At its August 4, 2016 Open Meeting, the FCC adopted: a Report and Order on converting the National Deaf-Blind Equipment Distribution Program from a pilot to a permanent program; a Report and Order on implementing changes to the scope of the wireless hearing aid compatibility rules; and an Order on Reconsideration on ensuring the rates for Inmate Calling Services are just, reasonable, and fair and explicitly account for facilities’ ICS-related costs.

The FCC released the final version of the A-CAM and announced the offers of model-based Connect America support to RoR carriers. Carriers have until November 1, 2016, to elect to receive model-based support.

The FCC issued a Twelfth Broadband Progress NOI on the appropriate criteria and benchmarks by which to measure whether fixed and mobile broadband services provide access to advanced telecommunications capability. Comments are due September 6; replies due September 21.


WTA detailed its proposal regarding evidence that should be required from entities before they will be deemed to have filed a bona fide claim for classification as an unsubsidized competitor.

NTCA encouraged the FCC to develop a clear implementation schedule that will enable all reforms to take effect at approximately the same time and provide carriers with sufficient information in advance of any deadlines to help inform upcoming USF support elections.

Reply comments were filed on three sets of issues relating to the process for determining winning bidders in the CAF Phase II auction.

ATA discussed details of the Alaska Infrastructure Fund Universal Service Support Schedules.

Commissioner Pai sent a letter to USAC seeking information on the ability of wireless resellers to avoid the safeguards of the National Lifeline Accountability Database.

Oppositions and comments were filed on petitions for reconsideration of the Lifeline Reform Order. Notice. Replies due August 8.

USAC filed Federal Universal Service Support Mechanisms Fund Size Projections for the fourth quarter 2016. (Appendices available on USAC’s website).


The FCC’s Connect2Health Task Force launched its Mapping Broadband Health in America tool.

Other Key Upcoming Dates

- Aug. 9 - Replies due on the FNPRM on a new deregulatory framework for business data services that classifies markets as either non-competitive or competitive.
USF Reform

- The Wireline Competition Bureau issued a Public Notice on August 3, 2016, announcing it released the final version of the Alternative Connect America Cost Model and announced the offers of model-based Connect America support to rate-of-return carriers. Carriers have 90 days, until November 1, 2016, to indicate on a state-by-state basis whether they elect to receive model-based support. The Bureau said the model results and offer amounts released are predicated upon a monthly funding cap per location of $200, and after receiving the acceptances it will determine whether the model support and transition payments, if any, of electing carriers exceed the overall 10-year budget for the model path set by the Commission. The Bureau said if a carrier fails to submit any final election letter by the deadline, it will be deemed to have declined model-based support. Carriers should submit their election letters at ConnectAmerica@fcc.gov.

- Chairman Wheeler sent a letter to Rep. Richard E. Neal (D-Mass.) on July 27, 2016, in response to his letter urging the Commission to adopt rules for the CAF Phase II competitive bidding process that ensures an equitable allocation of funding for states such as Massachusetts.

- WTA filed a letter on August 3, 2016, following up on a July 7, 2016, meeting with Wireline Competition Bureau staff on its pending Petition for Reconsideration of the RoR USF Reform Order. WTA detailed its proposal regarding evidence that should be required from entities before they will be deemed to have filed a bona fide claim for classification as an “unsubsidized competitor.” WTA said, among other things, that both fixed wireline and fixed wireless providers seeking “unsubsidized competitor” status and benefits should be required to substantiate their ability to provide quality and reliable voice service.

- NTCA met with Legal Advisors to Commissioners Rosenworcel and O’Rielly on July 29, 2016, to encourage the FCC to develop a clear implementation schedule that will enable all reforms (model and non-model) to take effect at approximately the same time and to provide carriers with sufficient estimates, calculations, and other data in advance of any implementation deadlines to help inform upcoming USF support elections. NTCA reiterated that a top priority for its Petition for Reconsideration of the RoR USF Reform Order must be the management of USF budgets in the event of certain carriers electing, but then subsequently declining, model support. NTCA also urged the FCC to address several additional items presented in its Petition, such as clarification of the capital investment allowance.

