March 21, 2016 HIGHLIGHTS

- The Wireline Competition Bureau announced the release of data on fixed broadband deployment as of June 30, 2015, collected through FCC Form 477.

- The FCC established the procedures for the 2016 filing of annual access charge tariffs and Tariff Review Plans for price cap and rate-of-return ILECs.

- NTCA supported Hargray's concerns on the use of Form 477 data for determining universal service support distributions because it may not capture the more granular realities of broadband availability at specific locations within census blocks.

- UTC, NRECA, and NTCA supported the use of minimum performance requirements for evaluating proposals for CAF Phase II reverse auction funding.

- FairPoint discussed its Petition seeking $4.2 million that has been deducted from its eligible recovery for calendar year 2015; its Petition to include in its Base Period Revenue $124,531.06 in access revenues billed to Halo Wireless during Fiscal Year 2011; and its Petition for a Declaratory Ruling or Waiver on wireline broadband Internet access transmission services.

- WTA supported NTTA’s proposed Tribal Broadband Factor. WTA, along with 3 Rivers, and CC Communications also discussed their support of a Tribal Broadband Factor. The Small Company Coalition also supported a Tribal Broadband Factor.

- Copper Valley Telecom and GVNW discussed Copper Valley’s plan for infrastructure deployment under the proposed Alaska Infrastructure Fund plan. GCI discussed its proposed performance commitments under the Alaska Plan. Alaska Communications asserted its proposal for middle mile is the only one that would benefit all of Alaska.

Other Key Upcoming Dates

- Apr. 7 - Comments due on Endeavor’s Petition for Clarification on the separations freeze. Replies due April 22.
- Apr. 18 - PRA comments due on revisions to Form 481 to reflect reporting requirements for price cap carriers for CAF Phase II support, for recipients of RBE support, a reasonably comparable rate certification for broadband for high-cost support recipients, and an E-rate bidding certification for Phase II model-based support and RoR carrier high cost recipients.

Editor: Teresa Evert | Assistant Editor: Shawn O'Brien
USF/ICC Reform

- NTCA filed a letter on March 16, 2016, to support the March 7, 2016 filing made by Hargray Communications Group, which expressed concern about the use of Form 477 data for determining universal service support distributions because it may not capture the more granular realities of broadband availability at specific locations within census blocks. NTCA suggested the Commission work with providers to ensure that reforms are ultimately implemented in a way that will reasonably further efforts over time to reach consumers lacking sufficient broadband.

- The Utilities Telecom Council, the National Rural Electric Cooperative Association, and NTCA filed a letter on March 14, 2016, to express support for the use of minimum performance requirements for evaluating proposals for CAF Phase II reverse auction funding, specifically, minimum initial speeds of 25/3 mbps. UTC also indicated it supports the networks to be capable of providing 100/25 mbps, have no more than 100 ms latency, and at least 100 GB usage allowance, consistent with the current requirements for Rural Broadband Experiments. They said the Commission should adopt minimum requirements and criteria for the reverse auction that are competitively neutral and that also advance the overarching goal of universal service to promote access to quality broadband services that are reasonably comparable to the level of services available in urban areas initially and throughout the ten-year support program. They said proposals by Hughes and others do neither.

- FairPoint met with Commission staff on March 16, 2016, to discuss three pending FairPoint petitions. Regarding its Petition for Declaratory Ruling, FairPoint claimed there is no duplicate recovery of LSS-related amounts between CAF model-based support and ICC Transitional Support, and requested the Commission instruct NECA to restore the approximately $4.2 million per year that has been deducted from FairPoint’s eligible recovery since January 1, 2015. FairPoint requested action on its March 17, 2015 Petition to include in its Base Period Revenue $124,531.06 in access revenues billed to Halo Wireless during Fiscal Year 2011. It also requested action on its pending Petition for a Declaratory Ruling or Waiver in order that its broadband Internet access service be subject to the same USF contribution obligations as price cap carriers and other BIAS providers that previously were not required to offer BIAS on a common carrier basis.

- 3 Rivers Communications, CC Communications, and WTA met with Commissioner O’Rielly’s Legal Advisor on March 15, 2016, to express support for NTTA’s proposed Tribal Broadband Factor. WTA emphasized that carriers in addition to tribal telephone authorities, such as 3 Rivers Communications and CC Communications, also serve tribal lands and are interested in participating in a TBF mechanism. WTA also expressed support for a temporary waiver of CapEx and OpEx limitations on carriers serving tribal lands while the Tribal Broadband Factor is under consideration in the further rulemaking. They also met with Commissioner Rosenworcel’s Legal Advisor to discuss the same issues.

