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January 30, 2017 HIGHLIGHTS

- President Trump designated Commissioner Pai to be FCC Chairman. Commissioners [Pai](#), [O'Rielly](#), and [Clyburn](#) issued statements. Chairman Pai announced his [staff appointments](#), the [appointment](#) of Commission Bureau and Office Chiefs, and the [General Counsel](#).
- The FCC issued the [agenda](#) for its January 31, 2017 Open Meeting. The FCC will consider a Report and Order that would eliminate the requirement for commercial broadcast stations to retain copies of letters and emails from the public in their public inspection files and the requirement for cable operators to retain the location of the cable system's principal headend in their public inspection files. The FCC will also consider four items as consent agenda.
- Chairman Pai [is circulating](#) an Order that would waive for five years the enhanced transparency reporting requirements adopted in the Open Internet [Order](#) for small businesses with no more than 250,000 subscribers.
- The Wireline Competition Bureau issued a [Public Notice](#) authorizing an additional 182 rate-of-return companies to receive 217 revised offers of A-CAM support, totaling \$454 million in annual model-based support. A total of 207 RoR carriers in 43 states have now been authorized to receive A-CAM support totaling \$505 million in annual model-based support. The FCC released a [spreadsheet](#) of A-CAM support and obligations.
- The FCC issued [an Order](#) granting New York State's [Petition](#) for waiver of the CAF Phase II auction program rules to allow the use of CAF Phase II support in CAF-eligible areas in New York in coordination with New York's New NY Broadband Program, subject to conditions.
- NTCA, UTC, et al. [discussed](#) their CAF Phase II auction consensus proposal and demand for robust, fast, and reliable broadband service in rural areas.
- The House of Representatives [passed](#) 11 Energy and Commerce Committee bills on January 23, 2017, including: [H.R. 460, the Improving Rural Call Quality and Reliability Act of 2017](#); [H.R. 423, the Anti-Spoofing Act of 2017](#); [H.R. 290, the FCC Process Reform Act of 2017](#); and [H.R. 599, the FCC Consolidated Reporting Act of 2017](#). Chairman Pai issued a [statement](#) on the legislation passed by the House.
- CTIA, NCTA, USTelecom, ITTA, NTCA, WTA, et al. filed a Petition for stay of the [broadband privacy rules](#) while the FCC addresses the [petitions for reconsideration](#). CTIA, et al. also released a [set of principles](#), which include policies on transparency, choice, security, and notifications in the case of a data breach. [Press release](#)

Other Key Upcoming Dates

- Jan. 30 - PRA comments [due](#) on the requirement that certain carriers with high cost reporting obligations must file information about their locations which meet their broadband deployment obligations via an electronic portal.
- Feb. 3 - Comments due on Sandwich Isles' continued applicability of the study area waiver [granted](#) to SIC in 2005, which provided it status as an ILEC for purposes of receiving high-cost support. [PN](#)
- Feb. 13 - Comments due on whether to expand the A-CAM budget for RoR carriers to provide additional funding with an associated increase in broadband deployment obligations. Replies due February 27. [FR Notice](#)