- Reply comments were filed on August 5, 2016, on three sets of issues relating to the process for determining winning bidders in the CAF Phase II auction: how to apply weights to the different levels of performance adopted in the Order; measures to ensure appropriate support for all of the states; and measures to expand broadband on Tribal lands. NTCA said the FCC should adopt CAF II competitive bidding procedures that actively encourage the deployment of future-proof broadband facilities that will stand the test of time and meet an evolving level of universal service. The Pennsylvania PUC said the FCC’s auction procedures should not disturb the original Pennsylvania-specific objective designation of these CAF II model support amounts by risking their potential redistribution among other states. Hughes Network Systems asserted the Commission should adopt weights in the 5-10 percent range for each speed/capacity tier and latency category, and an additional bidding credit for bids on Tribal lands. Link to all available replies to date.


Broadband

- The FCC issued a Twelfth Broadband Progress Notice of Inquiry on August 4, 2016, on the appropriate criteria and benchmarks by which to measure whether fixed and mobile broadband
services provide access to advanced telecommunications capability. The FCC seeks comment on whether to update its existing 25 Mbps download/3 Mbps upload speed benchmark for fixed advanced telecommunications capability, and whether it should establish a speed benchmark for mobile broadband services; the relationship of non-speed performance metrics, and whether and how to adopt benchmarks for these metrics; criteria and benchmarks by which to measure advanced telecommunications capability deployment to schools; and the various data sources used by the FCC for the purposes of its annual Broadband Progress Report. Comments are due September 6; replies due September 21.

The Industry Analysis and Technology Division of the Wireline Competition Bureau issued its Internet Access Services Report on August 5, 2016, which summarizes information about Internet access connections in the United States as of June 30, 2015, as collected by FCC Form 477. The Report said Internet connections increased by 9 percent between June 2014 and June 2015 to 342 million, and most of the growth in total Internet connections is attributable to increased mobile Internet access subscriptions. Mobile Internet connections increased 12 percent year-over-year to 242 million in June 2015, while the number of fixed connections grew to 100 million – up 4 percent from June 2014.

The FCC’s Connect2Health Task Force launched its Mapping Broadband Health in America tool on August 2, 2016, a web-based mapping tool that will enable and inform more efficient, data-driven decision making at the intersection of broadband and health. The mapping tool is an interactive experience, showing various aspects of connectivity and health for every state and county in the United States. Commissioner Clyburn spoke at the launch, stating the mapping tool promises to provide a new and powerful roadmap to leverage high speed connectivity to improve the health of our nation. The mapping tool is available at www.fcc.gov/health/maps.

Verizon, the VON Coalition, and Level 3 met with Wireline Competition Bureau staff on August 3, 2016, to discuss harmonization of the FCC’s proposed privacy rules for broadband services with the CPNI obligations placed on voice providers. They asserted the FCC should harmonize its voice and broadband privacy rules and exempt the provision of services to all business customers, including wholesale and enterprise customers, from subpart U of the FCC’s rules in order to give wholesale and enterprise service providers flexibility in how they meet their statutory obligations to protect customer privacy within the framework of the plain language of section 222.

Level 3, XO, Orange Business Services, BT, T-Mobile, and INCOMPAS met with Wireline Competition Bureau staff on August 2, 2016, to discuss INCOMPAS’s comments on the broadband privacy NPRM. INCOMPAS, et al. proposed that the Commission exempt business customers from subpart U of the Commission’s rules, and allow the plain language of section 222 to govern those relationships. INCOMPAS, et al. also proposed that the Commission adopt the same approach in the context of CPNI.

Comcast met with Wireline Competition Bureau and Media Bureau staff on July 28, 2016, to discuss Comcast’s comments on the broadband privacy NPRM. Comcast said it agreed with the Federal Trade Commission’s comments that the FCC should adopt a sensitivity-based approach to consent, and said Comcast and other companies have been complying with the Obama Administration’s and FTC’s sensitivity-based consent approach for many years through a series of commonly-used administrative and operational controls that guide its internal practices.

