The FCC issued a Report and Order and FNPRM adopting a USF support plan for fixed and mobile voice and broadband service in high-cost areas of Alaska and provided Alaskan carriers the option of receiving fixed amounts of support for 10 years. Rate-of-return carriers have the option of receiving support pursuant to the Alaska Plan, support calculated by A-CAM, or remaining on the reformed legacy RoR support mechanisms. The FNPRM seeks comment on the process to eliminate duplicative high-cost funding in areas where more than one carrier is receiving support for the provision of 4G LTE service. Comment dates not yet set.

The Wireline Competition Bureau issued a Third Erratum to the March 30, 2016 RoR Reform Order and FNPRM, amending section 54.303.

Oppositions were due September 2 on Baraga Telephone’s Petition for Reconsideration and Clarification of the RoR USF Reform Order. Replies are due September 12. Notice.

NTCA, WISPA, and Hughes Network Systems filed oppositions to petitions for reconsideration of the CAF Phase II Auction Order. Notice. Replies are due September 12.

The House Subcommittee on Communications and Technology will hold a hearing on call completion on September 8. Ranking members of the House Committee on Energy and Commerce asked for a hearing on robocalls.

Chairman Wheeler sent letters to Senators representing New Mexico, in response to their letter asking for consideration of Plateau Telecommunications’ Petition for Waiver of certain Mobility Fund Phase I rules.

The Wireline Competition Bureau seeks comment on NECA’s 2017 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. Comments are due September 30; replies due October 17.


The Consumer and Governmental Affairs Bureau will host a Technology Transitions Info Session on September 26, 2016.

The FCC issued a Report and Order adopting a schedule of regulatory fees to assess and collect $384,012,497 in regulatory fees for FY 2016.

The Senate Committee on Commerce, Science, and Transportation will hold a hearing on September 15, 2016, on oversight of the FCC.

Other Key Upcoming Dates
- Sept. 6 - Comments due on the Twelfth Broadband Progress Notice of Inquiry. Replies due September 21.
- Sept. 19 - PRA comments due for emergency OMB approval of information needed to implement the RoR USF Reform Order, including revisions to FCC Forms 507, 508 and 509.

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

- The FCC issued a Report and Order and FNPRM on August 31, 2016, adopting a USF support plan for fixed and mobile voice and broadband service in high-cost areas of Alaska. The plan builds on ATA’s 2015 proposal and provides Alaskan carriers with the option of receiving fixed amounts of support over the next ten years. Alaskan rate-of-return carriers will now have the option of receiving support pursuant to the Alaska Plan, support calculated by A-CAM, or remaining on the reformed legacy RoR support mechanisms. The FCC also provided a one-time opportunity for Alaskan CETCs to elect to participate in the Alaska Plan for mobile providers in remote areas that will provide frozen support at 2014 levels for a term of 10 years. Eligible CETCs who elect not to participate in the Alaska Plan will have their support phased out over a period of three years. The Further Notice seeks comment on the process to eliminate duplicative high-cost funding in areas where more than one carrier is receiving support for the provision of 4G LTE service. Comments are due 60 days after Federal Register publication; replies due 90 days after the FR.

- The Wireline Competition Bureau issued a Third Erratum on August 31, 2016, to the March 30, 2016 RoR Reform Order and FNPRM. The Erratum amended Appendix B by replacing “Total Allowed Loop Plan Investment” with “AALPI” in the last sentence of paragraph (b) of section 54.303.

- Oppositions were filed on September 2, 2016, to petitions for reconsideration and clarification of the CAF Phase II Auction Order. NTCA said the Commission should deny those petitions seeking to evade accountability and reliability in the offering of quality, affordable voice and broadband services to consumers in the areas subject to the CAF Phase II auctions, and suggested, to the extent the Commission decides to revise the areas subject to the auctions in response to certain petitions, it should only do so based on the unique interplay of the Rural Broadband Experiments and subsequent developments in the CAF Phase II program, and should not view that as precedent for structuring or conduct of any other auctions. WISPA opposed what it claimed is Verizon’s efforts to alter the auction rules; said any clarification of the requirement for bidders proposing to use spectrum should also make further clarifications regarding terrestrial spectrum access, whether unlicensed or licensed; suggested the Commission clarify that latency will be based on conversation-opinion tests; and should relax its letter of credit requirements. Hughes Network Systems opposed the petitions that would preclude applicants in the higher latency category from competing effectively, and supported ViaSat’s request that the Commission reconsider the option to re-auction areas awarded to higher-latency bidders, saying this, too, would undermine satellite providers’ incentives to participate fully in CAF. Hughes also supported Verizon’s bid ranking proposal. Replies are due September 12.

