multiple sellers**, who are competing against each other to provide the best balance of technological robustness to price.

## What is a high cost census block?

- A census block where the modeled cost per location is between **\$40** (\$30 in tribal areas and areas less than 10M/1M) and **\$212.50** per month (\$222.50 in tribal areas and CBs without 10/1 service).

For reference, in CAF II this was between \$52.50 and \$146.10 per month.

# RDOF Compliance

Awardees of the auction funding will be required to offer broadband to **all the locations** in their **winning census blocks**;

Reporting requirements which include:

- submitting a list of geocoded locations each year
- making a certification when the support recipient has met service milestones
- submitting the annual FCC Form 481 report

# RDOF Build Timeframes

Required to offer broadband service to:

**40%** of the modeled locations in a state by the end of the third full calendar year following funding authorization (2024)

**60% 2025**

**80% 2026**

**100% 2027**

10 years of support, in monthly installments.



# RDOF By Provider in Maine

## 1G Low Latency Tier

### Consolidated Communications

- \$31,067,177.00 in ten year support
- 1,532 census blocks
- 11,513 locations

### Pioneer Wireless, Inc.

- \$5,543,142.00 10 year support
- 243 census blocks
- 1,638 Locations



# RDOF By Provider in Maine

## Other Awards

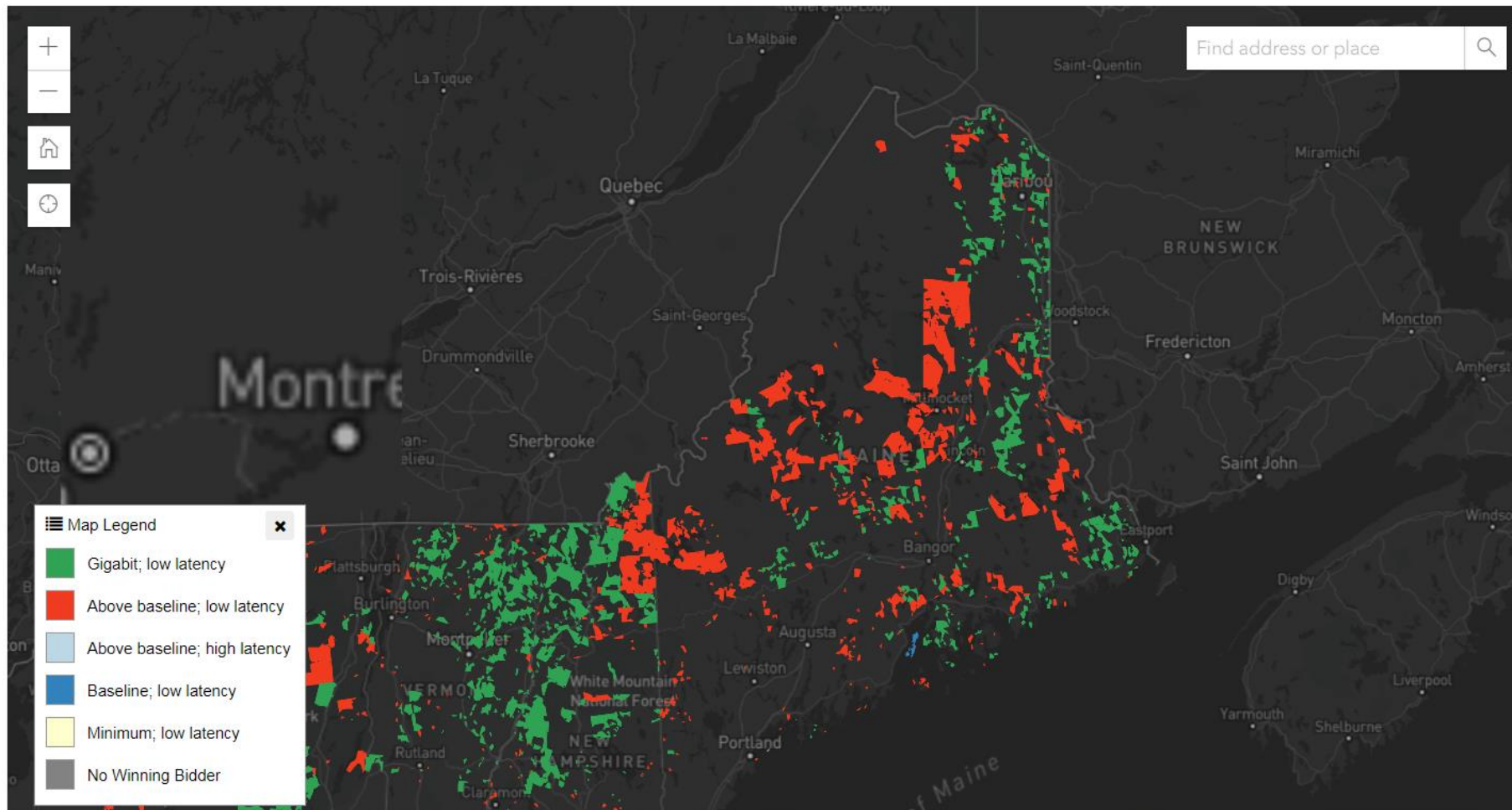
### Redzone Wireless

- \$507,752.00 ten year funding
- 39 census blocks
- 755 locations

### Starlink Services, LLC

- 1,978 census blocks
- 13,849 locations
- \$34,057,837.30 ten year funding

# RDOF MAP



<https://www.fcc.gov/reports-research/maps/rdo-f-phase-i-dec-2020/>

# What's Next?

## Additional Funds

- \$6.8B; rolled into phase II

## Phase II

- \$4.4B
- Partial census blocks

## Stimulus \$

- Mapping
- Low Income Programs
- Other Support

..... Group name .....



# THANK YOU!

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