Public Knowledge met with Wireline Competition Bureau staff on August 1, 2016, to discuss broadband privacy issues. PK asserted consumers should not be required to go through an arbitration process before being able to file a complaint with the FCC under section 222. PK also asserted the FCC must be aware of what it says are conflicting positions in the set-top proceeding and should base its determinations on a consistent interpretation of the Commission’s privacy rules.
Open Internet

- Nielsen Holdings met with Wireless Telecommunications and Consumer and Governmental Affairs Bureau staff on August 3, 2016, to discuss its presentation on measuring mobile broadband performance to comply with the Open Internet transparency rules. Nielsen also discussed its ability to identify roaming activity, and said when Nielsen performs testing, it is able to detect when a specific carrier’s device has roamed off its native network onto another network.

IP Transition

- USTelecom filed a letter on July 29, 2016, to respond to an ex parte filed by Granite Telecommunications and INCOMPAS on their concerns with linking the reasonably comparable wholesale access requirement for wholesale voice platform services established in the Technology Transitions Order to the issuance of final rules in the business data services proceeding. USTelecom asserted, among other things, this request is procedurally improper because it comes well beyond the period for filing a petition for reconsideration.

- AT&T filed a letter on August 1, 2016, to respond to certain ex partes that claim ILECs are required to unbundle DS1 and DS3 loops regardless of whether they are provided over packet-switched, fiber facilities. AT&T asserted these arguments have been thoroughly rebutted and that nothing has changed regarding their merits. AT&T claimed the unbundling regime is undeniably technology specific and the Commission expressly declined to impose unbundling requirements on certain broadband technologies, such as fiber, and packet switched facilities.

USF

- Commissioner Pai sent a letter to USAC on August 1, 2016, seeking information on the ability of wireless resellers to avoid the safeguards of the National Lifeline Accountability Database. He asked USAC for information on the subscriber count submitted on Form 497 vs NLAD enrollment numbers, as well as specific information on two resellers. He asked USAC to describe what safeguards it has in place to ensure that every subscriber claimed on a Form 497 was properly enrolled in the NLAD and assigned by the NLAD to that carrier, and any related audits, investigations or reviews.

- In addition to those reported in a previous edition of REGScan, oppositions and comments were filed on July 29, 2016, to petitions for reconsideration of the Lifeline Reform Order. GVNW supported certain portions of petitions filed by NTCA/WTA, GCI, and USTelecom, but opposed NASUCA’s suggestion to subsidize back-up power. USTelecom opposed certain portions of the Pa. PUC’s petition and NASUCA’s request for certain obligations on ETCs relating to back-up power requirements. Sacred Wind Communications supported NASUCA and USTelecom’s petitions and urged the Commission to continue Lifeline support for voice-only service at historic levels, without the phase-down of voice-only support. The Joint Lifeline ETC’s opposed portions of TracFone’s petition, and opposed petitions filed by USTelecom and NTCA and WTA, which sought reconsideration of the 12-month broadband benefit port freeze. Greenlining Institute, et al opposed petitions filed by CTIA, GCI, Joint Lifeline ETCs, NTCA and WTA, TracFone, and USTelecom. Notice | List of all comments available to date. Replies are due August 8.

- USAC filed Federal Universal Service Support Mechanisms Fund Size Projections for the fourth quarter 2016 on August 2, 2016. The High Cost Support Mechanism funding requirements are projected as follows: $170.85 million for HCL Support; $237.86 million for ICLS; $41.69 million for frozen Price Cap Carrier Support; $408.58 million for CAF Phase II; $0.75 million for Rural Broadband Experiments; $147.21 million for frozen CETC Support; $106.99 million for CAF/ICC Support; and $11.07 million for the High Cost account; resulting in total High Cost Support Mechanism projected demand of $1.125 billion. (Appendices available on USAC’s website).
• Total Call Mobile filed a Petition for Reconsideration on July 25, 2016, of the Order directing USAC to issue a temporary hold of payments to Total Call Mobile for Lifeline reimbursements from the USF. TCM asserted the Order jeopardizes its ability to provide service to eligible subscribers, and is not justifiable.