- Oppositions were due September 2, 2016, to Baraga Telephone’s Petition for Reconsideration and Clarification of the RoR USF Reform Order. Replies are due September 12.

- Chairman Wheeler sent letters to Senators Tom Udall (D-NM) and Martin Heinrich (D-NM) and Rep.s Steve Pearce (R-NM), Ben Ray Lujan (D-NM), and Michelle Lujan Grisham (D-NM) on August 23, 2016, in response to their letter asking for consideration of Plateau Telecommunications’ Petition for Waiver of certain Mobility Fund Phase I rules. Chairman Wheeler said the Commission created the Mobility Fund and set aside $300 million in one-time support for service providers to extend mobile coverage in unserved areas, and awarded this money through a reverse auction, with winning bidders obligated to meet certain buildout requirements. He said the Commission takes these requirements seriously and endeavors to ensure its rules and regulations are met. He said the FCC recognizes that obstacles beyond a licensee’s control can arise, and noted the Wireless Telecommunications Bureau is actively examining the record and working to resolve the issues Plateau’s Petition raises.

- Frontier filed a letter on August 26, 2016, to submit a list of 3,146 census blocks not previously identified in its election of CAF Phase I Round 2 incremental support, but which it now plans to incorporate as part of this deployment. Frontier said it initially accepted CAF Phase I Round 2 support on February 24, 2014, and subsequently provided updated deployment information on March 3, 2014, and again on February 24, 2015. Frontier also said once it has determined any census blocks that are no longer in its CAF Phase I Round 2 incremental deployment plans, it will submit a list of those census blocks in a subsequent filing.
ICC

West Kentucky and Tennessee Telecommunications Cooperative filed a supplement on August 29, 2016, to its pending Petition for Waiver of section 51.917(b)(7)(ii) to address questions raised in discussions it had with the FCC. The Petition requested a waiver to permit WK&T to correct its ICC Base Period Revenue, which is used in calculating ICC Recovery payments. It noted the Petition was unopposed when the Commission sought public comment on it in 2014, and requested the Commission grant its Petition.

Broadband

Chairman Wheeler sent a letter to Sen. Elizabeth Warren (D-Mass.) on August 23, 2016, in response to her letter on protecting the privacy of broadband customers' personal information. Chairman Wheeler agreed privacy should not be a luxury good reserved only for the wealthy, and said the FCC will consider the risks and benefits of adopting rules regarding such practices with particular attention to the effect of these business models on low-income consumers.

NCTA filed a letter on August 29, 2016, to respond to Georgetown Law Professor Paul Ohm’s letter regarding a requirement for de-identification in the broadband privacy rule. NCTA claimed the Commission cannot read section 222 to impose requirements on de-identified information, including de-identified information that is not aggregated. NCTA also asserted the Commission should not adopt a de-identification standard that is so strict as to make it impossible for ISPs to comply.

NTIA announced it created a new toolkit to help communities and organizations launch successful broadband projects and generate support from potential users. NTIA said the toolkit outlines a five-step process to engage with stakeholders, which may include existing broadband providers, community organizations, government officials, and potential funders of a project. The toolkit was launched at NTIA’s seventh broadband workshop in Missoula, Montana, held August 31, 2016, and is the latest in a series to complement the technical assistance NTIA is providing through the BroadbandUSA program. Other guides include Planning a Community Broadband Roadmap, Guide to Federal Funding of Broadband Projects, Introduction to Effective Public-Private Partnerships and a Broadband Adoption Toolkit.

CenturyLink filed its semi-annual report on broadband deployment on September 1, 2016, for data as of June 30, 2016, pursuant to the FCCs Memorandum Opinion and Order released March 18, 2011. CenturyLink said this report includes the percentage of living units within the legacy Qwest territory to which CenturyLink offers broadband services capable of delivering at least 1.5 Mbps, 5 Mbps, 12 Mbps, and 40 Mbps downstream, and the breakdown at each level between rural and non-rural areas.

Call Completion/Robocalls

The House Subcommittee on Communications and Technology announced on September 1, 2016, it will hold a hearing on September 8, 2016, entitled, “Improving Rural Call Quality and Reliability.” The Subcommittee will examine ongoing issues associated with rural call completion and H.R. 2566, the Improving Rural Call Quality and Reliability Act of 2015, introduced by Rep. David Young (R-Iowa), which would require intermediate providers to register with the FCC and comply with the service quality standards set by the agency.

