

Rural Digital Opportunity Fund Announces Phase I Winners December 11, 2020

This week, the FCC announced the winners of the Rural Digital Opportunity Fund Phase I Auction, where 180 bidders won in 49 states and the Commonwealth of the Northern Mariana Islands. The funding will serve 5.2 million unserved homes and businesses, with 99.7% of the locations receiving speeds of at least 100/20 Mbps coverage. The FCC also said, in a [release](#), that over 85% of locations will be served at gigabit speeds.

The FCC stated that significant savings were realized thanks to the use of a reverse auction, which resulted in an allocation of only \$9.2 billion in support – significantly less than the \$16 billion set aside for Phase I of the auction. The remaining \$6.8 billion that was not allocated will be rolled over into the future Phase II auction, which now can draw upon a budget of up to \$11.2 billion (this was originally only slated to fund \$4.4 billion).

Background

The FCC established the Rural Digital Opportunity Fund (RDOF) in August 2019 to provide \$20.4 billion to bring high-speed fixed broadband service to rural homes and small businesses that lack access. In January of this year, the framework of the fund was established, building on the success of previous auctions that utilized a reverse-auction mechanism in two phases.

Phase I of the auction made up to \$16 billion available with another \$4.4 billion reserved for Phase II. In Phase I, census blocks were eligible if they wholly lacked voice and broadband with speeds of at least 25 Mbps. Phase II will cover locations in blocks that are *partially* served, as well as locations not funded in Phase I.

Support is doled out in monthly installments over 10 years: 40% of the required number of locations in a state must have buildout completed by the end of the third year of support, with an additional 20% by the end of the fourth and fifth years of support. By the end of year six, revised location totals will be announced, and if there are fewer locations than originally estimated by the

cost model, support recipients must serve the revised number of locations by the end of year six. If there are *more* locations than originally thought, support recipients must serve the cost model-estimated number of locations by the end of year six and then are required to serve the remainder of locations by the end of year eight.

Following this announcement of winning bidders, winners will now be required to complete long-form applications, and authorization of funding will follow (see the FCC’s timeline below).



Winning Bids

The following states received winning bids for the RDOF Phase I. The list below is sorted by number of locations served, greatest to smallest.

| State / Territory | Support | Winning Bidders | Locations Assigned |
|-------------------|------------------|-----------------|--------------------|
| California | \$695,158,129.10 | 15 | 364,878 |
| Texas | \$362,662,934.10 | 22 | 310,962 |
| Michigan | \$362,985,055.60 | 13 | 249,263 |
| Wisconsin | \$373,715,051.20 | 14 | 240,546 |
| Mississippi | \$495,725,799.60 | 12 | 218,990 |
| Arkansas | \$424,243,217.60 | 15 | 200,612 |
| Missouri | \$346,297,660.20 | 17 | 199,211 |
| Alabama | \$330,804,827.50 | 13 | 196,460 |
| Ohio | \$170,038,205.10 | 11 | 191,093 |
| Virginia | \$238,644,933.90 | 16 | 186,475 |
| Pennsylvania | \$368,743,200.30 | 13 | 184,505 |
| Georgia | \$326,454,112.20 | 15 | 179,455 |
| Louisiana | \$342,207,315.20 | 13 | 175,692 |
| Illinois | \$378,310,110.70 | 19 | 159,967 |
| Tennessee | \$148,625,826.20 | 11 | 155,220 |
| North Carolina | \$166,580,441.70 | 9 | 155,137 |

| State / Territory | Support | Winning Bidders | Locations Assigned |
|--------------------|------------------|-----------------|--------------------|
| Indiana | \$169,379,964.50 | 11 | 152,983 |
| Minnesota | \$408,150,745.60 | 22 | 142,841 |
| Florida | \$191,753,609.90 | 11 | 141,625 |
| Arizona | \$195,847,668.40 | 7 | 129,445 |
| Oklahoma | \$154,556,450.80 | 13 | 126,153 |
| West Virginia | \$362,066,660.20 | 9 | 119,267 |
| South Carolina | \$121,245,987.00 | 9 | 108,833 |
| Washington | \$222,768,532.70 | 9 | 100,422 |
| Kentucky | \$148,978,767.20 | 11 | 98,909 |
| Oregon | \$212,027,091.20 | 10 | 81,634 |
| Colorado | \$249,833,709.60 | 8 | 76,216 |
| New Mexico | \$165,209,718.60 | 18 | 64,170 |
| Iowa | \$143,892,544.40 | 11 | 53,819 |
| Kansas | \$62,107,482.70 | 12 | 46,827 |
| New York | \$99,891,715.70 | 10 | 46,647 |
| Montana | \$125,815,439.70 | 6 | 45,984 |
| Nebraska | \$60,377,536.80 | 10 | 43,435 |
| Idaho | \$112,489,827.90 | 8 | 40,706 |
| Maryland | \$48,023,869.10 | 5 | 37,761 |
| Nevada | \$63,536,610.90 | 5 | 30,584 |
| Maine | \$71,175,908.30 | 4 | 27,755 |
| Massachusetts | \$32,631,916.40 | 2 | 25,480 |
| Vermont | \$32,533,635.30 | 4 | 19,330 |
| Wyoming | \$57,471,543.00 | 11 | 18,966 |
| New Hampshire | \$25,257,660.70 | 4 | 17,740 |
| Utah | \$31,384,525.70 | 3 | 10,373 |
| South Dakota | \$52,285,517.00 | 6 | 10,051 |
| New Jersey | \$10,739,474.00 | 1 | 8,686 |
| Hawaii | \$24,740,782.00 | 2 | 8,081 |
| Delaware | \$13,302,048.00 | 2 | 7,757 |
| Rhode Island | \$1,273,784.00 | 1 | 3,678 |
| Connecticut | \$4,210,411.00 | 2 | 2,899 |
| North Dakota | \$20,824,521.40 | 8 | 2,780 |
| N. Mariana Islands | \$3,706,235.00 | 1 | 530 |

For more information about broadband policy developments, please contact Connected Nation at policy@connectednation.org, and [Subscribe via RSS](#) to Connected Nation's Policy Briefs.