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For Immediate Release

Carriers Accept Over \$1.5 Billion in Annual Support from Connect America Fund to Expand and Support Broadband for Nearly 7.3 Million Rural Consumers in 45 States and One Territory

WASHINGTON, August 27, 2015 – Ten telecommunications carriers have accepted \$1.5 billion in annual support for rural broadband deployment from the Connect America Fund, which, together with the carrier’s own investment, will expand broadband to nearly 7.3 million rural consumers in 45 states nationwide and one U.S. territory over the next few years.

Today was the final day for these carriers to decide whether to accept the offer of support from Phase II of the Connect America Fund, a key Federal Communications Commission program to expand rural broadband. Most of the ten carriers are major national carriers, and their acceptance will infuse over \$9 billion from the Connect America Fund into rural broadband over the next six years.

“Today we are taking a significant step forward in narrowing the rural-urban digital divide,” said FCC Chairman Tom Wheeler. “Access to modern broadband is critical to life in today’s society. The financial support provided by American ratepayers through the Connect America program is an investment in the future of our rural communities that will pay dividends for all Americans for years to come.”

By design, the Connect America Fund incentivizes significant further private investment by carriers receiving these funds for their rural networks. The Connect America Fund sparks this private investment through subsidies that reduce the prohibitively high cost of deploying networks in remote rural areas, with the balance of the investment borne by the carrier.

Below is the amount of annual support accepted by state and carrier, and the number of homes and businesses served:

State	Homes & Businesses Served	Support Amount in Dollars
Total US	3,629,996	\$1,500,895,507

AL	126,497	\$44,767,752
AR	129,812	\$54,276,126
AZ	46,526	\$23,370,158
CA*	231,835	\$98,330,096
CO	53,139	\$26,509,143
CT	1,388	\$435,139
FL	80,909	\$26,836,154
GA	134,005	\$50,858,551
HI	11,081	\$4,424,319
IA	88,214	\$53,200,244
ID	22,379	\$11,502,990
IL	92,519	\$50,128,844
IN	135,082	\$51,128,227
KS	64,393	\$35,443,694
KY	152,742	\$54,573,721
LA	99,302	\$37,378,605
MA	252	\$63,258
ME	35,500	\$13,289,220
MI	180,377	\$60,512,568
MN	170,355	\$85,622,871
MO	189,323	\$93,728,312
MP	11,143	\$2,627,177
MS	139,269	\$51,506,992
MT	35,941	\$16,310,111

NC	68,267	\$19,055,517
ND	8,044	\$5,656,741
NE	35,839	\$23,215,615
NH	13,131	\$4,376,606
NJ	1,881	\$450,340
NM	32,340	\$15,369,074
NV	5,235	\$2,451,840
NY	59,627	\$21,444,471
OH	166,967	\$58,483,365
OK	17,391	\$8,003,516
OR	50,327	\$21,657,260
PA	76,777	\$27,694,806
SC	49,358	\$16,286,714
SD	15,071	\$9,117,215
TN	93,422	\$29,927,295
TX *	212,492	\$93,131,882
UT	9,506	\$4,441,848
VA	52,433	\$16,588,786
VT	28,399	\$8,789,359
WA	81,865	\$34,421,951
WI	230,451	\$95,438,696
WV	89,190	\$38,068,337

In April, these ten carriers were offered \$1,675,810,041 in support on a state-wide basis from the Connect America Fund, and have now accepted all but \$174,914,534. In states where carriers have declined support, the subsidies will be awarded by a competitive bidding process.

According to the FCC's latest Broadband Progress Report, nearly one in three rural Americans

lack access to 10/1 broadband, compared to only one in 100 urban Americans. Carriers receiving Connect America Fund support must build out broadband to 40 percent of funded locations by the end 2017, 60 percent by the end of 2018, 80 percent by the end of 2019, and 100 percent by the end of 2020.

Following is a chart of Connect America Fund offers accepted by carrier:

Price Cap Carrier	Homes & Businesses Served	Support Amount in Dollars
Carrier Subtotal	3,629,996	\$1,500,895,507
AT&T	1,117,806	\$427,706,650
Cincinnati Bell	7,084	\$2,229,130
CenturyLink	1,174,142	\$505,702,762
Consolidated	24,698	\$13,922,480
Fairpoint	105,220	\$37,430,669
Frontier	659,587	\$283,401,855
Hawaiian Telcom	11,081	\$4,424,319
Micronesian Telecom	11,143	\$2,627,177
Verizon*	114,610	\$48,554,986
Windstream	404,625	\$174,895,478

* Verizon conditionally accepted Phase II support in Texas and California, subject to the issuance and acceptance of regulatory approvals for Frontier's proposed acquisition of all the ownership interests of certain Verizon subsidiaries, including Verizon California Inc. (Verizon California) and GTE Southwest Incorporated d/b/a Verizon Southwest (Verizon Texas) by December 31, 2015.

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