USF Reform

- The Wireline Competition Bureau issued a [Public Notice](#) on January 24, 2017, authorizing 182 rate-of-return companies to receive 217 revised offers of A-CAM support, totaling \$454 million in annual model-based support. Nationwide, a total of 207 RoR carriers in 43 states have now been authorized to receive A-CAM support totaling \$505 million in annual model-based support. The Bureau said acceptance of the revised offer of A-CAM support is conditioned upon a requirement that carriers electing that revised offer agree to meet the terms of the original offer if in 2017 the Commission decides to fund the original offers. The Bureau also reminded the carriers of their requirements related to tariffs. The FCC released a [spreadsheet](#) of A-CAM support and obligations.
- The Commission issued [an Order](#) on January 26, 2017, granting New York State's [Petition](#) for waiver of the CAF Phase II auction program rules to allow the use of CAF Phase II support in CAF-eligible areas in New York in coordination with New York's New NY Broadband Program, subject to conditions. The Order will make an amount up to the amount of CAF Phase II support that Verizon declined in New York, \$170.4 million, available to applicants selected in New York's New NY Broadband Program in accordance with the framework set out in the Order. In a [Press Release](#), the FCC said the \$170 million in federal funding will be coupled with at least \$200 million in state funding and private investment to jump-start broadband deployment and close the digital divide in unserved areas in New York, and will also result in more efficient and effective use of both state and federal funding.
- Empire State Development [spoke via telephone](#) with Wireline Competition Bureau staff on January 24, 2017, to confirm that New York State would make at least \$200 million available in the upcoming phase of its reverse auction to ensure that state broadband funding would meet or exceed any federal CAF funding allocated and awarded pursuant to New York's pending Waiver Petition. It said this phase of the New York auction will include areas previously declined by Verizon, as well as other unserved areas to be auctioned by the State.
- NTCA, UTC, NRECA, and the Association of Missouri Electric Cooperatives, Midwest Energy Cooperative, HomeWorks Tri-County Electric Cooperative, Alger Delta Cooperative Electric Association, and Great Lakes Energy [met separately with](#) Legal Advisors to Commissioners Clyburn and O'Rielly and Wireline Competition Bureau staff on January 25 and 26, 2017, to discuss their CAF Phase II auction consensus proposal and demand for robust, fast, and reliable broadband service in rural areas. Attached to the ex parte are the auction proposal and a map showing demand for Midwest Energy's service.
- NTCA, NRECA, the Association of Missouri Electric Cooperatives, Midwest Energy Cooperative, HomeWorks Tri-County Electric Cooperative, Alger Delta Cooperative Electric Association, Great Lakes Energy, and UTC filed [a proposal](#) for the CAF Phase II auction on January 19, 2017, which includes a proposed weighting system that would be additive and calculated as a percentage with reference to the reserve price. They said any technology would be eligible to bid in the 10/1 Mbps and 25/3 Mbps tiers provided that the bidder meets the FCC's eligibility requirements, submits the required information on the short form, and also submits information showing it can deliver, per the specifications in the tiers adopted by the FCC, unlimited usage capacity to every household in the census block(s) where the entity is bidding. They also suggested the Commission adopt strict *ex post* remedies to further discourage potential abuse.
- WISPA and ViaSat filed [a letter](#) on January 24, 2017, to reiterate their opposition to New York's Petition for Expedited Waiver of certain CAF Phase II auction rules. WISPA and ViaSat asserted New York's Petition would undermine the Commission's efforts to distribute CAF II resources fairly and efficiently through the upcoming, nationwide reverse auction and result in a shortage of funding to serve households in other states under CAF II. They claimed New York State's existing state broadband program rules are inconsistent with the Commission's universal service policies, asserting New York State's rules are not technology neutral and not based on cost effectiveness or performance. They responded to recent ex partes by the Commonwealth of Massachusetts, the State of New York, and the American Cable Association.

- Hughes Network Systems [met with](#) Chairman Pai's Legal Advisor on January 25, 2017, to discuss CAF Phase II competitive bidding rules. Hughes suggested the Commission make finalizing rules for the CAF Phase II auction a goal for its first 100 days following the Administration change. It asserted the record supports a bid-ranking system that maximizes participation and breadth of broadband coverage, and claimed most commenters agreed that weighting per tier and weighting for latency should both be modest.
- Charter Communications filed [a letter](#) on January 25, 2017, to provide notice that Charter serves certain census blocks for which Frontier Communications seeks incremental funding as part of CAF Phase I Round 2. Charter claimed it offers Internet service at speeds exceeding 3 Mbps/768 kbps in 46 of the newly-identified census blocks, which are each served by Charter via the legacy operations of Time Warner Cable, of which Charter is the parent. It asserted because the census blocks in Exhibit A are already served by an unsubsidized competitor, they are not eligible for CAF Phase I support.