- WTA met with Commissioner Clyburn’s Legal Advisor on March 10, 2016, to express support for NTTA’s proposed Tribal Broadband Factor. WTA said it understands the TBF is likely to be proposed in a FNPRM, and indicated it supports a temporary waiver of capital expenditure and operating expense limitations on carriers serving Tribal lands while the TBF is under consideration.

- The Small Company Coalition filed a letter on March 15, 2016, to express support for the Tribal Broadband Factor as proposed by the National Tribal Telecommunications Association and Gila River Telecommunications. The SCC said to its knowledge, the TBF is the only proposal that directly addresses the digital divide that exists between many Tribal areas and other areas of the lower forty-eight states, and it urged the Commission to promptly adopt the TBF once comments have been received via the NRPM process.

- Copper Valley Telecom and GVNW met separately with Commissioners O’Rielly and Rosenworcel’s Legal Advisors on March 16, 2016, to discuss Copper Valley’s plan for infrastructure deployment under the proposed Alaska Infrastructure Fund plan. They also reviewed the unique circumstances that
create higher than average costs for carriers, such as Copper Valley and the entire subset of rural carriers, serving the state of Alaska.

- GCI met with Wireless Telecommunications Bureau staff on March 10, 2016, to discuss GCI’s proposed performance commitments under the Alaska Plan. It stated that the numbers reflected in the previously-filed commitment table were prepared prior to the FCC’s making available its latest Form 477 data, and GCI is reviewing that data to see how it affects the proposed commitments.

- ACS filed a letter on March 11, 2016, to respond to a recent presentation by the Alaska Telephone Association that ACS said asserts the Commission need not be concerned about middle mile in Alaska because private parties are addressing, or at least have announced plans, to partly address the challenge. ACS said it disagrees with such assertions, and said only by comprehensively addressing the middle mile gap in a way that safeguards competition will the FCC be able to fulfill its statutory duty to ensure that all Alaskans have access to reasonably comparable, affordable, advanced broadband capability. ACS asserted its proposal is the only one currently in the record that would benefit all of Alaska by repurposing current support amounts, tapping additional support that is currently going unused, and ensuring that all carriers would have access to publicly-funded middle mile infrastructure on just, reasonable, affordable, and non-discriminatory wholesale terms.

- ViaSat met with the FCC’s Chief of the Office of Engineering and Technology, the Chiefs of the Wireless and the International Bureaus, and Bureau staff on March 11, 2016, to discuss the Spectrum Frontiers proceeding and ViaSat’s recommendation that the CAF Phase II reverse auction enable competition by all technologies and service providers for the limited available funds.

- Atlantic Tele-Network filed a letter on March 14, 2016, regarding its proposal that the Mobility Fund Phase II provide support separately for the expansion of service to areas that currently lack 4G LTE service and the preservation of service in areas that currently receive legacy frozen high-cost support and where service would be threatened absent support. ATN proposed that the auction process for Expansion Support would identify how many road miles where 4G LTE service is unavailable and the Census Tracts in which the unserved road miles are located and solicit bids by Census Tract or bidder-defined combination of Census Tracts, expressed as dollars of support per eligible road mile. ATN said bidders would be select by the bids that maximized the number of road miles served at the lowest subsidy level.

- Grafton Telephone Company filed a letter on March 17, 2016, to notify the FCC of changes it made to its previous two FCC Form 477s on March 17, 2016. GTC said its previously-filed Form 477s contained data as of December 31, 2015 and June 30, 2015 that incorrectly identified fixed broadband deployment in 73 census blocks. GTC requested the FCC allow these corrections to be included in the A-CAM as soon as possible.

- Wilkes Telephone and Electric Company filed a letter on March 17, 2016, to notify the FCC of changes it made to its study area boundary, and indicated it submitted a revised study area shapefile on March 8, 2016. It requested the FCC allow these corrections to be incorporated as soon as possible.

Back to Highlights

### ICC

- CenturyLink filed a letter on March 11, 2016, clarifying its Petition for Waiver of sections 51.907 and 51.915 to facilitate an internal restructuring plan. CenturyLink clarified the waiver is intended to permit it to consolidate the study areas of multiple LECs in a state in advance of their being merged so that each surviving study area may first operate under a single tariff with uniform switched access rates, participate in a single statewide Federal access tariff filing, and consolidate their eligible recovery.
Open Internet

- The American Cable Association met with Office of Strategic Planning & Policy Analysis, Consumer and Governmental Affairs, and Wireline Competition Bureau staff on March 10, 2016, to discuss: the disclosure of network performance characteristics as required by the 2010 Open Internet Transparency Rule; the use of alternative approaches to comply with the performance measurement requirements as described in the 2011 Guidance issued by the Enforcement Bureau and Office of General Counsel; the practices employed by smaller broadband ISPs to measure and disclose information about actual network performance that are consistent with the 2011 Guidance; and the transparency enhancements adopted in the 2015 Open Internet Order.

