Before the **Federal Communications Commission** Washington, D.C. 20554

In the Matter of)
Connect America Fund) WC Docket No. 10-90
The Rural Digital Opportunity Fund Auction (Auction 904)) AU Docket No. 20-34
Rural Digital Opportunity Fund) WC Docket No. 19-126

ORDER

Adopted: September 4, 2024 Released: September 4, 2024

By the Chief, Wireline Competition Bureau:

In this Order, the Wireline Competition Bureau (Bureau) grants Resound Networks, LLC 1. (Resound) a limited waiver of the Commission's Rural Digital Opportunity Fund (RDOF) service milestone and non-compliance rules, and will remove from Resound's RDOF-supported service area the areas in Oklahoma and Arizona that are overlapped by the Tonkawa Tribe of Indians of Oklahoma's (Tonkawa) and Cocopah Tribe of Arizona's (Cocopah) Tribal Broadband Connectivity Program (TBCP) Round 1 awards. We relieve Resound of the obligation to serve these areas, with agreement from the Tonkawa and Cocopah Tribes, in order to promote the Tribes' decisions to serve their members through enforceable commitments under their TBCP Round 1 awards requiring deployment of networks that serve their Tribal lands in these areas. This will also further our interagency coordination efforts by avoiding duplication of funding and maximizing the use of federal funds to support broadband service to as many unserved consumers as possible. Once the Bureau publishes revised location counts for all RDOF recipients, we will direct the Universal Service Administrative Company (USAC) to adjust Resound's RDOF support for the overlapped areas and recover any support that has been disbursed for these areas on a pro rata basis.²

I. **BACKGROUND**

Section 54.802(c)(1) of the Commission's rules requires RDOF support recipients to offer voice and broadband service meeting the relevant performance requirements to the estimated number of locations in the eligible census blocks within the support recipient's funded service area.³ An

¹ 47 CFR §§ 54.320(d)(1), 54.802(c), 54.804(c)(4)(i), 54.806(c)(1); Resound Networks LLC Connect America Fund Request for Waiver of Obligations to Serve Locations in TBCP Overlap Areas, WC Docket No. 10-90 et al. (filed Aug. 2, 2024).

² 47 CFR § 54.802(c)(1): Rural Digital Opportunity Fund et al., WC Docket No. 19-126 et al., Report and Order, 35 FCC Rcd 686, 709, para. 45 (2020) (RDOF Order). Prior to the sixth year service milestone, the Bureau will determine the actual number of locations in RDOF recipients' service areas and will publish revised location counts for each RDOF recipient. 47 CFR § 54.802(c)(1); RDOF Order, 35 FCC Rcd at 709, para. 45.

³ 47 CFR § 54.802(c)(1); *RDOF Order*, 35 FCC Rcd at 709, para. 45.

RDOF recipient authorized in 2023 must offer the required services to 40% of the required number of locations by December 31, 2025, and an additional 20% of the required number of locations each year until the RDOF recipient must serve 100% of the estimated location total by December 31, 2028.⁴ The initial required location totals are based on Connect America Cost Model estimates.⁵ The Commission directed the Bureau to use an updated data source to determine the actual number of locations on the ground and publish revised location counts prior to the sixth year service milestone.⁶ If more locations than the original estimated total are identified during the support term, RDOF support recipients will have an additional two years to serve the additional locations subject to limited exceptions.⁷ The Commission imposes non-compliance measures if the requirements are not met, which includes reporting, support withholding, and support recovery that scales with the extent of non-compliance.⁸

- 3. On December 7, 2020, Resound was announced as an RDOF winning bidder in seven states.⁹ Resound was authorized in January 2023 to receive over \$300 million in RDOF support over 10 years in total to offer voice and broadband service at a minimum of 1 Gbps/500 Mbps to 213,992 locations.¹⁰ Relevant here, Resound was also authorized to receive \$17,476,582.80 in Oklahoma to serve 18,177 locations, and \$16,176,039.10 in Arizona to serve 41,701 locations.¹¹
- 4. In June 2021, Department of Commerce's National Telecommunications and Information Administration (NTIA) released its Notice of Funding Opportunity (NOFO) for Round 1 of the TBCP, providing a new opportunity for Tribes to seek funding to support their deployment efforts. On November 17, 2022, NTIA announced it had awarded the Cocopah \$5,214,719.67 to "install fiber directly connecting 210 unserved Native American households with qualifying broadband service of at least 25/3 Mbps." NTIA also announced on June 29, 2023 that it had awarded the Tonkawa \$5,000,000 "to build a

⁴ 47 CFR § 54.802(c)(1); *RDOF Order*, 35 FCC Rcd at 709, para. 45.

