

# Congress of the United States

Washington, DC 20515

March 4, 2015

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The Honorable Tom Wheeler  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington DC 20554

Dear Chairman Wheeler:

We write supporting the original proposal by Rural Broadband Services Corporation Inc. (RBSC) for a grant from the Federal Communications Commission's Rural Broadband Experiments proposal to support high speed broadband service in rural Oklahoma and in support of their February 18, 2015 Application for Review of the Commission's denial for a request for a waiver of the requirement to submit three years of audited financials related to their proposal.

Access to digital resources is important to communities—and the gap between Americans who have access to telecommunications and information technologies and those who do not, is more tangible and most deeply felt by Americans in rural areas and on Tribal Lands. The proposal submitted by RBSC would extend modern digital networks into rural, high-cost areas through a fiber cable infrastructure, providing affordable Gigabit broadband service to many large users, including the Cherokee Nation and other “anchor institutions” such as schools and universities, libraries, hospitals and health care clinics throughout the planned service area in Northeastern Oklahoma.

The Commission prioritized funding for RBSC's proposal, recognizing its cost-competitive proposal would improve the economic vitality of Oklahoma's rural and Tribal areas and enhance the quality of life for those impacted, while supporting the national goal of enhancing telemedicine and distance learning within rural America. However, on January 30, RBSC was one of fifteen entities unilaterally removed from further consideration when the Commission refused to evaluate the entities' individual financial qualifications because such an evaluation would be “resource intensive” and require a “protracted effort”—despite previous communications indicating the Commission would consider such issues on a case-by-case basis.

The decision to unilaterally reject any entity without three years of audited financials strikes us as capricious, especially in the case of RBSC, which as a start-up entity that, by definition, would not have three years of financial history to audit, willingly provided supplemental documentation providing concrete evidence of their ability to fulfill their responsibilities. Reviewing such documentation is the responsible course of action, especially when the Commission is acting as a steward of limited resources being distributed in a competitive process and has already recognized RBSC for having a cost-competitive proposal.

We urge the Commission to, upon review of RBSC's February 18, 2015 Application for Review, grant RBSC's waiver request and actually review the supplemental financial documentation they

have already provided to the Commission. We appreciate your thoughtful consideration of our request and of RBSC's original proposal to bring high speed broadband service to rural and Tribal Oklahoma.

Sincerely,



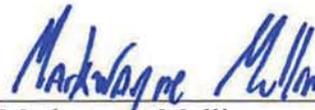
James M. Inhofe  
United States Senator



Tom Cole  
Member of Congress



Jim Bridenstine  
Member of Congress



Markwayne Mullin  
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

April 9, 2015

The Honorable Jim Bridenstine  
U.S. House of Representatives  
216 Cannon House Office Building  
Washington, D.C. 20515

Dear Congressman Bridenstine:

Thank you for your letter in support of the proposal submitted by Rural Broadband Services Corporation (RBSC) for funding from the federal universal service rural broadband experiments, as well as RBSC's application for review. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

I agree that access to digital resources and high-speed broadband services is critical for rural communities. That is why expanding high-speed broadband connections to all corners of the country is a top priority for the Commission. The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America, including in Tribal lands, have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21<sup>st</sup> century.

In the *Rural Broadband Experiments Order*, the Commission adopted a \$100 million budget for rural broadband experiments and established an objective methodology for selecting projects among formal applications for those carriers that would deploy new, robust broadband to consumers in price cap areas. The Commission required provisionally selected bidders to submit certain information and materials by a specified deadline that would enable the Bureau to undertake a financial and technical review of the selected bidders before authorizing them to receive support. Specifically, entities were required to provide the most recent three consecutive years of audited financial statements and submit a description of the technology and system design used for the project, including a network diagram certified by a professional engineer.

On December 5, 2014, the Bureau released a list of 37 entities provisionally selected as provisionally winning bidders for rural broadband experiments support. Fifteen of these bidders, including RBSC, filed petitions requesting waiver of the requirement to provide three consecutive years of audited financial statements or the requirement that its network diagram be certified by a professional engineer.

After seeking public comment on the petitions for waiver of the financial and technical requirement, the Bureau denied those petitions on January 30, 2015, concluding that the standards for waiver had not been met. The Bureau balanced the Commission's interest in conducting experiments with its duty as the steward of public funding. It determined that granting the requested waivers would not be consistent with the Commission's direction to ensure that the finite rural broadband experiments budget would be distributed to entities that provide concrete evidence of their financial and technical capability to fulfill commitments to

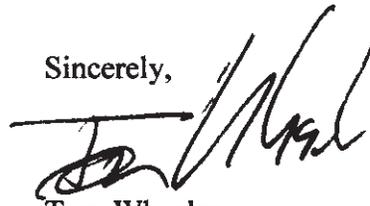
Page 2—The Honorable Jim Bridenstine

build voice and broadband capable networks, as well as provide reasonably comparable services at reasonably comparable rates.

As you note, RBSC has filed an application for review on the denial of its waiver request. I can assure you that we will give RBSC's application for review full consideration and make every effort to conclude its review as quickly and equitably as possible.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

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Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

April 9, 2015

The Honorable Tom Cole  
U.S. House of Representatives  
2458 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Cole:

Thank you for your letter in support of the proposal submitted by Rural Broadband Services Corporation (RBSC) for funding from the federal universal service rural broadband experiments, as well as RBSC's application for review. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

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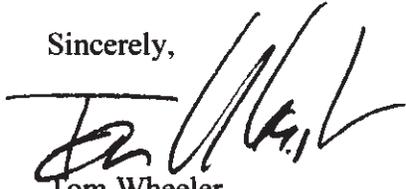
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WASHINGTON

OFFICE OF  
THE CHAIRMAN

April 9, 2015

The Honorable James M. Inhofe  
United States Senate  
453 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Inhofe:

Thank you for your letter in support of the proposal submitted by Rural Broadband Services Corporation (RBSC) for funding from the federal universal service rural broadband experiments, as well as RBSC's application for review. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

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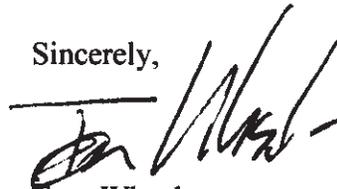
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WASHINGTON

OFFICE OF  
THE CHAIRMAN

April 9, 2015

The Honorable Markwayne Mullin  
U.S. House of Representatives  
1113 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Mullin:

Thank you for your letter in support of the proposal submitted by Rural Broadband Services Corporation (RBSC) for funding from the federal universal service rural broadband experiments, as well as RBSC's application for review. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

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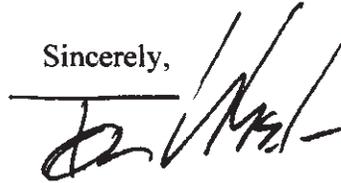
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