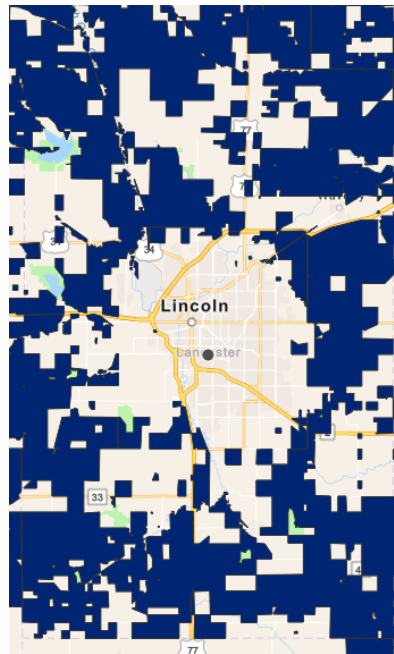


Lancaster County explores leveraging FCC's Rural Digital Opportunity Fund

Leaders in Lancaster County are exploring how to leverage up to \$2.5 million in funding from the FCC's Rural Digital Opportunity Fund (RDOF) reverse auction to bring broadband to over 4,000 residences and businesses in rural parts of the county.

Telecommunications companies may submit RDOF bids to provide broadband via fiber, fixed wireless or satellite. Forming a public-private partnership to leverage the Rural Digital Opportunity Fund may increase the likelihood that the award will support a fiber buildout by minimizing costs for providers or reducing uncertainty.

"So what you are trying to do in some ways is make fiber competitive with wireless," explained Loel Brooks, a telecommunications lawyer and consultant.



Initial RDOF-eligible areas for Lancaster County, Nebraska

Reverse Auction Will Award Broadband Support

Up to \$59 million in funding will be available to telecommunications carriers to provide broadband to 53,623 locations in Nebraska through the FCC's Rural Digital Opportunity Fund reverse auction. The Rural Digital Opportunity Fund will award support over 10 years to provide broadband of at least 25 Mbps down/3 Mbps up to areas identified as unserved.

In a multi-round process, bids will be placed as a percentage of the reserve price for the area. The FCC will assign support to the bidder offering the best combination of speed and latency, once the combined price of bids in each area in the auction falls below the available budget.

The reverse auction is scheduled to begin Oct. 22, 2020.

Lancaster County Nebraska

Model: Leveraging Rural Digital Opportunity Fund to fund fiber buildout through public-private partnerships

Champions and Key Supporters: Lancaster County Commissioners, CIO David Young

Funding: Up to \$2.5 million in RDOF funding. Additional funding from municipalities, counties, private sources and philanthropies may be required.

Key Takeaways

The Rural Digital Opportunity Fund provides an opportunity for local entities in Nebraska to leverage federal funding to support broadband buildout in rural areas.

Leveraging RDOF will require multiple elements: having locations eligible for funding, local leadership, and a provider interested in providing broadband to the area.

Additional funding may be required to make bids to build a fiber-to-the-premise network competitive with those to build a fixed wireless network.

Community leadership can mobilize partnerships and secure funding.

Additional Resources are available at <https://ruralbroadband.nebraska.gov/resources>

Interview Date: April 2020

Key Elements

Leveraging RDOF will require multiple elements: having locations eligible for funding, local leadership, and a provider interested in providing broadband to the area. Additional funding from municipalities, counties, private sources and philanthropies will likely increase the competitiveness of bids.

Locations Eligible for RDOF Funding

Seventy-eight Nebraska counties have locations initially identified by the FCC as eligible for RDOF funding. The initial reserve prices range from \$2,653,788 for Gage County (2,233 locations averaging \$1,188 per location) to \$2,670 for Arthur County (1 location).

Leadership

Community leadership can mobilize partnerships and secure funding. Successful economic development projects require local leadership. “People that can gather people together to solve problems, to undertake projects, to bring bankers and main street and neighborhoods and schools and institutions and banks and everybody together to make decisions—that is really the heart of what our effort is,” said Brooks.

Telecommunications Providers

A number of Nebraska providers have expressed interest in partnering with communities.

Additional Funding

Funding sources in addition to the Rural Digital Opportunity Fund may be required to make bids to build a fiber-to-the-premise network competitive with those to build a fixed wireless network. Funding may include public funding sources such as LB 840, private funding, or philanthropic funds.



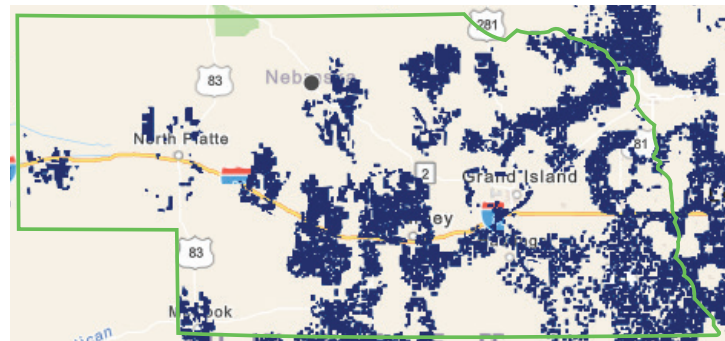
Photo Credit Anne Byers

Models for Leveraging RDOF

Lancaster County is exploring several options to leverage RDOF funding to improve broadband availability in rural areas of the county according to David Young, CIO for the City of Lincoln and Lancaster County as well as a telecommunications consultant.

Model 1. A community could act as an anchor tenant to help start off the network. In return, the carrier would agree to provide service to households in the surrounding rural areas that are eligible for funding over the term of the RDOF agreement.

“The carrier instead of going into RDOF by themselves making a reverse auction pitch of say \$100 a home to provide fiber—if they have the city’s partnership commitment to serve as an anchor tenancy—then they can probably drop that price to \$80 or \$75 a month because they have taken out uncertainty,” said Young. “They know they have an anchor tenant, and it is a large circuit.”



Initial RDOF eligible locations in Nebraska

Model 2. In less densely populated rural areas, supplemental funding may also be necessary in addition to RDOF funding in order to make a viable business case for a fiber-to-the-premise buildout.

“So other financing techniques with upfront money—low interest loans or grants—are all going to be probably at play whether it’s private money or public money or philanthropy or whatever it is,” said Brooks. “There are a whole host of combinations that are going to have come together to leverage the RDOF money.”

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Both Young and Brooks are also consultants with Universal Broadband Consulting.

What Counties and Communities Can Do:

1. Learn more about the Rural Digital Opportunity Fund and funding models for broadband. Links to information on the Rural Digital Opportunity Fund are available at: <https://ruralbroadband.nebraska.gov/resources/index.html>.

2. Get organized.

- Identify champions.
- Form a committee.

3. Take action.

- Talk to telecommunications providers to learn if they plan to submit a bid or how the auction may impact them.
- Explore forming a public-private partnership to leverage RDOF funding.
- Leverage local assets, including:
 - **Community leadership.** The ability of local leaders to convene and engage stakeholders and partners is an area’s greatest asset.
 - **Demand for telecommunications services.** Local entities can act as an anchor tenant for expanded broadband services and can work with businesses and other users to quantify and aggregate demand for broadband services.
 - **Infrastructure assets** include conduit, dark fiber, poles, water towers, and GIS information.
 - **Control over rights-of-way, permitting and inspections.** Local entities should review their processes and take steps to clearly communicate these processes and to streamline them if needed.
 - **Access to financing.** Public funding sources including LB 840, private funding, and/or philanthropic funds may be used.