⁵ RDOF Order, 35 FCC Rcd at 709, para. 45.

⁶ *Id.* The Bureau sought comment on using the Broadband Serviceable Location Fabric as the source for the revised location counts. *Wireline Competition Bureau Seeks Comment on Leveraging the Broadband Serviceable Location Fabric for High-Cost Support Mechanism Deployment Obligations, WC Docket No. 10-90 et al., Public Notice, DA 24-77 (WCB Jan. 25, 2024).*

⁷ 47 CFR § 54.802(c)(1)(i); *RDOF Order*, 35 FCC Rcd at 709-11, paras. 45, 49-50.

^{8 47} CFR § 54.320(c) & (d), 54.804(c)(4)(i), 54.806(b) & (c); RDOF Order, 35 FCC Rcd at 713-16, paras. 58-64.

⁹ Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced; FCC Form 683 Due January 29, 2021, AU Docket No. 20-34 et al., 35 FCC Rcd 13888 (WCB 2020).

¹⁰ Rural Digital Opportunity Fund Support Authorized for 1,764 Winning Bids; Etheric Communications LLC's Petition for Waiver of the June 7, 2021 Eligible Telecommunications Carrier Documentation Deadline Denied, AU Docket No. 20-34 et al., 38 FCC Rcd 101 (WCB 2023).

¹¹ Id

¹² Department of Commerce, National Telecommunications and Information Administration, Tribal Broadband Connectivity Program Round 1 Notice of Funding Opportunity (June 3, 2021), https://www.ntia.gov/sites/default/files/File%20Uploads/2024-05/Internet%20For%20All/TBCP/ntia.tribal_broadband_connectivity_program.final.omb_cleared.pdf (TBCP Round 1 NOFO). NTIA describes its TBCP program as "a \$3 billion program, from President Biden's Bipartisan Infrastructure Law and the Consolidated Appropriations Act, to support Tribal governments bringing high-speed Internet to Tribal lands, including telehealth, distance learning, affordability and digital inclusion initiatives." Department of Commerce, National Telecommunications and Information Administration, Tribal Broadband Connectivity Program Round 1 (2021), https://www.ntia.gov/page/tribal-broadband-connectivity-program/notice-funding-opportunity-1 (last visited Aug. 27, 2024).

¹³ Press Release, NTIA, Biden-Harris Administration Announces More Than \$224 Million in High-Speed Internet Grants for Tribal Lands (Nov. 17, 2022), https://broadbandusa.ntia.gov/news/latest-news/biden-harris-administration-announces-more-224-million-high-speed-internet-grants; NTIA, BroadbandUSA, Tribal Broadband (continued....)

RAN network incorporating 5 leased and owned tower sites covering 159 unserved locations," and that "will ensure the availability of internet service through the project area with at least 25/3 broadband speeds and less than 100 millisecond latency." Both Tribes have an enforceable commitment to "complete their projects within one year of their receipt of grant funds."

- 5. Resound's Petition for Waiver. On August 2, 2024, Resound submitted a petition seeking waiver of the RDOF requirements to serve the areas overlapped by the Cocopah's and Tonkawa's TBCP Round 1 awards. Resound explained that once it learned of the overlaps it engaged in discussions with the Tribes, and "agreed to relinquish" its RDOF obligations in the overlapped areas to allow the Tribes to retain their TBCP funding in the overlapped areas. 17
- 6. Both Tribes submitted letters, available in Appendix B and Appendix C (separate attachments), to NTIA indicating that they wanted to proceed with their TBCP awards in the overlapped areas. The Tonkawa explained that they "find it is in the public interest that the Tonkawa Tribe serve its original jurisdiction home lands with the TBCP grant and any subsequent grants by adhering to the current federal minimum broadband speeds of 100/20." The Cocopah explained that "[t]hey will be capable of providing 1 GB synchronous services to homes and businesses on Cocopah [T]ribal lands promptly."

