



DLA Piper LLP (US)
500 Eighth Street, NW
Washington, DC 20004
www.dlapiper.com

John Beahn
john.beahn@dlapiper.com
T 202.799.4232
F 202.799.5232

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VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Notice of Ex Parte – *Connect America Fund*, WC Docket No. 10-90; *ETC Annual Reports and Certifications*, WC Docket No. 14-58; *Rural Broadband Experiments*, WC Docket No. 14-259; *Connect America Fund Phase II Auction*, AU Docket No. 17-182.

Dear Ms. Dortch:

On January 19, 2018, Mark Smith, Director of Broadband Initiatives, Office of Pennsylvania Governor Tom Wolf; Rodney Akers, Pennsylvania Office of General Counsel; Christopher Campbell, Director for Broadband and Energy Consulting, Tilson Technology Management; and James Stegeman, President, CostQuest Associates, together with counsel from DLA Piper, Ian Forbes and the undersigned (collectively, the “Pennsylvania Delegation”), met with Nicholas Degani, Senior Counsel to Chairman Ajit Pai, and Jay Schwarz, Wireline Advisor to Chairman Ajit Pai.

As detailed more fully in the attached presentation deck, the Pennsylvania Delegation provided Mr. Degani and Mr. Schwarz with an overview of Pennsylvania Governor Tom Wolf’s new economic development initiative to achieve 100% broadband deployment throughout Pennsylvania utilizing a dedicated funding stream and a State-focused auction process. The Pennsylvania Delegation discussed the public interest benefits of this initiative, which will spur significant capital investment and infrastructure deployment in many rural areas of the State that currently lack broadband services. Those present reviewed how the State and the Commission can coordinate their broadband funding efforts to ensure that areas in Pennsylvania are not overbuilt as a result of the combination of the State’s efforts and the upcoming Connect America Fund Phase II auction. The Pennsylvania Delegation also discussed the draft Order and Order on Reconsideration that is scheduled to be voted on by the Commission at its January 30, 2018 open meeting. In particular, the Pennsylvania Delegation distinguished the new initiative from the efforts related to the pending Pennsylvania Public Utility Commission petition.

Respectfully submitted,

DLA Piper LLP (US)

/s/ John M. Beahn
John M. Beahn

Pennsylvania Broadband Initiative

- **Governor Tom Wolf is announcing a major new economic development initiative to expand the availability of broadband services throughout Pennsylvania.**
- **The goal of this initiative will be 100% broadband availability for every resident and business in Pennsylvania by December 2022.**
- **The initiative will spur significant capital investment and infrastructure deployment in many rural areas of the State that currently lack broadband services, leading to economic growth, job creation and educational opportunities.**

Pennsylvania Broadband Initiative

- **Pennsylvania is seeking to establish a federal-state partnership through which it will commit state funding to match CAF II.**
- **Together, this partnership will target as much as \$280 million of federal and state funds for broadband infrastructure deployment in the State.**
- **This funding will be distributed through a market-based and technology-neutral reverse auction process designed and implemented by the State's broadband office in close consultation with the FCC.**
- **Pennsylvania expects to launch this auction process in 2018 with broadband buildouts completed by December 2022.**

Pennsylvania Broadband Initiative

- **Pennsylvania soon will file a request that the Commission modify the CAF II auction rules and dedicate state funds to match CAF funding declined by Verizon to the State.**
- **Award of the CAF II funds to winning bidders in Pennsylvania's reverse auction process will be subject to oversight by the FCC and compliance with various Commission requirements, such as those imposed on New York State in connection with the waiver it received in January 2017.**
- **Through its reverse auction, Pennsylvania will target the deployment of broadband speeds of 100 Mbps or greater in unserved areas.**
- **CAF II funds will be allocated only in areas that are eligible for the federal auction.**

Pennsylvania Broadband Initiative

- **A federal-state partnership will ensure the efficient and cost-effective use of scarce CAF II resources and avoid duplicative funding of broadband networks in the State.**
- **Modifying the CAF II rules for Pennsylvania is consistent with FCC precedent.**
- **Modifying the CAF II rules is in the public interest as it would facilitate the more rapid deployment of broadband services than otherwise possible through the CAF program.**