Broadband

- The Wireline Competition Bureau issued a Public Notice on March 16, 2016, announcing the release of data on fixed broadband deployment as of June 30, 2015, collected through FCC Form 477, which are available on the FCC’s Form 477 webpage. The data tables indicate the census blocks where providers report offering fixed broadband services to at least part of the block, the technology used to offer the service, and the maximum advertised download and upload speeds for both consumer and business services. The Bureau also released an updated version of the fixed broadband deployment data as of December 31, 2014. This new version reflects revisions made by filers to this round of Form 477 data between October 26, 2015 and February 22, 2016. The Bureau said coverage area shapefiles showing mobile broadband network deployment will be made available at a later date.

- The Consumer and Governmental Affairs Bureau issued a Public Notice on March 16, 2016, to announce that the obligation of service providers and equipment manufacturers to file annual recordkeeping certifications and contact information by April 1, 2016, on their efforts to implement accessibility requirements will not be enforced against broadband Internet access service providers until the Commission receives approval from the Office of Management and Budget. The Bureau noted some BIAS providers are independently subject to these requirements by virtue of offering advanced communications services, and are thus subject to this requirement under the Twenty-First Century Communications and Video Accessibility Act independent of their classification as a common carrier, and therefore must file annual recordkeeping certifications and required contact information by April 1, 2016, as set forth in the March 4, 2016 Public Notice.

- Ruth Milkman, FCC Chief of Staff, spoke at the Protecting Broadband Privacy Forum at the New America’s Open Technology Institute on March 15, 2016, to discuss the NPRM on how customers’ data is used by broadband providers, which will be considered at the Commission’s March 31, 2016 Open Meeting. She said Chairman Wheeler’s proposal is built on three core principles – transparency, choice and security, and the proposal has three goals: to enable every broadband consumer to know what information is being collected and how it is used; to enable every broadband consumer to choose how his/her information bits are used and shared; and to give every consumer confidence that his/her information is being securely protected.

- Free Press filed a letter on March 14, 2016, responding to a letter from a group of broadband industry associations to Chairman Wheeler that urged the Commission to adopt an FTC-style broadband privacy framework. Free Press asserted harmonizing FCC and FTC enforcement only would serve to weaken enforcement, and urged the Commission to abide by the congressional mandate to protect CPNI and other private information by commencing a strong rulemaking, starting with an opt-in approach for using consumer data for any purpose other than providing broadband service.

Back to Highlights
IP Transition

- Windstream met with Wireline Competition Bureau staff on March 10, 2016, to discuss its Petition that requested the FCC confirm that an ILEC’s obligation to provide DS1 and DS3 capacity loops on an unbundled basis is not changed or eliminated by replacement of copper with fiber or by the conversion from TDM to IP format. Windstream asserted responses in the price cap tariff investigation underscored the continued importance of unbundled DS1 and DS3 capacity loops to competition. Windstream also said the Commission’s completion of its review of competition in the business data services market, in both the rulemaking and tariff investigation, presents an appropriate and fitting opportunity to resolve the issue raised in Windstream’s Petition.

- The Massachusetts Department of Telecommunications and Cable filed a letter on March 16, 2016, to express support for Windstream’s Petition that requested the FCC confirm that an ILEC’s obligation to provide DS1 and DS3 capacity loops on an unbundled basis is not changed or eliminated by replacement of copper with fiber or by the conversion from TDM to IP format. The MDTC asserted that resolving the petition would eliminate any uncertainty concerning the obligation of an ILEC to provide DS1 and DS3 capacity loops on an unbundled basis during the technological transitions.

State Actions

- The U.S. District for the Northern District of Texas issued a Memorandum and Order on March 16, 2016, addressing three motions in the multidistrict litigation on intraMTA calls. The court granted plaintiffs Sprint and Verizon’s motion for extension of time to replead state claims, but denied their December 22, 2015 motion for final judgment, or in the alternative, for certification review and for stay pending appeal. The court also granted defendant CenturyLink LEC affiliates’ motion for leave to file counterclaims, to establish a process for the filing of and responses to those counterclaims, and for a status conference to address these and other continuing issues.

- AT&T, et al. filed a complaint in Kansas District Court on March 11, 2016, alleging Sprint failed to pay them for access services Sprint purchased from their federal and state tariffs. AT&T, et al. alleged that after the MDL court dismissed all of Sprint and Verizon’s federal claims in the intraMTA proceedings in November 2015, Sprint refused to pay amounts it has withheld from the Plaintiffs based on Sprint’s now-rejected intraMTA argument.