II. DISCUSSION

- 7. Generally, the Commission's rules may be waived for good cause shown.²¹ Waiver of the Commission's rules is appropriate only if both: (1) special circumstances warrant a deviation from the general rule, and (2) such deviation will serve the public interest.²²
- 8. We find good cause to provide a limited waiver of sections 54.320(d)(1), 54.802(c), 54.804(c)(4)(i), and 54.806(c)(1) of the Commission's rules to the extent described herein, to remove from Resound's RDOF supported service area the areas as described in Appendix A covered by the Tonkawa and Cocopah's TBCP Round 1 awards.²³ We will update the Broadband Funding Map to reflect

¹⁴ Press Release, NTIA, Biden-Harris Administration Announces \$8.39 Million in Internet for All Grants to Tribal Lands, https://www.internetforall.gov/news-media/biden-harris-administration-announces-839-million-internet-all-grants-tribal-lands (June 29, 2023); *NTIA TBCP Round One Award Recipients Website*.

¹⁵ TBCP Round 1 NOFO at 6. Tribes may seek waiver of this one-year time frame under certain circumstances. *Id.*

¹⁶ Resound Petition at 1.

¹⁷ *Id.* at 3

¹⁸ Letter from Elizabeth Benitez, Tribal Administrator, Cocopah Tribe of Arizona, to Jeff Kozdron, Federal Program Officer/Broadband Program Specialist, Tribal Broadband Connectivity and Nation-to-Nation Coordination Division, NTIA, Appx. B (Feb. 15, 2024) (Cocopah Letter); Letter from Joshua Waffle, Executive Director, Tonkawa Tribe of Indians of Oklahoma, to Theron T. Rutyna, Broadband Program Specialist, Tribal Broadband Connectivity and Nation-to-Nation Coordination Division, NTIA, Appx. C (Apr. 16, 2024) (Tonkawa Letter).

¹⁹ Tonkawa Letter at 1.

²⁰ Cocopah Letter at 1.

²¹ 47 CFR § 1.3.

²² See Northeast Cellular Tel. Co. v. FCC, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (citing WAIT Radio v. FCC, 418 F.2d 1153, 1157-59 (D.C. Cir. 1969), cert. denied, 93 S.Ct. 461 (1972)).

²³ 47 CFR §§ 54.320(d)(1), 54.802(c), 54.804(c)(4)(i), 54.806(c)(1). See also Resound Petition at Exh. A. Further analysis identified several additional census blocks that are overlapped by the Cocopah TBCP Round 1 award and a (continued....)

that Resound no longer has an RDOF service obligation in these areas.²⁴ As a condition of this waiver, when the Bureau adopts new location counts prior to the end of the sixth year deployment term we will remove the locations in the overlapped areas from Resound's required RDOF location totals and instruct USAC to reduce Resound's support on a pro rata basis in Oklahoma and Arizona accordingly, as described in more detail below.²⁵ Resound otherwise remains subject to its RDOF obligations in its remaining RDOF-supported areas.²⁶

- 9. While the Commission's rules require that a RDOF recipient serve 100% of the locations covered by its authorized winning bids subject to only limited exceptions,²⁷ we find special circumstances justify deviating from this requirement. In implementing RDOF and other high-cost programs, the Commission has acknowledged "the unique challenges of deploying broadband to rural Tribal communities," and thus "the deep digital divide that persists between Tribal lands and the rest of the country." Accordingly, the Commission has recognized that "engagement with Tribal governments over the deployment and provision of services over Tribal lands" is "important and necessary" and such engagement provides Tribal governments the opportunity to communicate their "needs and priorities" to high-cost carriers. Here, the Tonkawa and Cocopah each have an enforceable commitment to serve the area where we are relieving Resound from its broadband deployment obligation. The Tribes have been awarded TBCP funds to support their decision to deploy broadband networks to serve their members, and for this reason, Resound and the Tribal governments mutually agreed that Resound should forego the RDOF funding in these areas so that funds from two federal funding programs are not provided to different providers serving the same areas.³⁰
 - 10. We also conclude it serves the public interest to provide a limited waiver of the relevant