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ICC

- JSI filed [a letter](#) on January 20, 2017, giving notice that corrected Tariff Review Plan worksheets with amended Eligible Recovery amounts and the required certifications have been filed with the Commission for Brindlee Mountain Telephone, Otelco Telephone, Horry Telephone Cooperative, and Piedmont Rural Telephone Cooperative, pursuant to the December 19, 2016 [Order](#) that granted these companies a limited waiver to include in their Base Period Revenues intrastate access revenues associated with traffic eligible for access charge compensation terminated during FY 2011, subject to certain conditions.

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Open Internet

- Chairman Pai [announced](#) on January 27, 2017, that an Order is circulating that would waive for five years the enhanced transparency reporting requirements adopted in the Open Internet [Order](#) for small businesses with no more than 250,000 subscribers.

Broadband

- CTIA issued a [Press Release](#) on January 27, 2017, announcing it, along with NCTA, USTelecom, ACA, CTA, CCA, ITTA, NTCA, WISPA, and WTA filed a Petition asking the FCC to stay the broadband privacy rules [recently adopted](#) by the FCC while the FCC addresses the [petitions for reconsideration](#). CTIA, et al. also released a [set of principles](#), which include specific policies on transparency, choice, security, and notifications in the case of a data breach. They reaffirm and restate ISPs' longstanding, pro-consumer privacy practices based on the FTC framework that protected Internet users for years and provided what they claimed is the flexibility necessary to innovate new product solutions to enhance consumers' online experiences. Petition not yet available.
- Sens. Patrick Leahy (D-Vt.), Bernie Sanders (I-Vt.), Charles Schumer (D-N.Y.), and other Senate Democrats [announced](#) on January 24, 2017, the unveiling of a \$1 trillion infrastructure [plan](#) entitled "A *Blueprint to Rebuild America's Infrastructure*." They said the plan would create more than 15 million jobs over the next 10 years. Elements of the plan include: \$20 billion for broadband investment, creating an estimated 260,000 new jobs; \$100 billion to revitalize America's main streets, creating an estimated 1.3 million jobs; and \$75 billion for schools, creating an estimated 975,000 new jobs.

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Call Completion

- The House of Representatives [passed H.R.460](#), the Improving Rural Call Quality and Reliability Act of 2017, on January 23, 2017. The bill requires intermediate providers to register with the FCC and comply with the service quality standards set by the agency to improve call quality in rural areas. The legislation would give the FCC 180 days to issue rules to establish a registry of providers and one year to establish service quality rules.

IP Transition

- USTelecom, AT&T, CenturyLink, FairPoint, Hawaiian Telcom, and Verizon [met with](#) Wireline Competition Bureau staff on January 17, 2017, to discuss the requirement in the IP Transition [Second Report and Order](#) that incumbent providers seeking automatic grant under section 214 to discontinue a legacy voice service and replace it with a service based on a new technology must meet. They explained how the option for providers to demonstrate compliance with latency and data loss benchmarks described in Appendix B is not feasible for use with incumbent providers' managed voice services. They discussed alternative testing methodologies to measure latency and data loss using metrics that are consistent with the FCC's performance benchmarks. They also discussed the arguments raised in USTelecom's [Opposition](#) to NTIA's [Petition](#) for Reconsideration of the Order, and said they are working with NTIA staff to develop a plan for addressing its concerns without the need for increased regulation.