• TracFone Wireless met with General Counsel and Connect2Health Task Force staff on August 3, 2016, to discuss the adverse impact that phasing out Lifeline support for voice would have on low income consumers that are currently benefitting from TracFone’s partnership with healthcare providers. TracFone urged the FCC to reconsider its phased elimination of standalone voice service from the communications service options available to Lifeline consumers.

• Premier Communications, Winnebago Cooperative Telecom Association, and JSI spoke with Wireline Competition Bureau staff on August 4, 2016, to discuss Premier and Winnebago’s petition seeking a waiver of the study area boundary freeze to redefine the Consolidated Communications of Iowa study area to exclude the Bancroft and Lakota exchanges and create a new study area for Winnebago comprising the Bancroft and Lakota exchanges. They also provided responses to the FCC regarding CAF-ICC issues.

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Misc.

• At its August 4, 2016 Open Meeting, the FCC adopted: a Report and Order that would convert the National Deaf-Blind Equipment Distribution Program from a pilot to a permanent program; a Report and Order that would implement changes to the scope of the wireless hearing aid compatibility rules; and an Order on Reconsideration that would ensure the rates for Inmate Calling Services are just, reasonable, and fair and explicitly account for facilities’ ICS-related costs. The FCC also deleted two consent agenda items because they were already adopted. Adopted items have not yet been released by the FCC.

• The Industry Analysis and Technology Division of the Wireline Competition Bureau issued its Voice Telephone Services Report on August 5, 2016, which summarizes the information collected about telephone services as of June 30, 2015. The Report noted in June 2015, there were 68 million end-user switched access lines in service, 57 million interconnected VoIP subscriptions, and 326 million mobile subscriptions in the United States. Over the three-year period, interconnected VoIP subscriptions increased at a compound annual growth rate of 13 percent, mobile voice subscriptions increased at a compound annual growth rate of 3 percent, and retail switched access lines declined at 13 percent per year.

• Verizon and INCOMPAS met with General Counsel and Wireline Competition Bureau staff on August 2, 2016, to discuss the outline for a new framework for business data services submitted by Verizon and INCOMPAS. They discussed the need for the three-tiered approach to the competition test and the need for a one-time adjustment to TDM rates in areas served by price cap ILECs to account for the freeze in rates under the CALLS Order.

• CenturyLink and Frontier met with Chairman Wheeler, Commissioners O’Rielly and Pai and their Legal Advisors, and General Counsel and Wireline Competition Bureau staff on July 28, 2016, to express concern that the proposed regulatory framework for business data services does not reflect how carriers negotiate for broadband data services including backhaul. They asserted price regulation will distort and deter competition in the BDS market and prices set too low will preclude competitors from entering the market. They reiterated that it is important that any regime the FCC adopts does not deter investment, especially in rural areas.

• FairPoint met with Wireline Competition Bureau staff on July 28, 2016, to discuss business data services. FairPoint claimed while revenues from Ethernet services are growing, its additional Ethernet revenues are not sufficient to replace the lost revenues from other services and it cannot afford across-the-board rate reductions in special access and other business services. FairPoint also expressed
concern with the premise of the Further Notice that all price cap companies possess market power in
the BDS sector.

- The South Dakota PUC sent a letter to Chairman Wheeler on August 2, 2016, to emphasize the
importance of ensuring that if a final rule on business data services is adopted that it be based on
accurate industry data. It also asserted that it is important for rural states like South Dakota that the
Commission use all the available data, including the data submitted earlier this year by the major cable
operators, to both measure competitive markets accurately and ensure that the regulations for
noncompetitive markets are based on the real cost to provide service.