³⁰ See Resound Petition at 6; Tonkawa Letter at 1, Cocopah Letter at 1. This deduplication is similar to the approach the Commission adopted for the Enhanced A-CAM support program for rate-of-return carriers where if another provider receives BEAD funding to serve a location on Tribal lands, and the Tribal government and Enhanced A-CAM provider mutually agree that the Enhanced A-CAM carrier should forego funding in that area, the Bureau will adjust the Enhanced A-CAM carrier's support and location obligation accordingly. Resound Petition at 6 (explaining that Resound is "seek[ing] the same form of accommodation" offered to Enhanced A-CAM carriers), Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order et al., 38 FCC Rcd 7040, 7084, para. 105 (2023) (Enhanced A-CAM Order).

²⁴ FCC, Broadband Funding Map, https://fundingmap.fcc.gov/home (last visited Aug. 27, 2024).

²⁵ 47 CFR § 54.802(c)(1), RDOF Order, 35 FCC Rcd at 709, para. 45.

²⁶ Resound Petition at 7 (explaining that "Resound does not seek a waiver or lessening of its compliance obligations with respect to any other locations in its RDOF-supported areas").

²⁷ 47 CFR § 54.806(c)(1); RDOF Order, 35 FCC Rcd at 710, paras. 49-50.

²⁸ RDOF Order, 35 FCC Rcd at 694, para. 16; Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order et al., 38 FCC Rcd 7040, 7083, para. 103 (2023) (Enhanced A-CAM Order).

²⁹ Enhanced A-CAM Order, 38 FCC Rcd at 7084, para. 105; Wireline Competition Bureau Provides Guidance to High-Cost Support Recipients Regarding Engagement With States and Tribal Governments to Determine Eligibility of Locations for the BEAD Program and to Avoid Duplicative Funding, WC Docket No. 10-90 et al., Public Notice, DA 23-1115, at 3-5 (WCB Nov. 29, 2023). All high-cost support recipients that serve Tribal lands are required to demonstrate that they have engaged annually with Tribal governments on a range of issues, including a needs assessment, compliance with local rights of way, land use permitting facilities siting, and environmental and cultural preservation review processes, as well as Tribal business and licensing requirements. 47 CFR § 54.313(a)(5); Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17868-69, paras. 636-37 (2011) (USF/ICC Transformation Order), aff'd sub nom. In re FCC 11-161, 753 F.3d 1015 (10th Cir. 2014).

rules. To further our objective of ensuring that consumers are not left without access to broadband as a result of this limited waiver, we are relieving Resound of the obligation to serve the areas that are fully overlapped by the Tonkawa or Cocopah's TBCP awards. Both Tribes' TBCP awards require them to provide service at speeds of at least 25/3 Mbps in their TBCP service areas.³¹ Moreover, the Tonkawa have indicated they plan to offer broadband at speeds of at least 100/20 Mbps and the Cocopah have indicated they plan to offer broadband at speeds of at least a Gigabit in their Tribal areas.³² Our waiver also furthers the Commission's responsibility to coordinate with other agencies and deduplicate funding so that only one source of federal funding is used to support the provision of broadband to these locations.³³ Moreover, by removing these areas from Resound's service area, we facilitate a cooperative approach between Resound and the Tribes that results in the Tribes receiving the federal funding to provide a service that the Tribes have determined will best meet the needs of their members.³⁴

11. As a condition of this waiver, we will adjust Resound's total RDOF support in the relevant states on a pro rata basis to recover support that has been disbursed for the overlapped area and also stop future support in these areas.³⁵ Given that there are relatively few Connect America Cost Model-estimated locations impacted by our waiver when compared to Resound's overall RDOF obligations and support in Oklahoma and Arizona,³⁶ we will make these downward adjustments to Resound's support and location total to reflect this waiver at the time that the Bureau adopts the updated location counts for all RDOF support recipients.³⁷ The TBCP awards were awarded for Tribal lands that

³¹ NTIA TBCP Round One Award Recipients Website.

