

[USF Reform](#) [Open Internet](#) [Broadband](#) [IP Transition](#) [USF](#) [Call Completion](#) [Misc.](#) [Upcoming Events](#)

August 7, 2017 HIGHLIGHTS

- The Senate [confirmed](#) Jessica Rosenworcel as an FCC Commissioner, and Brendan Carr to be an FCC Commissioner for a term that expires on June 30, 2018. Chairman [Pai](#) and Commissioners [Clyburn](#) and [O'Rielly](#) issued statements.
- The FCC adopted the following items at its August 3, 2017 [Open Meeting](#): a [Public Notice](#) to initiate the pre-auction process for the CAF Phase II auction; an [Order on Reconsideration and Second Report and Order](#) that lays out the challenge process for the Mobility Fund Phase II; an [FNPRM](#) that proposes to improve the value of Form 477 data; an [NOI](#) that explores opportunities for next generation services, particularly for wireless broadband, in the mid-band spectrum; and an [NAL/Order](#) fining Best Insurance Contracts \$82 million for making over 21 million illegally spoofed robocalls.
- [Comments were filed](#) to refresh the record on access charge reform for 8YY calls since the 2011 Transformation Order. Replies are due August 15, 2017. [Public Notice](#)
- The FCC placed an [item on circulation](#) on August 3, 2017, called Modernizing Common Carrier Rules.
- [Comments were filed](#) on Great Plains' [Petition](#) for waiver to allow it to use its actual interstate switched access revenues instead of projected revenues to calculate switched access rates and eligible ICC recovery as it exits NECA's switched and special access pools. Replies are due August 15, 2017.
- MACC [opposed](#) AT&T's [Petition for Forbearance](#) from the enforcement of certain tariffing rules for switched access services and toll free database dip charges. Dentons [asserted](#) forbearance is not the appropriate vehicle for addressing the issues AT&T raised in its Petition. James Valley Cooperative Telephone and Northern Valley Communications [opposed](#) AT&T's Petition.
- NTCA [discussed](#) outstanding RoR USF reform issues, including imputation of access recovery charges on certain standalone broadband lines, clarifications regarding recoverable expenses, the formula for operating expense limitations, the standards for validating competitive overlap, and the shortfall in USF support.
- The Small Company Coalition [suggested](#) the FCC increase the \$2B cap on the USF HCF and reform USAC's auditing procedures and the FCC's reporting requirements.
- TDS Telecom, ITTA, et al. [discussed](#) funding the A-CAM plan at \$200 per location, and urged the FCC to act on ITTA and USTelecom's [Petition for Rulemaking](#) to apply the price cap framework for BDS to model-based RoR carriers. Vantage Point [noted](#) four companies' agreement with the arguments presented by TDS Telecom, et al.
- [NTCA](#), [CenturyLink](#), and [Verizon](#) filed comments on the [WCB Report](#) presenting findings on rural call completion based on eight sets of reports submitted during the first two years of the data collection.
- [Replies were filed](#) on the [NPRM](#) on facilitating voice service providers' blocking of illegal robocalls.

Other Key Upcoming Dates

- Aug. 14 - Comments due on the [NOI](#) on methods to authenticate telephone calls against illegal robocallers. Replies due Sept. 13.
- Aug. 16 - Replies due on the [NPRM](#) proposing to return internet broadband access service to Title I information service.
- Aug. 21 - Comments due on the [NPRM](#) to amend the Caller ID rules to allow disclosure of blocked Caller ID information to aid law enforcement. Replies are due September 19.
- Aug. 28 - Comments due on the [Second FNPRM](#) on rural call completion. Replies are due September 25.
- Aug. 28 - Comments due on the [Second NOI](#) that explores methods by which reassigned telephone number data could be made available to callers to avoid making unwanted calls to consumers. Replies are due Sept. 26.

Editor: [Teresa Evert](#) | Assistant Editor: [Shawn O'Brien](#)