- Comcast met with Chairman Wheeler’s Legal Advisor and General Counsel and Wireline Competition
Bureau staff on July 27-29, 2016, to assert that it would be counterproductive to subject new entrants
in the business data services marketplace to rate regulation, and claimed rate regulation generally is
inappropriate in the absence of secure monopoly conditions.

- GCI spoke with Wireline Competition Staff on August 4, 2016, to assert the need for the Commission to
take into account the unique situation in Alaska as it considers revising the way it regulates business
data services. GCI also claimed the Commission’s price cap regulations will not be fully effective
unless the Commission regulates excessive special construction charges.

- Charter Communications met with Wireline Competition Bureau and General Counsel staff on August
3, 2016, to assert imposing price regulation on cable providers would be harmful to competition in the
BDS market. Charter also argued that if the Commission decided to price regulate cable providers, it
cannot lawfully regulate the large universe of BDS provided on a private-carriage basis.

- Inteliquent met with Wireline Competition Bureau staff on August 3, 2016, to ask the Commission to
create a service subcategory for multiplexing to ensure that any TDM rate reductions adopted for
business data services apply to multiplexing service, which is not subject to competition.

- INCOMPAS met with Chairman Wheeler and his Legal Advisor, and General Counsel and Wireline
Competition Bureau staff on July 28, 2016, to discuss business data services. INCOMPAS discussed
the findings in the WIK-Consult Report, and asserted the study demonstrates that the spill-over effects
of price reductions in the broader economy are substantial. INCOMPAS also claimed the framework
jointly submitted by INCOMPAS and Verizon is a balanced approach resulting from significant
compromise, is supported by the record, and should be adopted by the Commission.

- The Competitive Carriers Association spoke with Chairman Wheeler on August 1, 2016, to urge the
Commission to focus on business data services to further achieve progress towards 5G deployment.
CCA asserted that if the Commission defines all Ethernet above 50 or 100 Mbps as competitive and
therefore not subject to regulation, it will eviscerate any impact this proceeding will have on 5G
deployment.

- The Phoenix Center released an analysis on August 4, 2016, entitled “Learning from Bad Technique:
The WIK-Consult Report on Business Data Services,” submitted by INCOMPAS. The Phoenix Center
asserted the WIK report focuses on irrelevant factors, and has inaccurate computations, self-
contradictory claims, and improper benchmarks. The Phoenix Center asserted the Commission should
accord no probative weight to the report. Press release

- Cellular One met with Chairman Wheeler’s Legal Advisor and Commissioner Rosenworcel and her
Legal Advisors on August 3, 2016, to discuss its uses of TDM and packet-switched fiber BDS for
connecting cell sites to its switching facilities and the broader public switched network. It also described
its analysis when considering alternative solutions such as microwave facilities.

- Lightower Fiber Networks met with Wireline Competition Bureau staff on August 1, 2016, to explain
competitive fiber providers should not be subject to any new business data services pricing
regulations, claiming it would have difficulty understanding and complying with rate regulation and that
proposed reporting requirements would impede competition.
• The FCC issued a Public Notice on August 2, 2016, announcing FY 2016 Interstate Telecommunications Service Providers and Commercial Mobile Radio Services regulatory fee data are available for viewing on the Commission’s electronic filing and payment system. The FCC provided instructions on how to access the data.

• The Media Bureau issued a Public Notice on August 5, 2016, seeking comment on data and information on the state of competition in the delivery of video programming for the Commission’s Eighteenth Report, and to update the information and metrics provided in the Seventeenth Report. Comments are due September 21; replies due October 24.

• Neustar, the North American Portability Management LLC, and PricewaterhouseCoopers met with of staff from the Public Safety and Homeland Security Bureau, General Counsel, and the Wireline Competition Bureau on August 2, 2016, to discuss the LNP Administrator transition, and discussed the status of the negotiation of a potential nondisclosure agreement. They said NAPM agreed to propose certain specific categories of transition-related information that would be protected by the NDA, and Neustar agreed to propose certain exclusions from the NDA relating to Neustar’s need to meet its obligations to investors and other stakeholders.

