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### April 9, 2018 HIGHLIGHTS

- The FCC issued a [Report and Order](#) allowing certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses.
- The FCC [published](#) the February 16, 2018 [Second Order on Reconsideration](#) in the Federal Register. This order: revised rules to replace the surrogate cost method for determining the cost of CBOLs with rules employing existing separations and cost allocation procedures; revised the rule requiring RoR carriers to impute on CBOLs an amount equal to the ARC that could have been assessed on a voice or voice/broadband line; and clarified issues relating to reductions in CAF BLS due to competitive overlap. The rules are effective May 3, 2018.
- The Wireline Competition Bureau [denied](#) ACS's [Petition for Clarification and Waiver](#) of the requirement for CAF Phase I incremental support recipients to file geocoded location information for each location deployed using this support.
- The D.C. Circuit Court of Appeals [denied](#) AT&T and CenturyLink's Petitions for Review of the FCC's [2015 decision](#) to retain voice-only obligations in areas where USF support is no longer available.
- The Wireline Competition Bureau issued an [Order](#) establishing procedures for the 2018 annual access charge tariff filings and Tariff Review Plans for ILECs.
- FairPoint Communications [discussed](#) its pending [Petition](#) for declaratory ruling regarding the restoration of its ICC Transitional Support, and requested the Commission act on the Petition at the earliest possible opportunity.
- NTCA [discussed](#) the draft [Order and NPRM](#) on rural call completion, expressing concern about removing the record-keeping and reporting requirements. NCTA and ACA also [discussed](#) the draft [Order](#), expressing support for the proposed decision to eliminate reporting obligations.
- The Tenth Circuit Court [denied](#) Blanca Telephone's [Motion](#) to dissolve a preliminary injunction in the proceeding where Blanca filed a [Petition for Review](#) of an FCC [Order](#) directing Blanca to repay \$6.7 million in USF support.
- USAC submitted its [annual report](#) to the FCC on its operations, activities, and accomplishments in 2017.
- The FCC [seeks comment](#) on whether the rules adopted in 2005-2006 should be continued without change, amended, or rescinded. Certain rules in Parts 54 and 64 are included in this review. Comments are due 90 days after Federal Register publication.

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### Other Key Upcoming Dates

- Apr. 12 - Comments due on the [NPRM](#) proposing to update the FCC's rules on jurisdictional separations. Replies due April 27, 2018. [FR Notice](#)
- April 26 - Comments due on NECA's [2017 Interim Modification of Average Schedules and 2018 Further Modification of Average Schedules](#), filed on February 26, 2018. Replies are due May 11, 2018.

## USF Reform

- The FCC issued a [Report and Order](#) on April 5, 2018, allowing certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses. The FCC: increased the amount of OpEx that carriers who predominantly serve Tribal lands can recover from the USF for the period beginning January 1, 2017; declined to remove the OpEx limitation altogether, and instead raised the limitation to 2.5 standard deviations above the regression-determined amount for those carriers that qualify; and limited this relief to those carriers that have not deployed 10/1 Mbps to 90 percent or more housing units and do not have unsubsidized competitors serving the study area.
- The FCC issued a [notice](#) in the Federal Register on April 3, 2018, publishing the February 16, 2018 [Second Order on Reconsideration](#). This order: revised rules to replace the surrogate cost method for determining the cost of CBOLs with rules employing existing separations and cost allocation procedures; revised the rule requiring RoR carriers to impute on CBOLs an amount equal to the ARC that could have been assessed on a voice or voice/broadband line; and clarified issues relating to reductions in CAF BLS due to competitive overlap. The rules are effective May 3, 2018.
- The Wireline Competition Bureau issued an [Order](#) on April 4, 2018, denying ACS's [Petition for Clarification and Waiver](#), filed March 14, 2017. The petition sought relief from the requirement for CAF Phase I incremental support recipients to file geocoded location information for each location deployed using this support. The Bureau noted ACS had until July 1, 2016, to provide the required information, but failed to do so, and filed this waiver petition more than nine months after the reporting deadline. The Bureau said this information is critical to ensuring accountability for high-cost support.
- The D.C. Circuit Court of Appeals issued an [Order](#) on April 6, 2018, denying AT&T and CenturyLink's Petitions for Review of the FCC's [2015 decision](#) to retain voice-only obligations in areas where USF support is no longer available. The court deferred to the FCC's decision to hold a preexisting regime in place for an interim period, explaining it wished to avoid commandeering agency resources and to respect the agency's judgments about how to maintain baseline universal service in the context of uncertainties attending a major regulatory transition. The court also said the FCC made clear that it will grant case-by-case forbearance or supplemental funding in areas where providers can meet their burden to show their services are not required or they need additional financial help.
- Chairman Pai sent [letters](#) to ten Senators on March 28, 2018, in response to their letter that expressed concerns over the Mobility Fund II initial eligible areas map, which was publicly released on February 27, 2018. Pai said this map is only the beginning of the process, and the Commission has established a lengthy and robust challenge process. He explained once the deadline for challenges has passed, providers will have the opportunity to rebut the speed tests, Commission staff will adjudicate the challenges, and then the Commission will release a final map of areas eligible for support in the MF-II auction. Pai said the FCC is focused on ensuring that the limited funds are effectively and accurately targeted to areas that lack unsubsidized 4G LTE service.
- Allband Communications, JSI, and Fred Williamson and Associates [spoke with](#) Wireline Competition Bureau and USAC staff on April 3, 2018, to raise questions related to the withholding of the amount due Allband in its [Application for Review](#) of the [Order](#) that granted in part and denied in part Allband's Petition for Waiver of the \$250 per line cap on USF support. Allband said the questions are still outstanding.