- FairPoint Communications filed a complaint in Colorado District Court on March 10, 2016, alleging Level 3 failed to pay tariffed access charges for access services that Level 3 used in regards to intraMTA calls. FairPoint asked the court for damages, an award of any costs or fees to which the Plaintiffs may be entitled, and a declaration that Level 3 is obligated in the future to pay access charges.

USF

- AT&T met with Wireline Competition Bureau staff on March 11, 2016, to discuss clarification of a carrier’s obligations in implementing the section of the June 2015 Lifeline Order regarding the boundaries and definition of reservations in Oklahoma and determining eligibility for enhanced Tribal discounts for Lifeline. AT&T also discussed the impact of the proposed mobile voice phase-down on legacy high cost wireless CETCs who are required to participate in Lifeline, and urged the Commission to ensure minimal, if any, impact on these CETCs.

- AT&T met with Commissioner Pai’s Legal Advisor on March 16, 2016, to urge the Commission to take program administration responsibilities away from Lifeline service providers as expeditiously as possible and, in any case, by January 1, 2017. AT&T also recommended the Commission not eliminate support for standalone mobile voice services. AT&T stressed the importance of providing clarity about the obligations of high-cost mobility ETCs in the event phase-out of standalone mobile voice support
moves forward, and recommended such ETCs be exempt from any phase-down requirement until high-cost mobility support issues are resolved. AT&T also met with Legal Advisors to Commissioners O’Rielly and Rosenworcel and Clyburn to discuss the same issues.

- Verizon met with Commissioner Clyburn’s Legal Advisor on March 14, 2016, to urge the Commission to ensure that the National Eligibility Verifier begins operation as quickly as possible in order to reduce the burdens on customers and carriers alike. Verizon argued participation in broadband Lifeline should be optional for all carriers and the Commission should make clear that states do not have the authority to layer additional broadband Lifeline-related obligations on top of federal requirements. Verizon also said if the Commission elects to phase out Lifeline support for standalone voice service, it should phase out support in a technologically-neutral manner.

- NARUC and the Nebraska PSC Commissioner met with staff from Chairman Wheeler’s office, Commissioner O’Rielly and his Legal Advisor, Legal Advisors to Commissioners Rosenworcel and Pai, and Wireline Competition Bureau and Office of Media Relations staff on March 10, 2016, to discuss the draft Lifeline Order. The Nebraska PUC asserted that permitting a federal bypass option for ETC designations will increase confusion for subscribers, increase the likelihood of fraud, abuse and reduced service quality, and undermine the state matching program. NARUC and the D.C. PSC and California PUC Commissioners met with Commissioners Clyburn and O’Rielly and their Legal Advisors, Chairman Wheeler’s Legal Advisors and Counselor, Commissioner Rosenworcel’s Legal Advisor, and Wireline Competition Bureau and Media Bureau staff on March 18, 2016, to discuss the similar issues.

- NARUC and 90 state PUC commissioners filed a letter on March 17, 2016, asserting the proposal to establish an optional federal ETC Broadband Lifeline designation process will eliminate crucial State oversight of Lifeline services. They asserted these proposals could increase fraud and abuse, undermine existing complementary State Lifeline programs, and result in the provision of substandard services to Lifeline consumers by some subsidized providers.

- Sprint met with Commissioner Clyburn’s Legal Advisors on March 14, 2016, to express concern that certain elements of the draft Lifeline Order are contrary to established Commission policy. Sprint said the proposal to eliminate the Lifeline subsidy for mobile voice but to retain this subsidy in full for wireline voice violates the long-held principle of competitive and technological neutrality. Sprint asserted the Commission must continue to foster competitive and technological neutrality by mandating a uniform $9.25 Lifeline subsidy to all eligible wireless and wireline service providers.

- Sprint met with Commissioner Rosenworcel’s Legal Advisor on March 10, 2016, to express support for including broadband services in the Lifeline program. Sprint asserted certain elements of the draft Order are contrary to established Commission policy and statutory imperatives, and would undermine the provision of the voice services that are the core of the current program. Sprint urged the FCC to: grandfather existing Lifeline subscribers under their current plan, at a $9.25 Lifeline support level, through 2019; implement any mobile voice-only transition plan no sooner than one year from the effective date of any new rules that are adopted; and adopt more realistic mobile voice minute requirements.

- CCIA, CTIA, the Competitive Carriers Association and INCOMPAS filed a letter on March 17, 2016, to express concern with elements of the Lifeline Fact Sheet. They asserted the proposed minimum service standards for mobile wireless Lifeline services will make critical mobile voice services unaffordable for many low income consumers; cause significant disruption to millions of participants on a flash-cut basis; and violate competitive and technological neutrality policies.