Reps. Frank Pallone (D-N.J.), Anna Eshoo (D-Calif.), and Jan Schakowsky (D-Ill.), all Ranking Members of the House Committee on Energy and Commerce, sent a letter to Rep. Frank Upton (R-Mich.), Chairman of the Committee, on September 1, 2016, to request that the Subcommittee on
Communications and Technology and the Subcommittee on Commerce, Manufacturing, and Trade hold a hearing to update and rewrite the Telephone Consumer Protection Act of 1991. They said technology is allowing telemarketers to circumvent existing rules, and while the FCC and the FTC have been doing what they can under the existing laws, consumer complaints are on the rise. They suggested a number of issues for consideration, and said it is time to hold a hearing on how best to protect today's consumer from unwanted commercial robocalls.

IP Transition

- The Consumer and Governmental Affairs Bureau issued a Public Notice on August 31, 2016, announcing it will host a Technology Transitions Info Session on September 26, 2016, at the FCC headquarters. The purpose of this session is to provide consumers with information about technology transitions in the telecommunications marketplace. The event is open to the public, and FCC subject matter experts will share information about how the progress of technology transitions are impacting the consumer experience, including, but not limited to, service implications, backup power issues, and accessibility concerns.

USF

- The Wireline Competition Bureau issued a Public Notice on August 31, 2016, seeking comments on NECA's 2017 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. Comments are due September 30; replies due October 17.

- USAC filed its Federal Universal Service Support Mechanisms Quarterly Contribution Base for Fourth Quarter 2016 report on September 1, 2016. The total projected collected interstate and international end-user revenue base to be used in determining the contribution factor for the USF Support Mechanisms for fourth quarter 2016 is $14,218,125,939, down from $14,556,193,831 from the previous quarter.

- The Wireline Competition Bureau released a Public Notice on August 29, 2016, granting, denying, and dismissing various petitions related to actions taken by USAC on E-rate, Rural Health Care, and USF contributions. Petitions for reconsideration or applications for review of these decisions must be filed within 30 days of the Public Notice.

- CenturyLink, Frontier, AT&T, and USTelecom met with Wireline Competition Bureau staff on August 30, 2016, to discuss USTelecom's Petition for Reconsideration and Clarification of the Lifeline Order. USTelecom discussed the need for the Commission to reconsider its exception standard for the “Highest Performing Generally Available” residential offering and encouraged the Commission to instead permit providers to participate in such offerings, so long as they provide a 4Mbps/1 Mbps “or better” service to consumers. USTelecom also discussed issues arising from implementation of the streamlined eligibility criteria and the offering of broadband internet access service under the federal Lifeline program, and expressed concerns regarding a requirement for providers to implement rolling recertification prior to implementation of the National Verifier.

- AT&T met with Wireline Competition Bureau staff on August 25, 2016, to express support for USTelecom's Petition for Reconsideration and/or Clarification of the Lifeline Order, and to urge the Commission to grant all aspects of the Petition before the impending compliance date of the Order.

Misc.

- The FCC issued a Report and Order on September 2, 2016, adopting a schedule of regulatory fees to assess and collect $384,012,497.00 in regulatory fees for FY 2016. The FY 2016 regulatory fee schedule includes the following changes from last year: an increase in regulatory fees across all fee
categories to offset the Commission’s facilities reduction costs; an updated regulatory fee for Direct Broadcast Satellite providers; a subcategory in the cable television and Internet Protocol Television category; and adjustments to the regulatory fees on radio and television broadcasters based on type and class of service and on the population served. The FCC indicated regulatory fees will be due late September.

• The Senate Committee on Commerce, Science, and Transportation announced on September 1, 2016, it will hold a hearing on September 15, 2016, on oversight of the FCC. Sen. John Thune (R-S.D.), Chairman of the Committee, said the "hearing presents an opportunity to discuss concerns about partisanship affecting commission work and to raise issues on important policy questions under consideration this fall.” All five FCC Commissioners will testify.

• The Wireline Competition Bureau issued a Public Notice on September 2, 2016, listing Acknowledgements of Confidentiality filed by parties seeking access to confidential information filed in the special access data collection proceeding since the July 29, 2016 Public Notice. Parties that submitted confidential information in response to the collection have until September 12, 2016, to object to the disclosure of their data and information to any of the parties listed in the attachment to this Public Notice.

• CenturyLink, Frontier Communications, FairPoint, and Consolidated Communications filed a letter on August 29, 2016, responding to the Verizon/INCOMPAS proposed framework for business data services. They asserted the core features of the proposal lack merit, arguing the Commission should reject it. They claimed the proposal is neither a “middle ground” compromise nor an “administratively simple framework.” They also said there is no basis for finding that the markets for all offerings at or below 50 Mbps are non-competitive, and said there is no record support for a presumption that ILECs provide BDS ubiquitously throughout their service territories.