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## ICC

- FairPoint Communications [spoke with](#) Commissioner Clyburn's Advisor on April 2, 2018, to discuss its pending [Petition](#) for declaratory ruling regarding the restoration of its ICC Transitional Support. FairPoint requested the Commission act on the Petition at the earliest possible opportunity.

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## Broadband

- The Wireless Telecommunications Bureau issued an [Erratum](#) on April 6, 2018, to the [Second Report and Order](#) on streamlining the wireless infrastructure siting review process. The Erratum amended the Table of Contents of the Second Report and Order to correct paragraph numbering.
- NCTA filed a [letter](#) on April 4, 2018, to respond to [Verizon](#) and [Google Fiber's](#) oppositions to its ASAP [proposal](#) for pole attachments. NCTA said their criticism is fundamentally flawed and provides no persuasive reason for the Commission not to adopt the proposal. NCTA asserted the proposal avoids the problems that would result from the extreme form of one-touch make-ready advocated by Verizon and Google, accelerates the time frame for new attachments, and increases the capital available for deployment.
- Verizon [met with](#) Chairman Pai's Advisor and Law Clerk on April 2, 2018, to urge the Commission to adopt rules allowing providers the option of using a robust one-touch make-ready process for pole attachments. Verizon also discussed further streamlining the section 214(a) discontinuance process for legacy voice services, arguing the Commission should recognize that it lacks section 214(a) authority to regulate a provider's discontinuance of a particular voice offering if the affected community's members have access to other voice options. It suggested, alternatively, the Commission should forbear from enforcing section 214(a) with respect to legacy voice services, and reiterated that, at a minimum, the Commission should abandon the "adequate replacement" test for review of applications seeking to discontinue a legacy TDM-based voice service in a community as part of a technology transition, and instead find that such a discontinuance application should automatically be granted if the provider certifies either that it provides interconnected VoIP service throughout the affected service area, or that at least one other alternative voice service is available in the affected service area.
- INCOMPAS, Uniti Fiber, and Rocket Fiber [met with](#) Wireline Competition Bureau staff on April 3, 2018, to discuss pole attachment policies. They reported that the typical timeframe for most pole attachment make-ready work under the existing policy is between 180 and 365 days, and discussed some of the flaws in the ASAP proposal put forth by NCTA and others. They urged the Commission to move expeditiously to adopt rules that provide new attachers the option to invoke OTMR for pole attachments and speed deployment.

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## Call Completion

- NTCA [met with](#) Commissioner Clyburn and her Advisor and Advisors to Chairman Pai and Commissioners O'Rielly and Rosenworcel on April 3 and 5, 2018, to discuss the draft Order and NPRM on rural call completion. NTCA expressed concern about removing the record-keeping and reporting requirements, suggesting as an alternative the Commission should require covered providers to abide by certain best practices, including limiting the number of intermediate providers in the call chain, or require covered providers to file with the Commission their documented monitoring procedures along with contact information for call completion problems. NTCA also suggested the rules adopted in this Order should sunset after three years and revert to the rules currently in effect, absent a finding based on evidence and analysis that the new framework addresses rural call completion problems.
- NCTA and ACA [met with](#) Chairman Pai and Commissioner O'Rielly's Advisors on April 3 and 5, 2018, to discuss the draft Order on rural call completion. They supported the proposed decisions to eliminate reporting obligations of covered providers and not to impose specific call completion metrics on covered providers. ACA and NCTA also encouraged the Commission to provide clearer guidance regarding the monitoring obligation that will be imposed on originating providers, and to explicitly state that an originating provider that engages in reasonable monitoring efforts will not be held responsible

under the proposed rules for conduct of intermediate providers that is not identified, or could not be identified, through such monitoring efforts. They also encouraged the Commission to provide a 12-month transition period before any new rules take effect.