USF

- USAC filed an [updated version](#) of the Lifeline National Verifier Plan, which was created in response to the Lifeline Modernization [Order](#) on January 19, 2017. USAC said the Plan contains a section detailing each of ten key components, as well as an introduction and a glossary of key terms. It also contains a section responding to public comments received on the Draft NV Plan, and has been approved by the Wireline Competition Bureau and the Office of the Managing Director at the FCC.
- Sprint filed a [letter](#) on January 19, 2016, seeking clarification of two aspects of the mobile broadband Lifeline minimum service requirements adopted in the Lifeline Modernization [Order](#). Sprint asked whether Wi-Fi can be used to meet the minimum data allotment requirement and whether the 3G technology standard is met if a Lifeline ETC provides the subscriber who is classified as a broadband customer with a feature phone that cannot accommodate such technology. Sprint said public clarification by the FCC of these issues will help ensure that Lifeline broadband customers are getting the service to which they are entitled; will help minimize the likelihood of waste, fraud and abuse; and will set a level playing field for all mobile ETCs as regards minimum service standards.
- [BlueJay Wireless](#), [Assist Wireless](#), [i-wireless](#), [Telrite](#), [Karma Mobility](#), [Red Pocket](#), [Easy Telephone Services](#), and [Free Mobile](#) spoke with Commissioner Clyburn's Legal Advisor on January 17, 2017, to discuss each company's pending petition seeking designation as a Lifeline Broadband provider. They contested the removal of the petitions from streamlined processing and suggested, with the Commission's broadband minimum service standards in place, the Commission should approve applicants on a technology- and service-neutral basis. They also urged the Commission to grant the petitions so consumers can gain access to each companies' Lifeline offerings.
- [Western Wisconsin Communications](#) and [K-Communications](#) amended their petitions on January 26, 2017, that seek streamlined designation as Lifeline Broadband Provider ETCs in Wisconsin and Minnesota, respectively.
- The Public Utility Division of the Oklahoma Corporation Commission filed a [Request](#) on January 19, 2017, for the FCC to hold in abeyance TerraCom's [Petition](#) seeking streamlined designation as a Lifeline Broadband Provider. The PUD said there are two critical issues pending: whether or not the FCC has authority to preempt the states in this area and to issue its own ETC designations; and what

role, if any, state regulatory agencies will have in monitoring the activities of these federally designated LBPs. The Public Utility Division of the Oklahoma Corporation Commission also filed a similar [Request](#) on January 23, 2017, for the FCC to hold in abeyance Cross Cable's [Petition](#) seeking streamlined designation as a Lifeline broadband provider.

- Sprint filed a [letter](#) on January 19, 2017, withdrawing, on behalf of Boost Mobile, its petition seeking designation as a Lifeline ETC in Alabama, Connecticut, Delaware, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, the Commonwealth of Virginia, and the District of Columbia, including Tribal areas.

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Misc.