- CTIA met with Legal Advisors to Commissioners Rosenworcel and Clyburn on March 14, 2016, to express concern with proposals in the FCC’s Lifeline Fact Sheet that CTIA says appear to disregard the significant affordability, equitability and public safety needs of low income consumers and the unintended consequences of minimum service standards. CTIA asserted affordability for low-income consumers should be the primary basis for determining the minimum offerings for Lifeline-supported services. CTIA also claimed the proposed minimum standards for mobile wireless voice services
disregard the principles of competitive and technology neutrality that have guided the Commission’s Universal Service programs for nearly twenty years. CTIA also met with Jon Wilkins, Chief of the Wireless Telecommunications Bureau, and Commissioner O’Rielly’s Legal Advisor on March 16 and 17, 2016, to discuss similar issues.

- GCI met with Commissioner O’Rielly’s Legal Advisor on March 11, 2016, to assert that the proposed adoption of minimum standards for Lifeline services could render portions of rural Alaska ineligible for Lifeline service. GCI also urged the Commission to continue to define “Tribal lands” in Alaska by reference to the Bureau of Indian Affairs’ definition of “reservation,” which includes “Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act.”

- NCTA met with Chairman Wheeler’s Legal Advisor and Counselor and staff from the Wireline Competition and Wireless Telecommunications Bureaus on March 11, 2016, to discuss the Commission’s proposed reforms to the Lifeline program. NCTA asserted that providing a single, nationwide designation option for broadband Lifeline support is a positive step toward encouraging new providers to participate, and allowing existing ETCs to receive Lifeline support for broadband without requiring them to undergo a new or additional designation process will help to ensure that eligible low-income subscribers can benefit from the subsidy as soon as possible.

- NCTA met with Legal Advisors to Commissioners O’Rielly, Rosenworcel, Pai and Clyburn on March 15-17, 2016, to express support for the Commission’s plan to adopt a national process for becoming a Lifeline broadband provider, as opposed to requiring new entrants to apply for an ETC designation in each state in which they provide service. NCTA also urged the Commission to provide eligible consumers with the widest choice of broadband services possible by allowing the use of Lifeline discounts on any broadband service offered by a participating service provider.

- Smith Bagley filed a letter on March 14, 2016, providing information on the capital investments and annual operating expenses SBI is prepared to invest with increased Lifeline support. SBI asserted that without an increase in Tribal Lifeline support, SBI will be unable to undertake most of the planned investments in broadband infrastructure on Tribal Lands, and said if legacy high-cost support is phased out for Tribal Lands, it is unclear that any investments can be made beyond major towns and highways.

- Voxiva met with Chairman Wheeler’s and Wireline Competition Bureau staff and Commissioner Rosenworcel’s Legal Advisor on March 15, 2016, to argue that to ensure wireless Lifeline continues to serve as a critical tool for improving health in the Medicaid population, the FCC should reconsider imposing minimum standards that are likely to reduce the wireless options available to low-income consumers. It recommended the Commission allow the market to work by allowing consumers to choose the options that work best for them, including a marketplace that would offer consumers data-enabled handsets with a bundle of voice, text and data with no co-pay.

- The Lifeline Connects Coalition met with Commissioner Clyburn and her Legal Advisor, and Legal Advisors to Chairman Wheeler and Commissioners Rosenworcel, O’Rielly, and Pai, Wireless Competition Bureau, Office of Media Relations, Wireless Telecommunications Bureau staff, and on March 15-16, 2016, to express concern with several components of the proposals set forth in the Lifeline Fact Sheet. The Coalition recommended the Commission extend the implementation of its mobile voice and mobile data minimum service standards by one year, from December 1, 2016 until December 1, 2017.

- Consumer Action filed a letter on March 18, 2016, expressing support for inclusion of broadband in the Lifeline program. Consumer Action asked the Commission to recognize the importance of wireless voice and text services to millions of low-income Lifeline-eligible households, and asserted that eliminating no-cost Lifeline support for standalone wireless voice would harm the millions of low-income consumers who cannot afford to pay for communications services or do not have access to banking services.
- Public Knowledge, the Benton Foundation, the United Church of Christ, the National Consumer Law Center and The Leadership Conference on Civil and Human Rights met separately with Legal Advisors to Commissioners Clyburn and Rosenworcel on March 15, 2016, to state that any budget mechanism for the Lifeline program should be used as a program-planning tool, not as a hard cap on expenditures. They also asserted the Commission should consider allowing broadband access providers that are not currently ETCs to provide Lifeline-supported service in the future.

- True Wireless and TerraCom filed a letter on March 17, 2016, asserting the FCC should preserve Lifeline support for stand-alone mobile voice service, and reject proposals to impose minimum service requirements that increase the number of minutes of service ETCs must provide while freezing the monthly subsidy they receive on behalf of their customers. They also said the FCC should promptly act on long-pending compliance plans and streamline the process for ETC eligibility, and ensure that any new process to establish customer eligibility allows real-time verification.