## Universal Service

- The Tenth Circuit Court issued an [Order](#) April 5, 2018, denying Blanca Telephone's [Motion](#) to dissolve a preliminary injunction in the proceeding where Blanca filed a [Petition for Review](#) of an FCC [Order](#) directing Blanca to repay \$6.7 million in USF support. The court said it construed Blanca's motion as a motion for an injunction or a stay pending a decision on Blanca's petition for review, and said Blanca failed to establish the required factors.
- USAC submitted its [annual report](#) to the FCC on March 31, 2018, on its operations, activities, and accomplishments in 2017. USAC said in 2017 it increased the public's access to broadband internet and telecommunications services and focused on the mission of delivering universal service fund programs in a cost-effective manner.
- To date, no comments have been filed on Titonka Telephone and Burt Telephone's [Petition](#) for a waiver to merge their study areas and modify their 2011 revenue requirement and base period revenue. Replies are due April 17, 2018. [Public Notice](#)
- The National Hispanic Media Center [met with](#) Chairman Pai's Legal Advisors on April 3, 2018, to discuss proposals in the Lifeline [NPRM and NOI](#). NHMC claimed proposals to eliminate the Lifeline broadband provider designation process, impose a lifetime benefit limit, and introduce a self-enforcing budget cap, coupled with delays to the national verifier, could cripple the program. NHMC also asserted eliminating the non-facilities-based providers from the program means over 70 percent of current Lifeline consumers will be disconnected from service. It said the Commission has neither delineated a plan for the disconnected nor provided the analysis to show that the proposals will increase program effectiveness.
- The [Bristol Bay Area Health Corporation](#) and the [Schools, Health and Libraries Broadband Coalition](#) filed petitions for waiver of the Rural Health Care funding cap for Funding Year 2017 on April 2 and 3, 2018. BBAHC asked the Commission to reverse recent USAC funding commitment letter decisions that partially deny it RHC funding due to demand exceeding the cap. SHLB said the Commission should grant its request and fully fund eligible applications for FY 2017 until the open rulemaking considering the appropriateness and size of the \$400 million Rural Health Care program funding cap is concluded and takes effect.
- The Retail Industry Leaders Association filed a [letter](#) on April 4, 2018, to express concern about proposals to reform the Lifeline program. It urged the Commission not to: exclude wireless resellers from the Lifeline program; cap the annual Lifeline budget in a manner that denies Lifeline-supported service to qualifying low income households; and require mandatory charges or co-pays as a condition to receiving Lifeline-supported service.

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## Misc.

- The Wireline Competition Bureau issued an [Order](#) on April 5, 2018, establishing procedures for the 2018 annual access charge tariff filings and Tariff Review Plans for ILECs. The Order: sets a modified effective date of July 3, 2018, for the 2018 annual access charge tariff filings; establishes the dates for filing petitions to suspend or reject an ILEC tariff filing and replies to such petitions; and partially waives for the second quarter of 2018 the universal service contribution factor rule to allow ILECs to charge the second quarter 2018 contribution factor until July 3, 2018, at which time they must begin charging the third quarter 2018 contribution factor.

- Chairman Pai sent [letters](#) to Senators John Thune (R-S.D.) and Edward J. Markey (D-Mass.) on March 23, 2018, in response to their letter on unwanted robocalls. Pai noted the Commission adopted a Second FNPRM proposing to establish a reassigned numbers database to provide callers with comprehensive and timely information they need to discover number reassignments before making a call.
- ZipDX [met with](#) FCC staff on April 5, 2018, to discuss illegal robocalls. It recommended the Commission initiate a rulemaking imposing obligations on originating providers to: constrain the circumstances under which customers can make large volumes of calls; use the Charge Number information element (or the SIP equivalent) to label all calls as to their PSTN point of entry; and provide expeditious response to industry traceback queries.
- The FCC issued a [Public Notice](#) on April 6, 2018, seeking comment on whether the rules adopted in 2005-2006 should be continued without change, amended, or rescinded, consistent with the stated objective of section 610 of the Regulatory Flexibility Act, to minimize any significant economic impact of such rules upon a substantial number of small entities. Certain rules in Parts 54 and 64 are included in this review. Comments are due 90 days after Federal Register publication.
- The North American Portability Management filed a [letter](#) on March 30, 2018, to provide a summary of the status updates to the FCC regarding the transition from the current LNPA, Neustar, to the new LNPA, Telcordia d/b/a iconectiv. The NAPM indicated it will continue to file written updates of this report with the FCC at the end of each month until the transition is complete.
- NANPA's Billing and Collection Agent filed its [quarterly report](#) on the North American Numbering Plan Administration Fund Performance and Statement of Financial Position for October 1, 2017, through March 31, 2018, on April 3, 2018.
- The Wireline Competition Bureau issued a [Public Notice](#) on April 6, 2018, announcing it granted Advanced Telecom Solutions' application for authorization to obtain NAPN telephone numbers directly from the Numbering Administrators for its iVoIP service. This proceeding will be closed 60 days from the date of this Public Notice if there are no further filings in this proceeding.
- The Wireline Competition Bureau issued a [Public Notice](#) on April 2, 2018, announcing it granted Red Spectrum Communications' application for authorization to obtain NANP telephone numbers directly from the numbering administrators for its iVoIP service. This proceeding will be terminated 60 days from the date of this public notice if there are no further filings in this proceeding.