- Commissioners [Pai](#), [O'Rielly](#), and [Clyburn](#) issued statements on January 23, 2017, on President Trump's designation of Commissioner Pai as FCC Chairman.
- The FCC issued the [agenda](#) on January 24, 2017, for its January 31, 2017 Open Meeting. The FCC will consider a Report and Order that would eliminate the requirement for commercial broadcast stations to retain copies of letters and emails from the public in their public inspection file and the requirement for cable operators to retain the location of the cable system's principal headend in their public inspection file. The FCC will also consider four items as consent agenda.
- Chairman Pai [announced](#) his staff appointments on January 24, 2017. Appointments include: Matthew Berry as Chief of Staff; Nicholas Degani as Senior Counsel; Jay Schwarz as Acting Wireline Advisor; Alison Nemeth as Acting Media Advisor; Rachael Bender as Acting Wireless Advisor; Zenji Nakazawa as Acting Public Safety and Consumer Protection Advisor; Lori Alexiou as Confidential Assistant; Kim Mattos as Acting Executive Assistant; and Deanne Erwin as Executive Assistant.
- Chairman Pai [announced](#) the appointment of Commission Bureau and Office Chiefs on January 24, 2017. Appointments include: Kris Monteith as Acting Chief of the Wireline Competition Bureau; Michelle Carey as Acting Chief of the Media Bureau; Michael Carowitz as Acting Chief of the Enforcement Bureau; Lisa Fowlkes as Acting Chief of the Public Safety and Homeland Security Bureau; Nese Guendelsberger as Acting Chief of the Wireless Telecommunications Bureau; Tom Sullivan as Acting Chief of the International Bureau; Wayne A. Leighton as Acting Director of the Office of Strategic Planning and Policy Analysis; and Timothy Strachan as Acting Director of the Office of Legislative Affairs. Chairman Pai announced that certain current Bureau and Office Chiefs will remain in their positions, including Alison Kutler as Chief of the Consumer & Governmental Affairs Bureau and Mark Stephens as Managing Director. Chairman Pai also [announced](#) the appointment of Brendan Carr as the Commission's Acting General Counsel. Chairman Pai [spoke](#) to FCC staff.
- The House of Representatives [passed](#) 11 Energy and Commerce Committee bills on January 23, 2017, including: [H.R. 460, the Improving Rural Call Quality and Reliability Act of 2017](#), which would require intermediate providers to register with the FCC and comply with the service quality standards set by the agency; [H.R. 423, the Anti-Spoofing Act of 2017](#), which seeks to protect consumers against fraudulent actors and deceptive text message; [H.R. 290, the Federal Communications Commission Process Reform Act of 2017](#), which seeks to make the FCC more efficient, transparent, and accountable through reforming the Commission's processes; and [H.R. 599, the Federal Communications Commission Consolidated Reporting Act of 2017](#), which seeks to consolidate eight separate reports at the FCC into a single, comprehensive overview of the communications marketplace.
- Chairman Pai issued a [statement](#) on January 24, 2017, on telecommunications-related legislation passed by the House of Representatives on January 23, 2017. He commended the House for passing bills to help "bring greater efficiency to the Commission, provide consumers with greater protections,

improve rural call completion, help amateur radio operators, and take several steps to promote public safety.”

- Level 3 [met with](#) Wireline Competition Bureau staff on January 25, 2017, to discuss its [Petition for Waiver](#) of the call signaling rules. Level 3 said it, like other carriers, cannot transmit both the SS7 CPN and CN in the ANI field to a LEC that chooses to receive terminating traffic over a MF facility, and said in such situations this is a consequence of the equipment (and upgrade plans) of the terminating carrier. Level 3 agreed that industry has made progress on developing draft language for passing CN for SIP-terminated calls, but claimed that progress has not yet produced standards that can be used for interworking the P-Charge-Info header with ISUP, MF, ISDN, or any other signaling medium, and Level 3’s ability to deliver traffic in compliance with such standards is driven by the equipment (and upgrade plans) of the carrier accepting traffic from Level 3. Level 3 also discussed its request for clarification that it may populate CN with a number associated with the relevant Level 3 enterprise customer.
- AT&T, Verizon, and CenturyLink filed a [letter](#) on January 26, 2017, offering a potential framework for transitioning price cap carriers from Part 32 USOA to GAAP accounting. They provided language modifying section 32.1 to eliminate the requirement that price cap carriers comply with the USOA and to impose targeted accounting requirements. They asserted these changes would permit a price cap carrier, on an optional and voluntary basis, to opt-out of the Part 32 requirements and, if it did, would relieve the carrier of the Part 32 rules in their entirety with the exception of maintaining the ability to report upon request by the FCC its GAAP accounting data in conformance with the Part 32 account structure. They also suggested language modifying section 1.1409(g) on pole attachment rate calculations. They said revised language of section 1.1409 would specify that price cap carriers opting-out of Part 32 and using their GAAP accounting data to compute their pole attachment rates would be required to adjust (increase or decrease) their annually computed GAAP-based rates by an Implementation Rate Difference for twelve years after opting-out.
- The Senate Committee on Commerce, Science, and Transportation will convene a full Committee [hearing](#) entitled “A Growth Agenda: Reducing Unnecessary Regulatory Burdens” on February 1, 2017, to examine the negative impacts of unnecessarily burdensome regulations on diverse sectors of the nation’s economy. The hearing will also explore where a smarter regulatory approach would create jobs and spur economic growth.
- Nineteen House Representatives sent a [letter](#) to Chairman Pai on January 25, 2017, asking him to close the docket on the [set-top box proceeding](#). They asserted the Commission should engage in the practice of closing dockets that are no longer under active debate and consideration, and said the FCC’s proposal remains an unnecessary regulatory threat to the content creation and distribution industries. They also said this docket should be closed to give video programming distributors a clear sign that they can bring technological advances to set-top boxes and video delivery without fear that the Commission will overturn them by regulation.
- The Consumer Advisory Committee will hold a [meeting](#) on January 27, 2017. Topics to be discussed include spoofing and robocalling, incentive auctions, the ATSC3.0 Broadcast Standard, and consumer device security.
- Comments were filed on January 23, 2017, on Onvoy Spectrum’s [Petition for Waiver](#) of section 52.15(g)(2) to allow it to obtain pseudo-Automatic Number Identifications directly from numbering administrators for use in its 911 solution for data-only devices using over-the-top VoIP. [NENA](#) supported the Petition to the extent Onvoy seeks a determination that the NANP Administrator’s criteria for determining whether an applicant is, in fact, authorized extend beyond the requirements of the rule. NENA urged the Commission to create a presumption that authorized VoIP service providers who wish to provide dynamic location data to PSAPs may receive access to the requisite numbering resources if they meet the criteria suggested in Onvoy’s Petition. [APCO](#) claimed it is in the public interest for the Commission to grant appropriate waiver relief to enable Onvoy to continue to pursue further testing of its OTT VoIP 911 solution. The [Texas 911 Alliance, et al.](#) said if Onvoy provides self-certification of approval by applicable 911 authority and verifies it commits to work cooperatively to deliver all 911