USF Reform

- The FCC issued a [Public Notice](#) on August 4, 2017, to initiate the pre-auction process for the CAF Phase II auction (Auction 903). The Public Notice seeks comment on the proposed application and bidding procedures for the auction, including how interested parties can qualify to participate in the auction, how bidders will submit their bids, and how the FCC will process bids to determine the winners and support amounts. The auction will award up to \$198 million annually for 10 years and is scheduled to begin in 2018. The Rural Broadband Auctions Task Force and the Wireline Competition and Wireless Telecommunications Bureaus released a [Technical Guide](#) that provides technical and mathematical detail regarding the proposed bidding, assignment, and support amount determination procedures for the CAF Phase II Auction. [Press Release](#). Comments are due September 18, 2017; replies due October 18, 2017.
- The FCC released the [Order on Reconsideration and Second Report and Order](#) on August 4, 2017, establishing the procedures for the Mobility Fund II challenge process to ensure that it targets support primarily to rural areas that lack unsubsidized 4G LTE service. The Order adopts parameters for a one-time collection of 4G LTE coverage data tailored to MF-II, which the Commission will use, in conjunction with subsidy data, to establish the map of presumptively eligible areas. It said interested parties will have a window after the release of this map to file challenges to areas deemed presumptively ineligible, and providers will have an opportunity to respond to those challenges. The Order on Reconsideration resolves certain issues raised in petitions for reconsideration of the Mobility Fund II Report and Order adopted in February 2017. [Press Release](#).
- Chairman Pai sent [a letter](#) to Rep. Dave Loebsack (D-Iowa) on July 24, 2017, in response to his letter on the CAF Phase II competitive bidding process. Pai said August will be Rural Broadband Month at the FCC, and the agenda for the August 3, 2017 Open Meeting will feature several items that will help bridge the digital divide, including a Public Notice to initiate the pre-auction process for the CAF Phase II auction. He noted this Public Notice will seek comment on the procedures to be used during this auction, and noted moving forward now on this item will put the FCC on track to conduct the auction in 2018.
- NTCA [met with](#) Commissioner O’Rielly’s Legal Advisor on July 28, 2017, to urge the Commission to work on several outstanding RoR USF reform issues, including imputation of access recovery charges on certain standalone broadband lines, clarifications regarding recoverable expenses, the formula for operating expense limitations, and the standards for validating competitive overlap. NTCA also raised the need to address the shortfall in USF support that is undermining the intended effectiveness of the reforms, and discussed the implications of RLECs electing private carriage treatment of broadband transmission facilities for purposes of availing themselves of relief from USF contribution obligations. It urged the Commission to act promptly on the Forbearance Petition NTCA filed jointly with USTelecom in this regard.
- The Small Company Coalition filed [a letter](#) on August 3, 2017, suggesting several policy changes to the FCC. It recommended increasing the \$2B cap on the USF high-cost fund, claiming the USF program now maintains over \$8 billion in reserves, which could be used to reduce collections from end-users and address the annual shortfall in USF support for the small RoR carriers. It also recommended reforming the USAC auditing procedures to focus on demonstrably problematic programs and bad actors and to utilize the “materiality” threshold, and eliminating overlapping or outdated reporting requirements.
- TDS Telecom, Great Plains Communications, Consolidated Telephone, and ITTA [met with](#) Chairman Pai’s Advisors on July 27, 2017, to emphasize the benefits and efficiencies that would be realized from funding the A-CAM plan at \$200 per location. They also said, with respect to the Petition for Rulemaking to apply the price cap framework for business data services to model-based RoR carriers, there was only one comment seriously opposing the Petition, which they claimed was an improper attempt to relitigate the Commission’s actions on BDS for price cap carriers more than actually opposing the Petition’s proposal. They urged the Commission to release a NPRM seeking comment on the Petition’s proposals. Great Plains Communications, Consolidated Telephone, and ITTA also [met](#)

[with](#) Wireline Competition Bureau staff on July 28, 2017, to discuss funding the A-CAM plan at \$200 per location. They estimated that funding the A-CAM plan at \$200 per location would require approximately an additional \$100 million.

- Vantage Point filed [a letter](#) on August 4, 2017, to indicate that Grand River Mutual, Baraga Telephone, Miles Telephone, and Steelville Telephone Exchange agree with the arguments advanced by TDS Telecom, Great Plains Communications, Consolidated Telephone, and ITTA in their July 27, 2017 [ex parte](#) and with the numerous statements made by NTCA regarding funding the A-CAM plan at \$200 per location. They also claimed, in addition to fully funding the model, the FCC could deploy broadband in an even more efficient manner by also issuing new offers of model-based funding to the “affected companies,” asserting this would increase the number of prescribed broadband locations by 32%, but only increase new model funding by 9% compared to only fully funding the original model offers. They claimed affected companies can provide new prescribed broadband locations for less than \$600 annually.
- The FCC issued a [Notice](#) in the Federal Register on August 1, 2017, seeking Paperwork Reduction Act comments on an information collection associated with new FCC Form 5625, which will be used to determine New York State’s winning bidders’ abilities to meet the terms and conditions of CAF Phase II support. For each New York winning bid that includes CAF-eligible areas, the Commission will authorize CAF support up to the total reserve prices of all of the CAF Phase II auction eligible census blocks that are included in the bid, provided that New York has committed, at a minimum, the same dollar amount of New York support to the CAF-eligible areas in that bid. PRA comments are due August 31, 2017.
- AT&T posted [a blog](#) on August 2, 2017, by Joan Marsh, Senior VP of Federal Regulatory, expressing support for the Mobility Fund II Order on the agenda for the August 3, 2017 FCC Open Meeting. She said the parameters proposed in the Order will result in more square miles being initially identified as already-served by LTE than other proposals on the record; but if a census block is identified as served when in fact it is not, parties may use the challenge process to identify those areas so they may be deemed eligible for MFII funding. She claimed if the parameters allow served areas to be identified as unserved, we risk sending scarce MF II funding to areas where it is not necessary because LTE has already been commercially deployed. She said it is critical the FCC move the MF II process forward with deliberate speed.

[Back to Highlights](#)

Call Completion

- Comments were filed August 3, 2017, on the [WCB Report](#) presenting findings on rural call completion based on eight sets of reports submitted during the first two years of the data collection. [NTCA](#) did not support the Bureau’s recommendation to eliminate the record keeping and reporting requirements, and suggested the Commission instead revise the requirements to properly balance the needs of rural consumers against the burden on industry. It claimed the Bureau’s recommendation does not logically flow from the data or the industry history. [Verizon](#) supported the Bureau’s Report and asked the Commission to discontinue the data collection, including the Form 480 reports, from which it asserted the Bureau correctly analyzed the limited data and found that the Form 480 data are insufficient and unreliable. Verizon recommended the FCC eliminate the current data recording, retention, and reporting rules and replace them with targeted rules that will more effectively and efficiently address rural call completion issues. [CenturyLink](#) supported the Report’s recommendation to eliminate recording, retention and reporting requirements that exist in the current rules, saying it does not believe modifying the current reporting requirements would yield significant benefits to consumers, providers, or the Commission. CenturyLink disagreed with the Report’s conclusion that call answer rates are the best available measurement of long distance provider performance, and asserted the fundamental flaw in the analysis of the Report is its focus on metrics that CenturyLink says appears to have no reliable correlation to customer experience or provider performance.