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## Upcoming Filing Dates

- Apr. 10 - Replies due on Grand River Mutual Telephone Corporation and South Central Communications' [Petition](#) for a study area waiver in Iowa. [Public Notice](#)
- Apr. 12 - PRA comments due on a revision of a currently approved information collection associated with: pole attachment complaint procedures; implementing LECs' obligations to provide their competitors with dialing parity and non-discriminatory access to certain services and functionalities; ILECs' duty to make network information disclosures; and numbering administration. [Notice](#)
- Apr. 12 - Comments due on the [NPRM](#) proposing to update the FCC's rules on jurisdictional separations. Replies due April 27, 2018. [FR Notice](#)
- Apr. 12 - Comments due on IPtelX's application for authorization to obtain North American Numbering Plan telephone numbers directly from the Numbering Administrators for its iVoIP service. [Public Notice](#)

- Apr. 17 - Replies due on Titonka Telephone and Burt Telephone's [Petition](#) for a waiver to merge their study areas and modify their 2011 revenue requirement and base period revenue. [Public Notice](#)
- Apr. 20 - PRA comments due on a revision of a currently approved information collection associated with section 214(a) discontinuance of service procedures. [Notice](#)
- Apr. 26 - Comments due on NECA's [2017 Interim Modification of Average Schedules and 2018 Further Modification of Average Schedules](#), filed on February 26, 2018. Replies are due May 11, 2018. [Public Notice](#)
- Apr. 27 - PRA comments due on revised information collection requirements for the transparency rule disclosures applicable to ISPs, which were amended in the 2018 Restoring Internet Freedom [Order](#). The Order eliminated the additional collection imposed by the Title II Order and added a few discrete elements to the 2010 [Open Internet Order's](#) information collection requirements. [Notice](#)
- Apr. 27 - Replies due on the [NPRM](#) proposing to update the FCC's rules on jurisdictional separations. [FR Notice](#)
- Apr. 27 - Comments due on the Oglala Sioux Tribe's [Petition](#) for reconsideration of the Order that granted, in part, its request for a temporary waiver of Lifeline recertification rules. Replies are due May 14, 2018. [Public Notice](#)
- May 7 - PRA comments due on removing business data services from the interstate tariffs of price cap ILECs that are no longer subject to price cap regulation and of CLECs within 36 months of the effective date of the April 28, 2017 Business Data Services Order, i.e., by August 1, 2020. [Notice](#)
- May 7 - PRA comments due on a new information collection pertaining to the recordkeeping requirements when carriers provide CPN of the calling party to law enforcement in connection with a threatening call and, as directed by law enforcement, to security personnel for the called party for the purpose of identifying the party responsible for the threatening call. [Notice](#)
- May 11 - PRA comments due on an extension of a currently approved information collection associated with streamlined tariff filing requirements for LECs. [Notice](#)
- May 11 - Replies due on NECA's [2017 Interim Modification of Average Schedules and 2018 Further Modification of Average Schedules](#), filed on February 26, 2018. [Public Notice](#)
- May 14 - PRA comments due on the revisions to the currently approved information collection pertaining to the payphone compensation rules. [Notice](#)
- May 14 - Replies due on the Oglala Sioux Tribe's [Petition](#) for reconsideration of the Order that granted, in part, its request for a temporary waiver of Lifeline recertification rules. [Public Notice](#)
- May 21 - PRA comments due on a new information collection on the Application for CAF Phase II Auction Support, FCC Form 683 and on a revision of a currently approved collection associated with High Cost USF support forms. [Notice](#)
- May 29 - PRA comments due on revisions to Lifeline and ETC Forms 555, 481, 497, 5629, 5630 and 5631. The revisions implement the requirement that ETCs provide written notice to their customers who are currently receiving enhanced support but will no longer be eligible for enhanced Tribal support. [Notice](#)
- June 25 - Petitions due seeking to suspend or reject tariff filings made on 15 days' notice. Replies due June 28, 2018. [Order](#)

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