- MHPA filed a letter on March 18, 2016, to state it is vital for Lifeline to continue to support the possibility of a free mobile offer for MHPA’s beneficiaries. MHPA also expressed concern that with minimum requirements for data and unlimited voice, Lifeline carriers will no longer be able to afford to offer a free Lifeline service to beneficiaries.

- Common Sense sent a letter to Chairman Wheeler and FCC Commissioners on March 15, 2016, to ask the FCC to include broadband in Lifeline reform. It asserted that including broadband in the Lifeline program will make a significant contribution to the expansion of broadband by making it more affordable and accessible in currently hard-to-serve rural and urban areas.

- The Competitive Carriers Association filed a letter on March 16, 2016, to state that several of the FCC’s Lifeline proposals will raise prices for wireless Lifeline customers. CCA asserted that phasing out voice-only wireless services, forcing customers into broadband bundles with unlimited voice service, and setting broadband minimum service standards will raise wireless service prices significantly above the current $9.25 Lifeline subsidy.

- Snagajob spoke with Wireline Competition Bureau staff on March 14, 2016, to express support for the proposal to include mobile broadband in the Lifeline program. Snagajob asserted the Lifeline program can help to provide affordable access to such services, and Lifeline providers can provide low-income job seekers with the smartphones that facilitate use of mobile applications.

- The Education & Libraries Network Coalition met with Commissioner Rosenworcel and her Legal Advisor on March 11, 2016, to discuss changes to the Lifeline program, including issues with transitioning the program to broadband and other efforts to close the homework gap.

Back to Highlights

Misc.

- The Pricing Policy Division of the Wireline Competition Bureau issued an Order on March 16, 2016, establishing the procedures for the 2016 filing of annual access charge tariffs and Tariff Review Plans for price cap and rate-of-return ILECs subject to sections 61.38 and 61.39. The Order sets an effective date of July 1, 2016, for the 2016 annual access charge tariff filings. The Division continues to grant a sua sponte waiver of section 61.49(k) for price cap ILECs, and permits the short form TRP to be filed approximately 45 days prior to the annual access charge tariff effective date. ILEC tariffs are due June 16, 2016, for those filing on 15 days’ notice, and June 24, 2016, for those filing on seven days’ notice. Comments on the short form TRP are due May 31, 2016; replies due June 7, 2016. Petitions to suspend or reject tariff filings made on 15 days’ notice are due June 23, 2016; replies due June 27, 2016. Petitions to suspend or reject tariff filings made on seven days’ notice are due June 28, 2016; replies due June 29, 2016.
CenturyLink met with Wireline Competition Bureau staff on March 15, 2016, to discuss the CenturyLink tariff plans under investigation, the Regional Commitment Plan and Special Access Term Discount Plan. CenturyLink discussed the rapid migration from DS1s and DS3s Ethernet services, which it says are viewed as a ready substitute, and noted cable providers’ prominent role in this migration and the dramatic extent to which they have won Ethernet customers in CenturyLink’s ILEC footprint. CenturyLink also discussed changes in the special access marketplace and asserted each of the RCP and TDP terms and conditions under investigation are pro-competitive, lawful and often similar to those in competitive LEC agreements.

Level 3 met with Wireline Competition Bureau staff on March 17, 2016, to discuss the price cap carrier special access tariff investigation. Level 3 asserted the Commission should require: that customers purchasing special access services under the lock-up plans have the ability to choose the size of the volume commitments they make under the plans; the purchase of Ethernet special access services counts toward the volume commitments in the lock-up plan; and all commercial agreements to which an incumbent LEC is a party and that include provisions affecting the prices incumbent LECs charge for DS1 and DS3 special access services be filed as tariffs.

AT&T filed a motion on March 17, 2016, seeking access to confidential fiber route maps that were submitted by CLECs in response to the Commission’s data collection effort in the special access proceeding. AT&T asserted these data would confirm special access competition is ubiquitous in the areas where there is special access demand, and the Commission should immediately permit all parties to gain access to the detailed fiber route maps.

Verizon met with Jon Sallet, FCC General Counsel, on March 11, 2016, and assert demand for business broadband services is moving from legacy services to numerous other providers, especially cable companies. Verizon said the FCC should adopt a regulatory framework that ensures a level playing field for all providers that offer the same or similar services. Verizon discussed rolling back forbearance for Ethernet services, various pricing regimes, and changes to the terms and conditions in place for tariffed special access services. Verizon also discussed spectrum and set-top box issues.