ICC

- Comments were filed on July 31, 2017, to refresh the record on access charge reform for 8YY calls since the 2011 Transformation Order. [Windstream, Frontier, and NTCA](#) said the Commission lacks sufficient data to tackle originating access reform at this time, including originating access minutes, revenues, and rates, which are necessary to create an appropriate transition and to size any access replacement mechanism. They said to the extent the Commission is concerned about any arbitrage or inappropriate stimulation of 8YY traffic, the Commission should, as it did in 2011, adopt targeted rules to address such behavior, and before it evaluates any broader 8YY reforms, it must recognize that 8YY calls are different from other access charges in that they impose real costs on originating carriers that are not appropriately recovered in a bill-and-keep framework. [ITTA](#) urged the Commission to maintain the status quo with respect to 8YY access charges, arguing the Commission should not punish ILECs who, in good faith, enable their subscribers to access 8YY service. It said if the Commission nevertheless adopts reforms diminishing or eliminating such access charges, it should implement an access replacement recovery mechanism. [The Nebraska Rural Independent Companies](#) submitted updated 8YY interstate originating call data, claiming this data confirms that the 8YY traffic generated by such calling remains significant for a number of the NRIC member companies. They said any modification to the compensation regime for 8YY originating interstate usage must provide carriers that are legitimately originating traffic from their local end-users the opportunity for recovery of their costs. They also suggested any new externally funded recovery levels would merely compound the on-going dilemma faced by the FCC to meet the congressionally mandated directives for sufficient and predictable federal USF support levels. [USTelecom](#) said to the extent the FCC identifies arbitrage or inappropriate stimulation of 8YY traffic, the Commission should take targeted action to ensure that bad actors are not able to profit from arbitrage schemes from which other carriers are without recourse or relief. USTelecom said with regard to broader 8YY reforms or reforms of originating access generally, the FCC should evaluate whether and how consumers have been affected by reforms effectuated in 2011, analyze the effect of changes in technology, and collect data on originating access revenues and minutes, which are necessary to evaluate possible appropriate transitions. [CenturyLink](#) said the Commission should reject the Ad Hoc proposal, claiming Ad Hoc misreads the Commission's past rules and orders regarding 8YY traffic and access charge treatment. CenturyLink claimed there are a number of important issues associated with ICC that are still-open as a result of the still-pending ICC aspects of the Transformation Order, and said it is critical that a short list of issues be addressed expeditiously. [Consolidated Communications, Peerless Network, and West Telecom Services](#) opposed Ad Hoc's request that the Commission "restore the historic treatment of 8YY traffic for access charge purposes," arguing that applying the historic CCL regime to existing originating switched access rate elements has no basis in today's regulatory context because the CCL charge issue that prompted the "historic regime" does not exist. They also asserted Ad Hoc's request would upend the expectations of both carriers and customers with respect to 8YY service as companies obtain 8YY services because they want to pay for the cost of the call so that such calls can be placed on a "toll-free" basis to them, and those that call 8YY telephone numbers expect that their calls are free-of-charge. [AT&T](#) said the Commission should take the immediate step on the discrete issue of 8YY traffic and adopt the FNPRM's proposal to treat originating 8YY access the same as traditional terminating access for purposes of the ICC transition, and should also transition 8YY database dip charges to bill-and-keep. AT&T also urged the Commission to act on the full FNRPM and complete its ICC reform to prevent additional schemes involving traffic and mileage stimulation and improper practices relating to direct interconnection, and should grant AT&T's [Forbearance Petition](#) to stop the most egregious of these practices. [All comments available to date](#). Replies are due August 15, 2017. [Public Notice](#)
- Comments were filed on July 31, 2017, on Great Plains Communications' [Petition](#) for waiver of sections 51.909(a)(4)(ii)(A) and 51.917(b) to use its actual interstate switched access revenues instead of projected revenues to calculate switched access rates and eligible recovery as it exits NECA's switched and special access pools. [NTCA](#) took no position on the Petition itself, but instead implored the Commission to ensure the implications for other carriers that receive high-cost USF support under a budget that is shared with CAF-ICC support are taken into account. It said if the Petition were granted, it would appear to necessitate reducing support under the fixed budget for actual cost recovery mechanisms (HCLS and CAF-BLS) to accommodate the resulting change in CAF-ICC support. NTCA said absent the kind of sufficient support that is required by law, it is essential the

Commission take into account the implications of any decisions it may make on the already artificially low high-cost USF support that is being used by RLECs to build out and sustain broadband networks in rural America. [WTA](#) expressed concern that grant of the Great Plains Petition, as well as the likely stream of “me-too” waiver petitions by other RLECs seeking similar treatment that is virtually certain to follow, will adversely impact those RLECs who remained on the Rate-of-Return path by increasing the percentage reductions of their HCLS and CAF-BLS imposed by the budget control mechanisms. WTA said if the Commission grants the Great Plains and other similar waivers, the Commission should exclude from calculations of the budget control mechanism reductions any and all increases in CAF-ICC support resulting from such waivers. [ITTA](#) said the characteristics of Great Plains’ network render its situation unique due to the transport routes that cover uncommon distances, which contribute to the drastic rate surge, and the sudden increase in rates is unique and shocking. ITTA said granting the requested relief, to cap the rates at levels as of June 30, 2017, would acknowledge the uniqueness of Great Plains’ situation, and the cap on total ICC recovery would ensure that Great Plains does not receive any additional CAF-ICC support stemming from its exit from the switched access pool and grant of the requested waiver. [USTelecom](#) supported the Petition, saying increases in Great Plains’ switched access rates will undermine the Commission’s ICC reforms and could exacerbate call completion concerns. It also claimed the waiver would be consistent with USTelecom and ITTA’s pending Petition on BDS regulation as they share the same underlying goal, i.e., the Commission should be setting policies that encourage carriers to move to more efficient regulation. [Verizon](#) supported the Petition, arguing such a large rate increase is inconsistent with the rate cap policy adopted by the Commission in the 2011 Transformation Order. It said the Commission should grant the Great Plains waiver and cap Great Plains’ rates at June 30, 2017 levels. The [South Dakota Telecommunications Association](#) opposed the Petition, saying Great Plains presented no unique circumstances that would justify a waiver. SDTA also argued the waiver is not in the public interest as it fails to consider the impact on the larger universe of ILECs. SDTA claimed grant of the waiver will reduce the amount of high cost support available for legacy ROR carriers due to the established budget control mechanism as Great Plains would receive an extra \$2.8 million in CAF ICC support. [All comments available to date](#). Replies are due August 15, 2017.