³² Tonkawa Letter at 1, Cocopah Letter at 1.

³³ As required by the Broadband Interagency Coordination Act, the Federal Communications Commission, U.S. Department of Agriculture (USDA), and the U.S. Department of Commerce's National Telecommunication and Information Administration (NTIA) announced in January 2021 they had entered into an agreement to provide for sharing information about existing or planned projects that have received, or will receive, funding through the Commission's high-cost programs and programs administered by NTIA and the USDA. Broadband Interagency Coordination Act of 2020, Pub. L. No. 116-260, § 904, 134 Stat. 1182, 3214 (codified at 47 U.S.C. § 1308 et seq.); Press Release, FCC, FCC, NTIA and USDA Announce Interagency Agreement to Coordinate Broadband Funding Deployment (June 25, 2021), https://www.fcc.gov/document/fcc-ntia-usda-interagency-agreement-broadbandfunding-deployment. In an effort to further facilitate broadband deployment funding coordination, in May 2022, the FCC, USDA, and NTIA entered into an interagency agreement with the Department of Treasury. See Press Release, FCC, FCC, NTIA, USDA and Treasury Announce Interagency Agreement to Collaborate on Federal Broadband Funding (May 12, 2022), https://www.fcc.gov/document/fcc-ntia-usda-treasury-announce-broadband-info-sharingagreement. See also Resound Petition at 7 (citing Enhanced A-CAM Order, 38 FCC Rcd at 7084, para. 104) ("Resound seeks to ensure that unserved locations located on Tribal lands that are now the subject of duplicative funding and conflicting buildout obligations benefit from the provision of high-speed broadband in a manner that best serves their needs and that honors the Commission's goal of 'avoiding duplicative spending across federal programs.").

³⁴ Tonkawa Letter at 1; Cocopah Letter at 1. *See also* Resound Petition at 7 ("Service to these Tribal locations will be best provided by the Tribes that control these lands and have received funding through the TBCP.").

³⁵ Because Resound is not defaulting in these areas, we are waiving the Commission's rules to remove these areas from Resound's RDOF supported service area and we will not subject Resound to the other support recovery required by section 54.806(c) of these rules for the overlapped areas, which includes recovering additional support using a multiplier calculation and recovering 5 or 10 percent of Resound's total authorized support in the state depending on the extent of non-compliance. 47 CFR § 54.806(c).

³⁶ The Connect America Cost Model estimates there are approximately 226 locations throughout Resound's impacted RDOF census blocks—approximately 34 locations in census blocks overlapped by the Tonkawa's TBCP Round 1 award and approximately 192 locations in census blocks overlapped by the Cocopah's TBCP Round 1 award, and in some cases these census blocks are only partially overlapped by the Tribes' TBCP awards. *See* Appendix A.

³⁷ 47 CFR § 54.802(c)(1), *RDOF Order*, 35 FCC Rcd at 709, para. 45.

do not align with the eligible 2010 census blocks within census block groups (CBG) that served as a basis for RDOF awards.³⁸ Accordingly, it is administratively burdensome to determine specifically how much support should be recovered and stopped for the overlapped areas when only a portion of Resound's RDOF CBGs are overlapped by the TBCP awards and current location obligations are based on Connect America Cost Model estimates using 2010 census boundaries.³⁹ Instead, we conclude that because of the relatively low risk to the public's funds and the administrative efficiencies that waiting provides, we will delay recovery until the Bureau has determined how many actual locations on the ground are included in the overlapped areas when we conduct the location recounts for all RDOF carriers. It is at that time that we can use those location totals to adjust Resound's location obligation and support moving forward, and also recover disbursed support on a pro rata basis for the overlapped area.⁴⁰

12. Resound remains subject to all eligible telecommunications carrier (ETC) obligations in the overlapped areas unless and until it follows the relevant procedures to relinquish its designations in these areas.⁴¹ Additionally, Resound cannot discontinue voice service in the overlapped areas without Commission approval.⁴²