calls with the appropriate class(es) of service and appropriate p-ANI type, then Onvoy should be able to immediately obtain from the p-ANI administrator access to 511 ESRK p-ANIs, 211 ESQK p-ANI, and/or some other new p-ANI range. Replies are due February 6. [Public Notice](#)

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Upcoming Filing Dates

- Jan. 30 - Comments due on a new information collection addressing the requirement that certain carriers with high cost reporting obligations must file information about their locations which meet their broadband deployment public interest obligations via an electronic portal. [Notice](#)
- Feb. 3 - Comments due on Sandwich Isles' continued applicability of the study area waiver [granted](#) to SIC in 2005, which provided it status as an ILEC for purposes of receiving high-cost support. [PN](#)
- Feb. 6 - Replies due on Onvoy Spectrum's [Petition for Waiver](#) to allow it to directly obtain pseudo-Automatic Number Identifications for use in its 911 solution for data-only devices using over-the-top VoIP. [Public Notice](#)
- Feb. 13 - Comments due on whether to expand the A-CAM budget for rate-of-return carriers to provide additional funding with an associated increase in broadband deployment obligations, pursuant to the December 20, 2016 [FNPRM](#). Replies due February 27. [Federal Register Notice](#)
- Feb. 14 - PRA comments due on an extension of a currently approved information collection associated with section 69.123, on density pricing zone plans. [Notice](#)
- Feb. 27 - PRA comments due on a revision to a currently approved information collection associated with Form 481 and its instructions to provide clarification for some reporting items and to reflect certain updates. [Notice](#)
- Feb. 27 - Comments due on whether to expand the A-CAM budget for rate-of-return carriers to provide additional funding with an associated increase in broadband deployment obligations, pursuant to the December 20, 2016 [FNPRM](#). [FR Notice](#)
- Mar. 13 - PRA comments due on a new information collection on data breach reporting, as required by the October 2016 Broadband Privacy [Order](#). [Notice](#)

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