- James Valley Cooperative Telephone and Northern Valley Communications [met separately with](#) Chairman Pai’s Advisor, Commissioner Michael O’Rielly and his Legal Advisor, and Wireline Competition Bureau staff on August 2, 2017, to clarify what they said is misleading information in AT&T’s and South Dakota Networks’ ex partes regarding AT&T’s Petition for Forbearance on switched access and toll-free database charges. They also highlighted two factual omissions, which they claimed are relevant to understanding the AT&T and SDN ex partes. They said it has recently been disclosed publicly that in September 2014 SDN entered into a negotiated, off-tariff, and unfiled contract with AT&T to provide AT&T with switching and transport services on traffic terminating to Northern Valley’s exchanges, and a federal district court recently granted summary judgment in favor of Northern Valley for AT&T’s decision to ignore Northern Valley’s deemed lawful tariff and the FCC’s existing rules while utilizing Northern Valley’s tariffed access services without compensating Northern Valley at the rates contained in its tariff. They urged the Commission to deny AT&T’s Petition for Forbearance and avoid any potential for it to be “deemed granted” by a failure to meet the statutory deadlines. They suggested the Commission instead address AT&T’s request for new law through a notice-and-comment rulemaking.
- The Midwest Association of Competitive Communications filed [a letter](#) on July 31, 2017, to oppose AT&T’s [Petition for Forbearance](#) from the enforcement of certain tariffing rules for switched access services and toll free database dip charges. It argued: the Petition circumvents the CAF proceeding; AT&T lacks standing; and the Petition is ill-supported and insufficient. It said even if the Commission does not deny the Petition for these reasons, the Commission should deny it on the merits because the Petition fails to prove the three statutory criteria set forth in section 10(a)(1) through (3) of the Communications Act.
- Dentons [met with](#) Wireline Competition Bureau staff on July 13, 2017, to suggest forbearance is not the appropriate vehicle for addressing the issues AT&T raised in its Petition for Forbearance on switched access service and toll-free database dip charges. It also asserted the Petition fails to meet the standards for forbearance under section 10(a) of the Act. It suggested what is needed is a broader discussion of the role of all intermediate carriers and the appropriate rules governing the exchange of

traffic, including a regulatory framework that would incent the transition to new technologies and networks.

[Back to Highlights](#)

Open Internet

- Chairman Pai sent a [letter](#) to Rep. Frank Pallone (D-N.J.) and Sen. Mike Doyle (D-Penn.) on July 24, 2017, to respond to their letter asking the Commission to extend the time for comments and replies in the Restoring Internet Freedom proceeding. Chairman Pai said there is plenty of time left for people to provide feedback, and should any motion to extend the time for filing reply comments be filed with the Commission, it will receive appropriate consideration consistent with the facts and the law. Chairman Pai also responded to a separate [letter](#) from Sen. Doyle expressing concern that news reports indicated the Commission met with telecom trade associations and several large internet companies to discuss scaling back net neutrality, but there was no record of these meetings filed with the Commission.
- Eleven Democratic members of the House Energy and Commerce Committee filed [comments](#) on August 4, 2017, on the Restoring Internet Freedom [NPRM](#). They said the FCC's proposal to undo its net neutrality rules fundamentally and profoundly runs counter to the law and ignores the Commission's core mandate to fully consider the public interest before taking action. They said the proposal fails to mention the potential effects on free speech or how it could undermine our democracy. They also claimed the proposal overlooks the dramatic and detrimental effect it could have on small businesses and jobs across the country, and the affect it would have on Americans' privacy protections.
- Public Knowledge, Access Now, the American Civil Liberties Union, the Computer & Communications Industry Association, Consumers Union, the Electronic Frontier Foundation, Engine Advocacy, and the National Consumer Law Center [filed a Motion](#) on August 1, 2017, seeking an eight week extension of time to filed reply comments on the Restoring Internet Freedom NPRM. PK, et al. asserted that given the enormous volume, scope, complexity, and importance of the issues raised in the first round of comments, good cause plainly exists for granting this request.
- Public Knowledge filed [comments](#) on July 31, 2017, in support of INCOMPAS' [Motion](#) seeking to modify protective orders in recent merger proceedings to permit interested commenters in the Restoring Internet Freedom proceeding to use certain confidential and highly confidential materials collected in those proceedings. PK said participants developed a record of evidence showing the incentives of broadband providers to engage in discriminatory behavior, the relationship and incentives between broadband providers and content and service providers, the incentives that result from vertical integration, and other matters. It said this evidence is directly relevant to the Commission's consideration of Open Internet rules, and allowing it to be used in this proceeding will better allow both participants and the Commission to fully appreciate the facts of the broadband marketplace. Oppositions were previously filed by [AT&T](#), [Charter](#), and [Comcast](#).
- NCTA [met with](#) Chairman Pai's Legal Advisor on July 31, 2017, to express support for the proposal to reinstate the prior classification of broadband internet access service as an information service and to eliminate what it called the investment-dampening and innovation-chilling regulatory overhang caused by the 2015 [decision](#) to classify BIAS as a Title II telecommunications service. NCTA also discussed how best to evaluate the relevant costs and benefits as the Commission determines the proper policy approach in this proceeding.
- INCOMPAS filed a [response](#) on August 3, 2017, to oppositions by [AT&T](#), [Charter](#) and [Comcast](#) to its [Motion](#) seeking to modify protective orders in recent merger proceedings to permit interested commenters in the Restoring Internet Freedom proceeding to use certain confidential and highly confidential materials collected in those proceedings. It said the requested information is data that speaks directly to the critical issue on which the Commission has requested comment and is necessary to test the credibility and persuasiveness of the claims made by the broadband providers. INCOMPAS

