May 20, 2021

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
45 L Street NE
Washington, DC 20554

Re: AU Docket No. 20-34, Rural Digital Opportunity Fund Auction (Auction 904)
WC Docket No. 19-126, Rural Digital Opportunity Fund Auction
WC Docket No. 10-90, Connect America Fund

Dear Ms. Dortch:

On behalf of our 38 million members and all older Americans nationwide, AARP urges you to ensure that obtaining the many benefits of high-speed internet access is a top priority for unserved consumers in both rural and urban communities. In order to get full value and benefit from the available funds, AARP urges the Commission to ensure real accountability when providers are given taxpayer dollars for the expansion of broadband deployment.

After more than a year of pandemic life, public awareness, and interest at all levels of government in finally closing the digital divide is at an all-time high. Notwithstanding concerted efforts by the Commission through its ConnectAmerica program to support broadband deployment in high-cost areas, many rural locations remain unserved. The Commission’s Rural Digital Opportunity Fund (RDOF) is intended to close the final gaps required to achieve universal broadband deployment and is projected to be the most expensive in the successive phases of funding that commenced with the Connected America Fund. As Commissioner Starks aptly observed over a year ago as the Commission moved forward with this initiative, the funding commitments under RDOF “will commit us to a certain course for more than a decade. There are no do-overs here with this money and precious time. We must, therefore, be good stewards of these funds.”

Despite warnings by the now Acting Chairwoman and many others, the Commission initiated its first RDOF auction without taking the important step of remedying the widely acknowledged deficiencies in its broadband data collection and mapping. Other concerns have subsequently been raised about the tentative awards that resulted from Auction 904 – amounting to $9.2 billion over a ten-year period.

While AARP would encourage the Commission to take any feasible measures to remedy past missteps in RDOF specification and administration, we acknowledge that it may be difficult to revisit certain decisions at this point. Nonetheless, there are ample and extremely important opportunities that still exist going forward to improve RDOF outcomes by careful vetting of the
long form applications of the Phase I auction winners and by the reform of RDOF rules and
procedures prior to Phase II.

AARP strongly urges the FCC to carefully scrutinize the long form filings of Auction 904
winners with respect to the technical, operational, managerial and financial resources available to
those providers to meet their RDOF commitments. A wide variety of interested parties –
including Congressional leaders1 and state PUCs2, public interest groups,3 and industry4 – have
raised concerns about the risks that various successful bidders will not be able to fulfill their
commitments, particularly those promises for area-wide deployment of low-latency gigabit
service. AARP supports the requests for public inspection and comment on the long form
applications to help the Commission identify weaknesses that might jeopardize the applicants’
bility to deploy and then provide the promised service.5 While some of the dollars awarded to
approved bidders who fail to meet their commitments may be eventually recouped, there is no
way to undo the damage to the unserved residents of these areas, who would continue to be cut
off from the benefits of full participation in a connected economy and society.

AARP is an active participant in many regulatory proceedings and, from that experience, has
first-hand knowledge of situations where providers have overcommitted to broadband
deployment, only to deliver much less. AARP recommends that the FCC scrutinize with
particular care the submissions of providers who have previously fallen short of their
commitments or been found to have mismanaged prior funding for broadband deployment. As
West Virginia U.S. Senator Shelley Moore Capito noted, “[t]he inability to deploy federal funds
at speeds of 10/1 Mbps or higher should raise significant concerns about [a provider's] capacity
to build out a network delivering one hundred times that level.”6

AARP is also concerned that auction mechanics that incentivized participants to promise gigabit
service in many areas may result in unmet promises when the winner ultimately attempts to
obtain the necessary private financing to complete its obligations. The Benton Foundation has
published a compelling, in-depth analysis of how this might expose unserved rural communities
to years of uncertainty about actually receiving broadband service.7 Furthermore, while these
unserved locations anxiously await the long-delayed access to high-speed internet that an RDOF
winner could fail to complete, their eligibility for other state and federal grant funding will
remain under a cloud of uncertainty.

1 Letter from 160 members of the U.S. Senate and House of Representatives to Chairman Pai, regarding
Senator Senator Shelley Moore Capito, December 9, 2020 (“Capito Letter”)
2 Letter from Marybel Batjer, President, California Public Utilities Commission to Acting Chairwoman
3 Ex Parte Letter from Free Press, Docket Nos. AU 20-34, WC 19-126, WC 10-90, filed January 20,
2021; see also, Free Press Ex Parte Letter, December 18, 2020 (collectively, “Free Press Letters”)
4 See, The Ensuring RDOF Integrity Coalition (“ERIC”), “Informal Request for Commission Action” in
Docket Nos. AU 20-34, WC 19-126, WC 10-90, filed February 25, 2021 (“ERIC Comment”).
5 See, ERIC Comment; Bicameral Letter.
6 Capito Letter.
7 Rivkin-Fish, Jeremy, “FCC’s Rural Digital Opportunity Fund Auction Was Supposed to Significantly
Reduce America’s Rural Broadband Gap,” Benton Institute for Broadband & Society, “Digital Beat,”
December 21, 2021.
The risk of overcommitment by providers vying to secure auction wins is a heightened concern with respect to providers who have relied on unproven technologies. The FCC should take special care to scrutinize the long form applications of fixed wireless and satellite providers that promise gigabit speeds at low latency, despite little experience or evidence to support the reliability and resiliency of non-wired platforms to support broadband at the highest levels of performance. The FCC should also ensure that incumbents have not made unrealistic commitments solely for the purpose of delaying competitor entry.

Heightened scrutiny is also important for vetting providers who are experiencing or recovering from recent financial instability. The capital commitments necessary to make some of the more aggressive bids come to fruition demand financial and operational stability that cannot be taken for granted, especially for providers without a proven track record. Ultimately, the cost to rural communities from a somewhat longer but more thorough vetting process is far less than the adverse impact they will suffer should providers fail to fulfill their RDOF commitments, whether in terms of performance, coverage, or the time to complete deployment.

Finally, the Commission should avail itself of the opportunity to make changes in RDOF prior to proceeding with the next phase of this program. First, the Commission should not proceed any further without better data and mapping capabilities. This is also a good time to ensure that broadband deployment standards are updated to forward-looking speed goals and data caps, with realistic technical standards for reliability and resiliency. Second, the Commission should reevaluate the Phase I rules to address auction mechanics that may have led to wasteful awards or the funding of suboptimal technology under the first RDOF auction. Finally, going forward, the FCC should directly address cost as a barrier to broadband availability.

AARP appreciates the steps the FCC is taking to be a careful steward of funds allocated to achieving the important goal of universal broadband. We look forward to working with you to identify and implement policies that will bring high-quality, affordable broadband to every household and business in America.

Sincerely,

David Certner
Legislative Counsel and Legislative Policy Director
Government Affairs

cc (via email): The Honorable Acting Chairwoman Jessica Rosenworcel
The Honorable Brendan Carr
The Honorable Geoffrey Starks
The Honorable Nathan Simington

8 “The expense of constructing a network capable of delivering gigabit service is an expensive and daunting feat for a company in a strong financial position, let alone one that is in financial turmoil,” Capito Letter
9 See, e.g., Free Press Letters; California PUC Letter.