New Networks Institute filed a letter on March 13, 2016, providing a copy of the text in a blog post written for the Huffington Post by New Networks’ Executive Director, Bruce Kushnick, on the FCC’s recent denial of his request to view confidential special access data filed by AT&T, Verizon, and CenturyLink in the FCC’s special access proceeding. He indicated New Networks Institute plans to appeal the Order.

Sprint met with Jonathan Sallet, FCC General Counsel, on March 10, 2016, to assert that comments and economic analyses submitted in the special access proceeding have established that the ILECs have overwhelming market power in the special access services marketplace. Sprint also discussed the remedies that it believes the Commission should consider in order to address what it asserted are the competitive harms that have arisen as a result of incumbent LEC dominance. Sprint also met with Wireline Competition Bureau staff to discuss the same issues.

The Georgetown Center for Business and Policy filed a letter on March 16, 2016, presenting research conducted by Visiting Scholar Anna-Maria Kovacs, who investigated the financial health of U.S. CLECs, to determine whether competition in the special access market is impaired as a result of the ubiquitous network presence of U.S. ILECs. It said Kovacs found, among other things, ILECs do not possess a competitive advantage over CLECs due to the continually rising costs of maintaining these networks and the continually declining number of customers these networks serve.

BT Americas met with Chairman Wheeler’s Legal Advisors and Wireline Competition Bureau staff on March 9, 2016, to discuss the methodology and findings of the economic study that BT commissioned from WKI-Consult, which benchmarks international Ethernet services regulation and outcomes for consumers. BT also met with Commissioner Pai’s Legal Advisor to discuss the same issues and to highlight the inconsistencies in positions taken by Verizon and AT&T before regulators outside versus inside the U.S., as noted in BT’s ex parte filed February 29, 2016.
Compass Lexecon filed a letter on March 16, 2016, providing the Commission with data related to its January 2016 white paper entitled “Competitive Analysis of the FCC’s Special Access Data Collection.” The data includes census blocks that have been identified as having special access demand.

INCOMPAS met with General Counsel and Wireline Competition Bureau staff on March 16, 2016, to discuss the special access marketplace. INCOMPAS said while the Commission determines the appropriate comprehensive mechanism to ensure just and reasonable rates, at a minimum, it should ensure rates for TDM and packet-based services do not increase, and should confirm and ensure that the ILECs’ wholesale rates for dedicated services must be lower than their lowest retail rates for the same capacity.

Caroline Van Wie, AT&T Assistant Vice President of Federal Regulatory, wrote a blog post on March 16, 2016, to assert that despite evidence pointing to the end of the copper era, CLECs are championing the imposition of greater regulation on quickly disappearing copper-based TDM special access services. She asserted CLECs are now asking the FCC to use the special access proceeding to impose old fashioned, monopoly-era rate regulation on ILECs’ last mile fiber Ethernet connections, and if the Commission wants to consider that change it would have to initiate a new proceeding that tees up that issue.

Chairman Wheeler and Commissioner Pai testified at the House Subcommittee on Financial Services and General Government’s hearing on March 15, 2016, on the FCC’s 2017 budget request. Chairman Wheeler said the FY 2017 budget requests a total of $358,286,000, derived from regulatory fees, a $9,500,000 transfer from the USF to pay for the costs of reducing improper payments and enforcing that $8.3 billion program, and a $7,000,000 increase in the Spectrum Cap to $124,000,000. He said the FY 2017 request is $25,726,497 less than the FY 2016 appropriated level of $384,012,497, if the FCC is allowed the requested USF transfer amount; and if not, the FCC would be underfunded from the onset by $9.5 million. Commissioner Pai said he is disappointed that the FCC is again seeking to siphon money from the USF to fund the FCC’s work, and urged the Subcommittee to again reject this proposal. He also urged the Subcommittee to prevent the FCC from using any appropriated funds to impose a broadband tax.

NTCA sent a letter to Chairman Betty Ann Kane of the D.C. PSC on March 16, 2016, stating there are routing and networking questions with respect to the implementation of nationwide number portability that must be resolved prior to such implementation. NTCA identified areas of technical concern relating to routing and network responsibility that must be resolved as part of any NNP implementation. NTCA asserted, among other things, that implementation of NNP functionality could cause significant provider confusion in routing and transport responsibilities associated with calls to and from numbers ported on a nongeographic basis.

Neustar met with Public Safety and Homeland Security Bureau and General Counsel staff on March 16, 2016, to ask for written assurance from the Commission that transferring competitively sensitive Number Portability Administration Center user data to iconectiv is permissible in support of the transition to a new LNP Administrator. Neustar said NAPM asked Neustar to transfer competitively sensitive NPAC user data to iconectiv, beginning as early as June 1, 2016, in connection with Neustar's role in building and testing an enhanced bulk data download capability.