said their absence would deprive the Commission and interested commenters of the ability to comment fully and render the record incomplete.

- New America's Open Technology Institute filed [comments](#) on August 3, 2017, in support of INCOMPAS' [Motion](#) seeking to modify protective orders in recent merger proceedings to permit interested commenters in the Restoring Internet Freedom proceeding to use certain confidential and highly confidential materials collected in those proceedings. OTI said the dockets referenced in the Motion are highly relevant to the current proceeding, and it believes granting the motion will give the Commission a necessary link to understanding the notoriously opaque transit market and the interconnection authority it now proposes to rescind.

[Back to Highlights](#)

Broadband

- The FCC released the [FNPRM](#) on August 4, 2017, that examines how to collect better and more accurate information on Form 477, which was adopted at its August 3, 2017 Open Meeting. The FCC seeks comment on ways in which the Commission might change aspects of the Form 477 to increase the quality and accuracy of the information it will continue to collect, and ways in which the Commission might streamline its current Form 477 requirements and thereby reduce the burdens on filers, among other things. Comments will be due 30 days after Federal Register publication; replies will be due 45 days after FR.
- The FCC issued a [Public Notice](#) on August 3, 2017, announcing the membership of the Broadband Development Advisory Committee's Streamlining Federal Siting Working Group.
- The FCC released a [Notice of Inquiry](#) on August 4, 2017, which was adopted at its August 3, 2017 Open Meeting, seeking input on potential opportunities for additional flexible access in spectrum bands between 3.7 and 24 GHz, particularly for wireless broadband services. Comments are due October 2, 2017; replies are due November 1, 2017.
- The Communications Workers of America and Public Knowledge [met with](#) Wireline Competition Bureau staff on August 1, 2017, to urge the Commission to preserve its current copper retirement and notification rules. They claimed the proceeding does not support the Commission's presumption that streamlining the copper retirement and notification rules would accelerate wireline broadband deployment, and asserted the Commission neither articulates a policy justification nor conducts an economic analysis to warrant its proposals. They support retaining *de facto* retirement as part of the Commission's copper retirement definition to protect consumers during the transition from copper to fiber networks and incentivize providers to upgrade their networks. They also expressed concern over the Commission's Request for Comment to eliminate the Functional Test as required by section 214(a), and asked the FCC to narrowly interpret the FCC's preemption authority under section 253.
- ACA [met with](#) Wireline Competition Bureau staff on August 1, 2017, to discuss ACA's proposal on pole attachments. ACA's proposal includes: eliminating the need to file pole attachment applications for certain attachments; expediting the processing of applications; and shortening the timeline for routine attachments of a limited number of poles.
- The Competitive Carriers Association [met with](#) Legal Advisors to Chairman Pai to discuss infrastructure issues. CCA encouraged the FCC to update and strengthen national siting rules, and expressed support for the need for historic review reform and clarification. CCA also said the FCC should clarify that section 253's limit on "fair and reasonable compensation" to rights-of-way access denotes publicly-available fees and rents that are tied to direct application review and site maintenance costs.

[Back to Highlights](#)

Universal Service

- The Wireline Competition Bureau released an [Order](#) on August 1, 2017, granting the request of the Vermont Department of Public Service to participate in the National Lifeline Accountability Database. The Bureau found it is in the public interest to allow Vermont ETCs to use the NLAD, and it provided Lifeline ETCs in Vermont until November 1, 2017, to load into the NLAD all records associated with each respective ETC's Lifeline subscribers within Vermont.
- The Wireline Competition Bureau released a [Public Notice](#) on July 31, 2017, granting, denying, and dismissing various petitions related to actions taken by USAC on the E-rate program. Petitions for reconsideration or applications for review of these decisions must be filed within 30 days of the Public Notice.
- USAC filed [Federal Universal Service Support Mechanisms Fund Size Projections](#) for the Fourth Quarter 2017 on August 3, 2017. The High Cost Support Mechanism funding requirements are projected to be \$1.125 billion. ([Appendices available on USAC's website.](#))
- 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. This updated version reflects progress of the system build and its related processes.
- Rep. Austin Scott (R-Ga.) [introduced](#) legislation on July 28, 2017, that would end the Lifeline program's taxpayer subsidization of cell phones, while allowing subsidies for landline service to continue for eligible households. Rep. Scott said the [End Taxpayer Funded Cell Phones Act](#) (H.R. 3546) will reform the Lifeline Program and restore it to its original purpose of providing landline services and prohibit Universal Service support for mobile services.

[Back to Highlights](#)

Misc.