• The Wireline Competition Bureau issued a Public Notice on August 1, 2016, granting Commio’s application to obtain NANP telephone numbers directly from the Numbering Administrators for its iVoIP service. The Bureau said this proceeding will be closed 60 days from the date of this Public Notice if there are no further filings in this proceeding or, if there are additional filings, after 60 days of inactivity in the record.

• The Wireline Competition Bureau issued a Public Notice on August 1, 2016, seeking comment on Edge Communications Solutions’ application to obtain NANP telephone numbers directly from the Numbering Administrators for its iVoIP service. The Bureau said unless otherwise notified by the Commission, Edge Communications Solutions may provide the states in which it intends to request numbers the required 30-day notice on the 31st day after the date of this Notice. Comments are due August 16.

• The Consumer and Government Affairs Bureau issued a Further Notice of Proposed Rulemaking on August 4, 2016, seeking comment on interoperability and portability standards for VRS produced by the Relay User Equipment Forum to achieve the improvements sought in the 2013 VRS Reform Order. The FNPRM also proposes guidance on implementation of the recently completed RUE Standards, including the need for a transition period for existing VRS access technologies to achieve interoperability and portability. Comments are due 21 days after publication in the Federal Register.

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Upcoming Filing Dates

• Aug. 8 - Comments due on Fairpoint’s Compliance Plan for forbearance relief from the Commission’s cost assignment rules. Replies due August 22. Public Notice

• Aug. 8 - Replies due to oppositions to petitions for reconsideration of the Lifeline Reform Order filed by NTCA and WTA, the Joint Lifeline ETC Petitioners, GCI, Pennsylvania PUC, TracFone, and NASUCA. Notice

• Aug 9 - Replies due on the FNPRM proposing a new competition-triggered deregulatory framework for the provision of business data services that classifies markets as either non-competitive or competitive.

• Aug. 15 - Oppositions due to petitions for reconsideration of the RoR USF Reform Order filed by NTCA, WTA, Custer Telephone Cooperative, and Madison Telephone Company. Replies due August 25. Notice
August 16 - Comments due on Edge Communications Solutions’ application to obtain NANP telephone numbers directly from the Numbering Administrators for its iVoIP service. Public Notice

Aug. 22 - PRA comments due on the form and content of its survey of urban rates for fixed voice and fixed broadband residential services. Notice

Aug. 22 - Replies due on Fairpoint’s Compliance Plan for forbearance relief from the Commission’s cost assignment rules. Public Notice

Aug. 24 - PRA comments due on revisions of a currently approved collection to comply with new rules adopted in the Lifeline Third Reform Order. Notice

Aug. 24 - PRA comments due on revisions of currently approved collections associated with Part 61, Tariffs. Notice

Aug. 24 - PRA comments due on an extension of a currently approved collection associated with local number portability. Notice

Aug. 25 - Replies due to oppositions to petitions for reconsideration of the RoR USF Reform Order filed by NTCA, WTA, Custer Telephone Cooperative, and Madison Telephone Company. Notice

Aug. 31 - PRA comments are due on a new collection associated with the March 2016 RoR USF Reform Order. Notice

Sept. 6 - Comments due on the Twelfth Broadband Progress Notice of Inquiry on the appropriate criteria and benchmarks by which to measure whether fixed and mobile broadband services provide access to advanced telecommunications capability. Replies due September 21.

Sept. 21 - Comments due on data and information on the state of competition in the delivery of video programming for the Commission’s Eighteenth Report, and to update the information and metrics provided in the Seventeenth Report. Replies due October 24. Public Notice

Sept. 21 - Replies due on the Twelfth Broadband Progress Notice of Inquiry on the appropriate criteria and benchmarks by which to measure whether fixed and mobile broadband services provide access to advanced telecommunications capability.

Oct. 24 - Replies due on data and information on the state of competition in the delivery of video programming for the Commission’s Eighteenth Report, and to update the information and metrics provided in the Seventeenth Report. Public Notice

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Editor: Teresa Evert | Assistant Editor: Shawn O’Brien