No comments were filed on Vonage Holdings’ application to obtain telephone numbers directly from the North American Numbering Plan Administrator and the Pooling Administrator. Public Notice

The FCC’s Enforcement Bureau issued an Advisory on March 14, 2016, reminding political campaigns and calling services that there are clear limits on the use of autodialed calls or texts and prerecorded voice calls. The Bureau said prerecorded voice messages and autodialed calls to cell phones and other mobile services, such as paging systems, are prohibited, except for calls made for emergency purposes with the prior express consent of the called party and calls made to collect debts owed to or guaranteed by the United States. This prohibition covers calls sent by nonprofit or political campaign-related organizations. The Bureau also stated political campaign-related prerecorded voice messages
or autodialed calls to most landline telephones are not prohibited, so long as they adhere to certain identification requirements.

- Comcast filed an Opposition on March 14, 2016, to Public Knowledge’s Petition that asked the FCC to enforce conditions it imposed on Comcast as part of its merger with NBC-Universal. Comcast asserted its Stream TV is not an online or over-the-top video service delivered over the Internet, but a Title VI cable service that, just like all of Comcast’s other cable services, is delivered to customers’ homes over Comcast’s private, managed network over Comcast’s cable systems, and is subject to and abides by all the regulatory requirements that apply to other Title VI cable services. Comcast said, accordingly, Stream TV does not violate the merger condition that Comcast treat affiliated and unaffiliated network traffic equally, because the condition is applicable only to network traffic delivered over the Internet, nor does Stream TV violate the Open Internet rules.

- The FCC published in the Federal Register on March 21, 2016, the Report and Order that provided limited compensation rate relief for VRS providers with 500,000 or fewer monthly minutes, on a retrospective and going-forward basis, from certain Tier I compensation rate adjustments adopted in the VRS Reform Order. The FCC directed the TRS Administrator to pay compensation to these providers at a rate of $5.29 a minute for the period beginning July 1, 2015 - October 31, 2016, and from November 1, 2016 - April 30, 2017, compensation will be paid at a rate of $5.06 per minute, and from May 1 - June 30, 2017, $4.82 per minute. The Order is effective April 20, 2016.

Upcoming Filing Dates

- Mar. 21 - PRA comments due on FCC Form 690, the Annual Report for Mobility Fund Phase I Support, and the record retention requirements, which were revised in the May 14, 2012 Third Order on Reconsideration of the USF/ICC Transformation Order. Notice

- Mar. 30 - Comments due on Interstate Telecom and CenturyLink’s Petition seeking a study area waiver to permit CenturyLink to remove a portion of its Flandreau Exchange. Replies due April 14. Public Notice

- Mar. 31 - Comments due on the preparation of a Programmatic Environmental Assessment for the development of a more efficient and effective environmental review process for the RUS Telecommunications Program. Notice

- Apr. 7 - Comments due on Endeavor’s Petition for Clarification that rate-of-return carriers who elected to freeze their category relationships in 2001 are permitted to directly assign costs to new categories of investment introduced subsequent to the inception of the freeze if that category is ordinarily directly assigned in accordance with the Part 36 rules. Replies due April 22. Public Notice

- Apr. 14 - Replies due on Interstate Telecom and CenturyLink’s Petition seeking a study area waiver to permit CenturyLink to remove a portion of its Flandreau Exchange. Public Notice

- Apr. 18 - PRA comments due on revisions to Form 481 and its instructions to reflect reporting and certification requirements for price cap carriers that elect to receive CAF Phase II model-based support, for recipients of Rural Broadband Experiment, a reasonably comparable rate certification for broadband for high-cost support recipients, and an E-rate bidding certification for Phase II model-based support and rate-of-return carrier high cost recipients. Notice

- Apr. 22 - Replies due on Endeavor’s Petition for Clarification that rate-of-return carriers who elected to freeze their category relationships in 2001 are permitted to directly assign costs to new categories of investment introduced subsequent to the inception of the freeze if that category is ordinarily directly assigned in accordance with the Part 36 rules. Public Notice
• Apr. 22 - PRA comments due on an extension to a currently approved information collection associated with annual the ARMIS Operating Data Report (43-08). Notice

• Apr. 26 - PRA comments due on an extension of a currently approved information collection associated with section 69.605, Reporting and Distribution of NECA Pool Access Revenues. Notice

• May 3 - PRA comments due on an extension of a currently-approved collection associated with section 64.1903, which requires ILEC’s international, interexchange affiliate to maintain books of account separate from such ILEC’s local exchange and other activities. Notice

• May 3 - PRA comments due on an extension of a currently-approved collection associated with the May 2000 CALLS Report and Order. Notice

• June 16 - ILEC tariffs due, for those filing on 15 days’ notice. Petitions to suspend or reject tariff filings due June 23; replies due June 27. Order