- The Senate Commerce, Science & Transportation Committee issued a [Press Release](#) on August 3, 2017, announcing that the Senate has confirmed Jessica Rosenworcel as an FCC Commissioner, and Brendan Carr to be an FCC Commissioner for a term that expires on June 30, 2018. [Pai](#), [Clyburn](#) and [O'Rielly](#) issued statements.
- The FCC adopted the following items at its August 3, 2017 [Open Meeting](#): a [Public Notice](#) to initiate the pre-auction process for the CAF Phase II auction ([News](#); [Pai](#), [Clyburn](#), [O'Rielly](#) statements); an [Order on Reconsideration and Second Report and Order](#) that lays out the challenge process for the Mobility Fund Phase II ([News](#); [Pai](#), [Clyburn](#), [O'Reilly](#) statements); an [FNPRM](#) that looks at Form 477 to improve the value of the data ([News](#); [Pai](#), [Clyburn](#), [O'Rielly](#) statements); a [Notice of Inquiry](#) that explores opportunities for next generation services, particularly for wireless broadband, in the 3.7 GHz to 24 GHz spectrum range ([News](#)); a [Second Report and Order and FNPRM](#) on unified construction, renewal, and service continuity rules for Wireless Radio Services ([News](#)); and an [NAL/Order](#) fining \$82 million against Best Insurance Contracts and its owner/operator, Philip Roesel, who apparently made over 21 million illegally spoofed robocalls ([News](#); [Pai](#), [Clyburn](#) statements).
- The FCC [deleted](#) the [Memorandum Opinion and Order](#) on transmitter identification requirements for satellite digital video uplink transmissions from the August 3, 2017 Open Meeting [agenda](#). The item had already been adopted by the FCC.

- The Commission placed an [item on circulation](#) on August 3, 2017, called Modernizing Common Carrier Rules.
- Reply comments were filed on July 31, 2017, on the [NPRM](#) on facilitating voice service providers' blocking of illegal robocalls. [AT&T](#) suggested the FCC adopt a reasonable best-efforts standard that would apply to the inadvertent blocking of legitimate voice calls. AT&T said under the standard, a voice service provider that mistakenly blocks legitimate traffic to end users would not be deemed to violate the Act or the Commission's rules, and such blocked call(s) would not be attributable towards the carrier's call completion rates, so long as the provider has made reasonable best efforts to avoid such call blocking. [INCOMPAS](#) asserted it is premature to consider a broader safe harbor for providers who block calls in accordance with the Commission's rules, suggesting the Commission should exercise prosecutorial discretion which would allow the FCC to seek evidence of anticompetitive or intentional behavior in cases where providers may have blocked legitimate calls, while dismissing inadvertent or correctable actions. [CTIA](#) supported a voluntary call-blocking regime and supported the Commission's proposals to authorize call blocking of phone numbers requested by the subscriber and invalid, unallocated, and unassigned phone numbers. [USTelecom](#) asserted the Commission should reject arguments from various commenters that seek to either limit the scope of the Commission's proposals or reject them altogether, and claimed they inappropriately conflate industry-led blocking efforts with more narrowly targeted consumer tools. USTelecom also claimed imposition of unnecessary opt-in requirements for blocking of the four categories of calls may have the perverse effect of dissuading voice service providers from implementing such blocking. [CenturyLink](#) said a multi-faceted approach is necessary to effectively combat illegal robocalls and provide meaningful relief without unintended consequences. It recommended any call blocking should be authorized on a permissive basis rather than mandatory, and providers should have flexibility in how it is deployed and can minimize potential unintended consequences. CenturyLink said there is broad support in the record to authorize blocking on a permissive basis for the four limited scenarios, and it supports the NOI's safe harbor proposal to provide protection to carriers that implement DNO in accordance with the Commission's rules. [Consumers Union, et al](#) said call recipients, except in the case of Do Not Originate, should be provided with sufficient information and be able to decide whether they want the call-blocking services described in the NPRM. They also said the FCC's definition of an "illegal robocall" for the purposes of this proceeding should encompass all illegal robocalls and be able to accommodate technologies such as ringless voicemail and robotexts. [All replies available to date.](#)
- ZipDx filed a [written ex parte](#) on August 4, 2017, arguing the NPRM on robocalls suffers from several severe and unfixable defects. It claimed it: will block a statistically insignificant number of illegal robocalls; is trivial for robocallers to work around; and will ensnare large numbers of legitimate calls. It suggested there is a need for more responsibility on the part of originating providers for keeping illegal robocalls off the PSTN, noting it proposed in comments a specific set of things originating providers can do to proactively limit the ability of their customers to use their services for said nefarious purposes. It also suggested all providers participate in traceback efforts and the FCC name a Robocall Czar that would aggressively lead a cooperative industry effort to address this challenge.
- The Senate Commerce, Science & Transportation Committee issued a [Press Release](#) on August 3, 2017, announcing it had passed six technology and telecommunications bills, including: [S. 96](#), the Improving Rural Call Quality and Reliability Act of 2017, legislation to require the FCC to establish quality and reliability standards for rural phone networks; [S. 134](#), the Spoofing Prevention Act of 2017, legislation to stop the transmission of misleading or inaccurate caller ID information, including such calls and text messages originating overseas; and [S. 174](#), the Federal Communications Commission Consolidated Reporting Act of 2017, legislation to require the FCC to condense duplicative reports on competition in the telecommunications market into one comprehensive report released every two years.
- Terral Telephone [met with](#) Advisors to Chairman Pai, Commissioners Clyburn and O'Rielly, and Wireline Competition Bureau staff on July 27, 2017, to discuss its Petition for Waiver filed on August 29, 2012, regarding its frozen separations category relationships. Terral claimed grant of the Petition would reduce its federal and state USF support, and noted the FCC has granted similar petitions. Terral renewed its request for the Commission to act promptly to grant its long-pending waiver request in order that proper jurisdictional allocations of investment and expenses may be recognized.