III. ORDERING CLAUSES

- 13. Accordingly, IT IS ORDERED, pursuant to sections 1, 4(i), 5(c), and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 254, and sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3, that this Order IS ADOPTED.
- 14. IT IS FURTHER ORDERED that the petition for waiver filed by Resound Networks, LLC is GRANTED and sections 54.320(d)(1), 54.802(c), 54.804(c)(4)(i) and 54.806(c)(1) of the Commission's rules, 47 CFR §\$ 54.320(d)(1), 54.802(c), 54.804(c)(4)(i), and 54.806(c)(1), ARE

³⁸ The minimum geographic unit for bidding for RDOF was a CBG containing one more eligible census blocks. While bidders were required to bid at the CBG level, they can only use their support to offer service in the eligible census blocks within those CBGs. *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020; Notice and Filing Requirements and Other Procedures for Auction 904*, AU Docket No. 20-34 et al., Public Notice, 35 FCC Rcd 6077, 6146, para. 213 (2020).

³⁹ The Connect America Cost Model relies on 2010 Census data updated to 2011 counts using Census Bureau 2011 county estimates and GeoResults (Q3/2012) to estimate the number of housing units and small businesses, i.e., businesses to which mass market services will be made available. CostQuest Associates, Inc., Connect America Cost Model (CACM): Model Methodology 12-15 (Dec. 22, 2014), https://transition.fcc.gov/wcb/CAM v.4.2 Methodology.pdf.

⁴⁰ See Resound Petition at 6 n.17 (acknowledging that the Bureau will be making support adjustments at the end of the six-year deployment term). If Resound's updated location count in Oklahoma or Arizona is the same or exceeds the Connect America Cost Model estimated location count so that its estimated location count is used for determining compliance with the sixth year service milestone, the locations that are actually within the overlapped area will be subtracted from Resound's estimated location count before we determine compliance in Resound's remaining authorized RDOF areas in the state. See 47 CFR § 54.806(c)(1)(i)(A)-(C) (stating that we will use the "Connect America Cost Model location count or the adjusted Connect America Cost Model location count if there are fewer locations" for determining compliance with the six year service milestone). If Resound's updated location count in Oklahoma or Arizona is fewer locations than estimated by the Connect America Cost Model so that its adjusted location count is used to determine its compliance with the sixth year service milestone, the adjusted location total will be reduced by the number of locations in the overlapped area. Id. Given that we are removing the overlapped area from Resound's obligation, Resound will not be subject to the section 54.802(c)(1)(iii) requirement to offer service to locations that are newly built in this overlapped area after the Bureau adopts revised location counts. 47 CFR § 54.802(c)(1)(iii); RDOF Order, 35 FCC Rcd at 711, para. 52 (requiring RDOF carriers to "offer service on reasonable request to locations built subsequently" to the Bureau's updated location totals unless the locations are built after milestone year eight).

⁴¹ 47 U.S.C. § 214(e)(4).

⁴² 47 U.S.C. § 214(a); 47 CFR § 63.71.

WAIVED to the extent described herein.

15. IT IS FURTHER ORDERED that, pursuant to section 1.102(b)(1) of the Commission's rules, 47 CFR § 1.102(b)(1), this Order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader Chief Wireline Competition Bureau

Appendix A

Resound RDOF Supported Service Area Overlapped by Cocopah and Tonkawa TBCP Round 1 Awards

Overlapped Cocopah Tribal lands (Arizona)

Link to Shapefile for Cocopah TBCP Round 1 Award: https://www.fcc.gov/sites/default/files/Cocopah-shapefile.zip

Resound Arizona RDOF Census Blocks

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Fully Overlapped by Cocopah TBCP Round 1 Award
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Partially Overlapped by Cocopah TBCP Round 1 Award

Overlapped Tonkawa Tribal lands (Oklahoma)

Link to Shapefile for Tonkawa TBCP Round 1 Award: https://www.fcc.gov/sites/default/files/Tonkawa-shapfile.zip

Resound Oklahoma RDOF Census Blocks:

Fully Overlapped by Tonkawa TBCP Round 1 Award

Partially Overlapped by Tonkawa TBCP Round 1 Award

Appendix B-C

[See Separate Attachments]