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March 7, 2018

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.

Dear Ms. Dortch:

On March 5, 2018, Jeffrey Nordhaus, Executive Vice President, Innovation & Broadband, Empire State Development Corporation, and counsel from DLA Piper, John Beahn and Ian Forbes, met with Chairman Ajit Pai, and Jay Schwarz, Wireline Advisor to Chairman Ajit Pai.

As detailed more fully in the attached presentation deck, Mr. Nordhaus provided Chairman Pai and Mr. Schwarz with an update on the progress of New York's New NY Broadband Program. Specifically, Mr. Nordhaus reviewed the results of New York's Phase III auction and described how the State leveraged Connect America Phase II support, combined with matching State funding and private investment, to achieve 99.9% broadband availability throughout New York. Mr. Nordhaus also explained that the Commission's partnership with the State was critical to ensuring high-speed broadband service in the Connect America Fund-eligible areas in New York and thanked the Chairman for his support. Finally, those in attendance discussed the timing of upcoming coordination between the State and Commission, as well as ways the parties could collaborate on broadband deployment issues again in the future.

Respectfully submitted,

DLA Piper LLP (US)

/s/ John M. Beahn
John M. Beahn

New NY Broadband Program



Broadband
Program Office

March 5, 2018

Broadband For All

In 2015, **30%** of New Yorkers
Lacked Access to Broadband

■ 100 Megabits per-
second (Mbps)



65% Lacked Access to Broadband
in the **Upstate** REDC Regions

Broadband For All

- In 2015 Governor Cuomo Launched the **\$500 Million New NY Broadband Program**
- Largest State Broadband Investment in the Nation
- Achieves Goals Through **Public/Private Partnerships**
- Funding Awarded in **3 Rounds** Through **Reverse Auction**
- **Round III** Included Landmark **Partnership with the FCC**

Prior Broadband Rounds



Round I

\$76 Million

Public/Private Investment

25 Projects

**2,796 Miles of
Broadband Infrastructure**

36,171 Locations

Round II

\$268 Million

Public/Private Investment

54 Projects

**10,902 Miles of
Broadband Infrastructure**

89,514 Locations

Round III Summary

*After Round III, 99.9% of New Yorkers will have
Access to High-Speed Broadband*

Approx. 99% at Speeds of 100 Mbps or Greater
Includes 100% of Upstate Locations

\$385.5 Million
Public/Private Investment

\$225.5 Million
State Funding

\$160 Million
Private & Federal Funding

44 Projects

**7,608 Miles of
Broadband Infrastructure**

128,777 Locations

Announced totals are preliminary and subject to confirmation by the BPO, approval by ESD's Board of Directors (§ 4. Section 10 of the Urban Development Corporation Act), and acceptance by awardees. Thus, totals presented here may differ from final commitments.

Round III Auction Highlights

- Separate Auctions Addressed Unserved Census Blocks Eligible for CAF Funding & Those Not Eligible
- Based on the Preliminary Auction Results –
 - **\$115.3 Million** in State Funding Awarded in the **New York CAF Auction**, for **47,735 Locations**
 - **\$110.2 Million** in State Funding Awarded in the **New York State Auction**, for **81,042 Locations**
- State Auction Process & Results Fully Comply with All Terms of FCC CAF Waiver Order, Including State Match Substantially Outpacing FCC Contribution, as Per FCC Requirements
 - Certain restrictions limited ability to fully deploy FCC funds

Round III Auction Highlights

New York State's Partnership with the FCC Produced Several Remarkable Results

- Robust Participation by **Verizon Communications** in Round III
- **Satellite Awards** Offer Broadband to the **Most Remote Unserved Areas** of the State
- Round III Auctions Achieved a **Low State Cost Per-Location** and **18 Companies** to Receive Awards
- Awarded Projects Successfully Leverage **State, Federal, & Private Funding**

Spotlight: Verizon Communications

- **Verizon Communications** to Receive the Most State Funding in Round III – Over **\$85.2 Million**
- Awards to Leverage an Estimated **\$63.4 Million** in Private & Federal Investment
- **Fiber-to-the-Home** to **18,314 Locations** Across **5 Upstate Regions**

**Totals reflect awards in both the Round III New York State and CAF Auctions*

Spotlight: Hughes Network Systems

- **Hughes Network Systems** to Address **75,638 Locations**, the Most of Any Round III Awardee
- **\$15.4 Million** in State Funding
- Awards to Leverage an Estimated **\$13.6 Million** in Private & Federal Investment
- **Satellite-Based Service** at Download Speeds of **25 Mbps** in the Most Remote Areas of the State

**Totals reflect awards in both the Round III New York State and CAF Auctions*

Results Across the Program

By Technology

Technology	State Grant (\$M)	Private & Federal Investment (\$M)	Total Investment (\$M)	Total Locations	State Cost Per Location	Total Investment* Per Location
FTTH	\$450.5	\$213.1	\$663.6	144,623	\$3,115	\$4,588
Satellite	\$15.4	\$13.6	\$29.1	75,638	\$204	\$384
Fixed Wireless	\$15.2	\$8.3	\$23.5	6,562	\$2,310	\$3,579
Cable (HFC)	\$7.7	\$2.2	\$9.9	26,888	\$286	\$368
DSL	\$2.7	\$0.7	\$3.4	751	\$3,591	\$4,489
Program Total	\$491.4	\$238.0	\$729.4	254,462	\$1,931	\$2,866