- The FCC released the [Notice of Apparent Liability for Forfeiture](#) on August 4, 2017, which was adopted at its August 3, 2017 Open Meeting, that proposes to fine \$82 million against Best Insurance Contracts and its owner/operator, Philip Roesel, who apparently made over 21 million illegally spoofed robocalls during a three-month period from late 2016 through early 2017. The FCC also issued a [Citation and Order](#) notifying Roesel that he violated the law by making unauthorized and disruptive prerecorded telemarketing calls without prior express written consent and absent an emergency purpose, and directed Roesel to take immediate steps to comply with the Communications Act.
- The FCC filed a [Motion](#) in the D.C. Circuit Court on July 20, 2017, asking that the [Petition for Review](#) filed by Access Point, et al. of the Commission's Business Data Services [Order](#) be transferred to the Eighth Circuit and consolidated with the other petitions seeking review of the same Order.
- NCTA filed a [reply](#) on July 31, 2017, to oppositions to its [Petition for Reconsideration](#) of the [Part 32 Order](#). NCTA asserted neither USTelecom nor AT&T refute many of NCTA's examples of how pole rents can be inflated using GAAP, and claimed while the incumbent LECs make vague suggestions that some of these matters will be handled in similar ways as they are today, such assurances are meaningless because they are not explicit requirements imposed under the rules adopted in the Part 32 Order.
- [Waimana Enterprises](#) and the [Sovereign Councils of the Hawaiian Homeland Association](#) filed petitions for reconsideration on August 4, 2017, of the [Memorandum Opinion and Order](#) that found an exclusive license to build, construct, repair, maintain, and operate a network to provide telecommunications services that was granted by the State of Hawaii, Department of Hawaiian Home Lands to Waimana Enterprises and then assigned to its subsidiary, Sandwich Isles Communications, violated section 253(a). [Waimana Enterprises](#) claimed the FCC's ruling, and DHHL's violation of its own agreement by requesting the ruling, amounts to an unconstitutional taking of many tens of millions of dollars of infrastructure investment made in the homelands specifically in reliance on that exclusive license. [SCHHA](#) asserted the exclusive license issued in 1995 under the public purpose section of the HHCA is not a State requirement, but rather a federal requirement, and must not be overridden as called for in the July 3, 2017 FCC Order.
- Pacific Network Holdings [met with](#) staff from the Wireline Competition Bureau and Office of General Counsel on July 26, 2017, to discuss ongoing proceedings involving Sandwich Isles Communications and their impacts on potential competitors to SIC.
- The Wireline Competition Bureau issued a [Memorandum Opinion and Order](#) on August 4, 2017, approving modifications to the LNP Administrator Code of Conduct and the Ericsson Voting Trust, as well as the minority investment by FP Icon Holdings, as requested by iconectiv. The Bureau found that the changes to the Voting Trust and Code of Conduct, and the addition of FP Investor's 16.7 percent interest in iconectiv, will not adversely affect iconectiv's neutrality.
- The Wireline Competition Bureau issued a [Memorandum Opinion and Order](#) on August 4, 2017, approving Neustar's [request](#) for its change of ownership to Aerial Investors, which is ultimately controlled by Golden Gate Private Equity. The Bureau found the changes to the Neustar ownership structure will not adversely affect its neutrality, subject to compliance with this Order, the adoption of the Neutrality Plan, the creation of the Voting Trust, and the adoption of the Code of Conduct. Neustar currently serves as the LNP Administrator, the North American Numbering Plan Administrator NANPA, the National Thousand-Block Pooling Administrator, and the Internet-Based TRS Numbering Administrator.
- Redwood Investment filed a [letter](#) on August 1, 2017, in connection with Neustar's request to approve its new owner, Aerial Investors LLC, formed by Golden Gate Private Equity. Redwood indicated it is an additional investor in Neustar's proposed ownership structure, and Redwood's indirect interest in Neustar, calculated on a capital contributed basis as of the closing, will be less than ten percent. Redwood Investment has agreed that it will have no involvement in the core numbering administration activities of Neustar for so long as Neustar continues in those activities, and attached the commitment letter. Redwood Investments filed a [letter](#) on August 2, 2017, regarding its commitment that it will have

no involvement in the core numbering administration activities of Neustar for so long as Neustar continues in those activities. Redwood said the letter revises and replaces the [letter](#) that was filed on August 1, 2017.

- Neustar, Golden Gate Capital, and Hux Investment [spoke with](#) Wireline Competition Bureau and General Counsel staff on July 28 and August 1, 2017, regarding the code of conduct and voting trust agreement for Neustar, as well as the proposed investment by Koch Redwood Investments. They attached a revised code of conduct and voting trust agreement.
- Telcordia filed a revised copy of its proposed Amended and Restated [Code of Conduct](#) on August 2, 2017. Telcordia said the only change is to add a new footnote 1, which expressly aligns the definition of “core LNPA activities” with the language from the LNPA Selection Order.
- Chairman Pai [announced](#) on August 4, 2017, the FCC has chosen Jim Balaguer to serve as Deputy Director of the Office of Legislative Affairs. Since 2010, Mr. Balaguer has served as an Associate Director and Senior legislative Analyst in the Office of Legislative Affairs, where he was the primary liaison to Congress on wireline issues, including universal service, broadband adoption, and the Internet Protocol transition.

[Back to Highlights](#)

Upcoming Filing Dates

- Aug. 7 - Replies due on the [Public Notice](#) seeking comment on proposed eligible services for the E-rate program for funding year 2018.
- Aug. 7 - Comments due on Alaska Communications Systems' [Petition](#) requesting a ruling that GCI or its relevant subsidiary, a CLEC, be treated going forward as the sole incumbent LEC in the study area currently served by ACS of Anchorage, and to rule ACS of Anchorage is no longer a dominant carrier and shall cease to be treated as an ILEC in that study area. Replies due August 21, 2017. [Public Notice](#)
- Aug. 9 - Comments due on the [NPRM](#) that proposes to eliminate the requirement that payphone operators conduct annual audits. Replies due September 8, 2017. [FR](#)
- Aug. 14 - Comments due on the [NOI](#) on methods to authenticate telephone calls against illegal robocallers. Replies due Sept. 13, 2017.
- Aug. 15 - Replies due on refreshing the record on access charge reform for 8YY calls since the 2011 Transformation Order. [Public Notice](#)
- Aug. 15 - Replies due on Great Plains Communications' Petition for waiver of sections 51.909(a)(4)(ii)(A) and 51.919(b) to use its actual interstate switched access revenues instead of projected revenues to calculate switched access rates and eligible recovery as it exits NECA's switched and special access pools. [Public Notice](#)
- Aug. 16 - Replies due on the [NPRM](#) proposing: to return internet broadband access service to the classification of Title I information service; to return to the FCC's original classification of mobile broadband internet access service as a private mobile service; and seeks comment on the existing rules governing ISPs' practices.
- Aug. 21 - Comments due on the [NPRM](#) that proposes to amend the Caller ID rules to allow disclosure of blocked Caller ID information to aid law enforcement in investigating threatening calls. Replies are due September 19. [Notice](#)

- Aug. 21 - PRA comments due on an information collection (Forms 183 and 184) that will be used to determine if applicants are eligible to participate in auctions for USF support, including the CAF Phase II auction, the Mobility Fund II auction, the Tribal Mobility Fund Phase II, and the Remote Areas Fund. [Notice](#)
- Aug. 21 - PRA comments due on a revised information collection associated with the Tariff Review Plans. The revision is pursuant to the April 20, 2017 BDS Order, which detariffed certain business data services and modified the regulatory obligations for those BDS services that will remain tariffed. [Notice](#)
- Aug. 21 - PRA comments due on an extension of a currently approved information collection associated with changes made in a 1999 Order that permitted price cap LECs to introduce new services on a streamlined basis, without prior approval or cost support requirements. [Notice](#)
- Aug. 21 - Replies due on Alaska Communications Systems' [Petition](#) requesting a ruling that GCI or its relevant subsidiary, a CLEC, be treated going forward as the sole incumbent LEC in the study area currently served by ACS of Anchorage, and to rule ACS of Anchorage is no longer a dominant carrier and shall cease to be treated as an ILEC in that study area. [Public Notice](#)
- Aug. 22 - Replies due on the [NOI](#) on ways to facilitate greater consumer choice and enhance broadband deployment in multiple tenant environments.
- Aug. 28 - Comments due on the [Second FNPRM](#) on rural call completion. Replies are due September 25, 2017. [Notice](#)
- Aug. 28 - Comments due on the [Second Notice of Inquiry](#) that explores methods by which reassigned telephone number data could be made available to callers to avoid making unwanted calls to consumers. Replies due Sept. 26.
- Aug. 31 - PRA comments due on an information collection associated with new FCC Form 5625, which will be used to determine New York State's winning bidders' abilities to meet the terms and conditions of CAF Phase II support. [Notice](#)
- Sept. 5 - PRA comments due on a revision of a currently approved information collection associated with the April 28, 2017 [Report and Order](#) that reformed the business data services/special access regulations for incumbent and competitive LECs. [Notice](#)
- Sept. 8 - Replies due on the [NPRM](#) that proposes to eliminate the requirement that payphone operators conduct annual audits. [FR](#)
- Sept. 11 - PRA comments due on an extension of a currently approved information collection associated with the FCC's Electronic Tariff Filing System. As of June 2011, all ILECs and CLECs were required to file tariff filings electronically. [Notice](#)
- Sept. 11 - PRA comments due on a new information collection associated with changes made in the FCC's February 2017 Part 32 Report and Order. [Notice](#)
- Sept. 13 - Replies due on the [NOI](#) on methods to authenticate telephone calls against illegal robocallers.
- Sept. 18 - Comments due on the proposed application and bidding procedures for the auction, including how interested parties can qualify to participate in the auction, how bidders will submit their bids, and how the FCC will process bids to determine the winners and support amounts. Replies due October 18, 2017. [Public Notice](#)
- Sept. 19 - Replies due on the [NPRM](#) that proposes to amend the Caller ID rules to allow disclosure of blocked Caller ID information to aid law enforcement in investigating threatening calls. [Notice](#)

- Sept. 25 - Replies due on the [Second FNPRM](#) on rural call completion. [Notice](#)
- Sept. 26 - Replies due on the [Second Notice of Inquiry](#) that explores methods by which reassigned telephone number data could be made available to callers to avoid making unwanted calls to consumers.
- Oct. 2 - Comments due on the [Notice of Inquiry](#) on potential opportunities for additional flexible access in spectrum bands between 3.7 and 24 GHz, particularly for wireless broadband services. Replies are due November 1, 2017.
- Oct. 18 - Replies due on the proposed application and bidding procedures for the auction, including how interested parties can qualify to participate in the auction, how bidders will submit their bids, and how the FCC will process bids to determine the winners and support amounts. [Public Notice](#)
- Nov. 1 - Replies due on the [Notice of Inquiry](#) on potential opportunities for additional flexible access in spectrum bands between 3.7 and 24 GHz, particularly for wireless broadband services. Replies are due November 1, 2017.

[Back to Highlights](#)

Editor: [Teresa Evert](#) | Assistant Editor: [Shawn O'Brien](#)