**Represents the total project cost and estimated Connect America Fund support for Round III projects*

Investment Across the Program

By Round

Round	State Grant (\$M)	Private & Federal Investment (\$M)	Total Investment (\$M)	Total Locations	State Cost Per Location	Total Investment* Per Location
Round I - 2016	\$54.2	\$21.6	\$75.8	36,171	\$1,497	\$2,096
Round II - 2017	\$211.8	\$56.3	\$268.1	89,514	\$2,366	\$2,995
Round III - 2018	\$225.5	\$160.0	\$385.5	128,777	\$1,751	\$2,994
Program Total	\$491.4	\$238.0	\$729.4	254,462	\$1,931	\$2,866

**Represents the total project cost and estimated Connect America Fund support for Round III projects*

Strategies for Success

Clear Goals

Establish Statewide Broadband Access at Speeds of 100 Mbps, with 25 Mbps in the Most Remote Areas
Fund Capital Expenditures for Last Mile Solutions

Engaged Providers Early to Inform Program Structure & Encourage Participation

Robust Outreach

Strong Partnership

Effective Collaboration With Providers
Landmark FCC Partnership Crucial To Achieving Broadband for All

Structure is Transparent & Publicly Available
Priority Given to the Unserved
Leveraged Other State-Secured Commitments

Auction Structure

Broadband For All

**Private Investments
Secured**

No State Cost

**New NY Broadband
Program**

Phases 1, 2, 3

**Broadband
for All**

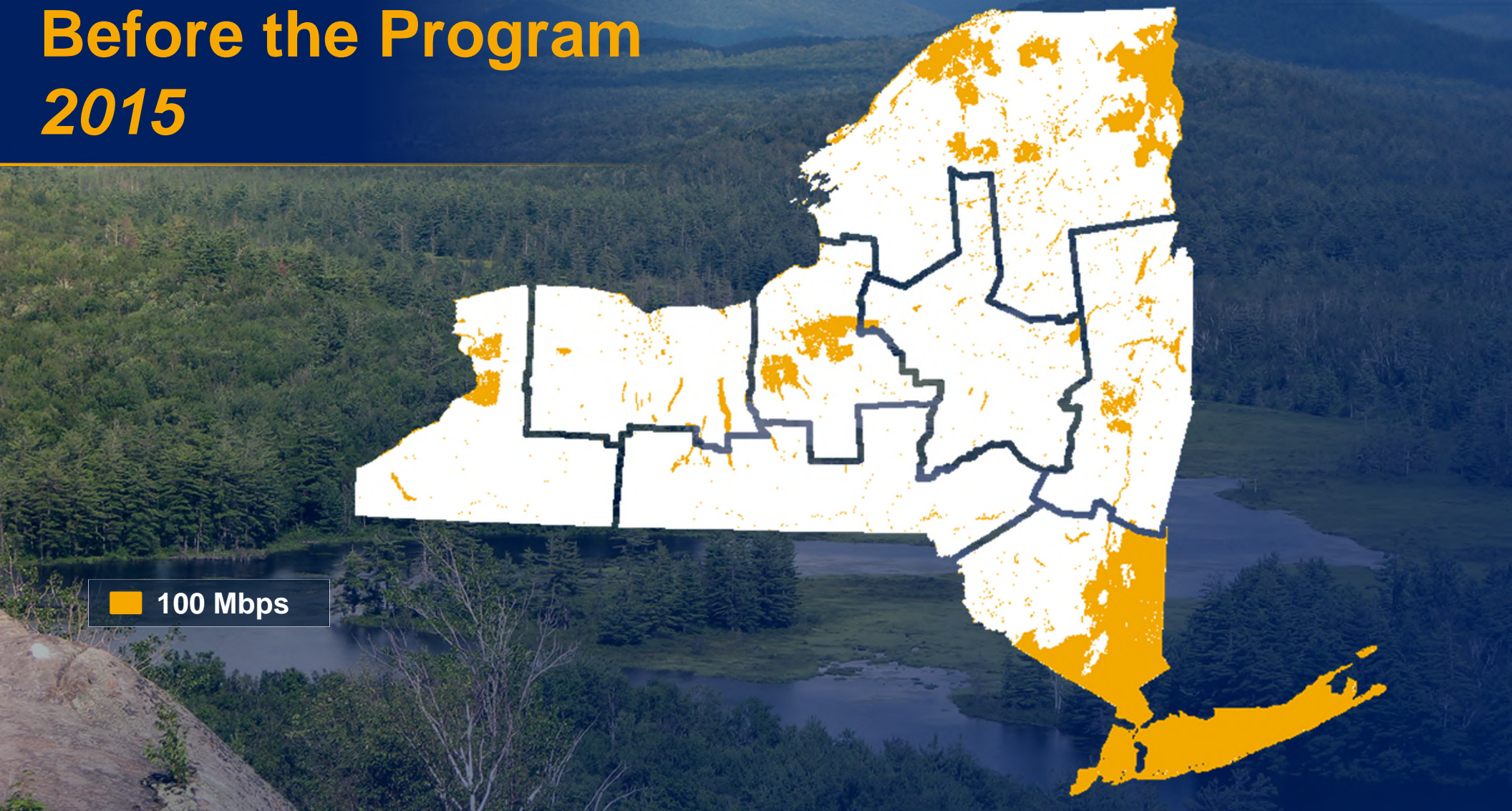
Partnership With FCC

**Up to \$170 Million in
Additional Funding**

**Satellite Solution for
Most Rural & Remote
Areas**

Low Cost Per Home

Before the Program 2015



After the Program 2018



Includes Additional Commitments

Connecting the Empire State



*Thank You for
Your Partnership!*

Summary - Total Program Funding

- **\$729.4 Million** in Public/Private Investment
 - **\$491.4 Million** in State Funding
 - **\$238 Million** in Private & Federal Funding
- **123 Projects**
- Over **21,300 Miles** of Fiber Deployed
- **254,462 Homes, Businesses, & Community Anchor Institutions** (Hospitals, Libraries, K-12 Schools) Connected to High-Speed Broadband