• Frontier and CenturyLink met with Wireline Competition Bureau staff on August 25, 2016, to discuss the ways in which proposals for the BDS market raised by the Commission and other parties, including Verizon and INCOMPAS, do not synch with market realities. They claimed the proposals would produce results that are not administrable, but, if implemented, would be deeply harmful to investment in American broadband connectivity. CenturyLink and Frontier also referenced news articles describing analyst reports, which they claimed emphasize the competitive nature of the BDS market and demonstrate the impact the BDS proposals have had on their companies and ultimately may have on their customers and employees.

• Sprint filed a letter on August 31, 2016, attaching a declaration from two former FCC Economists, Chris Frentrup, Senior Economist at Sprint, and David E.M. Sappington, which employs their enhanced analysis of the Connect America Cost Model to identify appropriate parameters for the upcoming BDS price cap regulation regime. Sprint said the former FCC Economists determined the CACM data track the input price growth rates for BDS more closely than other available data, and said the Commission can use the CACM-based calculations to derive appropriate price adjustments, noting the Economists’ calculations support the PCI one-time reduction and going-forward X-factor proposed in the Verizon-INCOMPAS framework.

• Sprint met with Chairman Wheeler’s Legal Advisor on August 29, 2016, to discuss business data services. Sprint discussed how the Commission should administer competitive market tests, and discussed its suggestions for updating the existing price cap system and establishing a benchmark for Ethernet-based BDS. Sprint also met with Wireline Competition Bureau staff on August 30, 2016, to discuss similar issues, including a competitive market test for BDS above 50 Mbps and at or below 1 Gbps and BDS using Ethernet over a hybrid fiber-coax network.

• Sprint met with Wireline Competition Bureau staff on August 26, 2016, to discuss an Ethernet benchmark proposal and possible alternative approaches to enforcing the Ethernet benchmark rules and other pricing safeguards. Sprint asserted the Commission should: establish just and reasonable DS1 rates; calculate benchmarks for lowest speed Ethernet service; set a price curve for higher speed Ethernet services; and apply annual reductions going forward. Sprint also discussed application and enforcement of the benchmark.
- Inteliquent met with Wireline Competition Bureau staff on August 31, 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 it claimed is not subject to competition. Inteliquent attached proposed Part 61 rule language and details on implementing Inteliquent’s multiplexing proposal.

- Lumos Networks met with Wireline Competition Bureau and General Counsel staff on August 25, 2016, to discuss the fiber network that Lumos has constructed and some of its potential plans for further fiber network construction. Lumos asserted where the ILECs’ prices are regulated, there is no need to regulate Lumos’s prices because it cannot demand a higher price than the ILEC unless it offers the customer additional value that at least offsets its higher price. Lumos also urged the Commission not to regulate prices of competitive fiber providers.

- Public Knowledge, the Open Technology Institute at New America, Common Cause and Next Century Cities, the Schools, Health & Libraries Broadband Coalition, et al. met with Wireline Competition Bureau staff on August 24, 2016, to urge the Commission to proceed quickly to reform the business data service market and adopt a final Order in 2016. They asserted reforms to the BDS regulatory regime must provide a platform for robust competition and eliminate the monopoly and oligopoly rents that plague the BDS market as well as serve the public interest and protect customers from the market power of ILECs.

- Almost one hundred competitive providers of facilities-based business data services and potential entrants sent a letter to Chairman Wheeler and FCC Commissioners on August 29, 2016, to urge them to maintain the FCC’s policy of not regulating the rates, terms, and conditions offered by facilities-based competitors. They asserted there is no evidence that non-incumbents are harming or could harm business customers. They recommended the Commission maintain the current course and undertake new efforts to remove barriers to deployment.

- Mediacom Communications met with Wireline Competition Bureau and General Counsel staff on August 24, 2016, to assert that any reduction in competition in the BDS market would have a detrimental impact on the smaller, more rural, markets that Mediacom serves. Mediacom argued that record evidence does not provide a basis to impose new regulations on cable operators, but to the extent the Commission believes some action is necessary it can focus its attention on legacy DS1 and DS3 services, rather than Ethernet services, by applying existing regulatory mechanisms to review or constrain prices of legacy ILEC DS1 and DS3 services.

- The FCC issued a Notice in the Federal Register on August 30, 2016, seeking Paperwork Reduction Act comments on an extension of a currently approved collection associated with the FCC’s Electronic Tariff Filing System. In the June 30, 2011 Report and Order, the FCC required all tariff filers to electronically file their tariffs using ETFS. PRA comments are due October 31.

- The FCC issued a Fee Filing Guide on August 30, 2016, to identify and describe filing requirements for the Wireline Competition Bureau. The guide details the types of applications, form numbers, fee amounts, payment type codes, and the mailing address for each service provided, and provides instructions on how to pay a fee and identifies other processing services available to the requestor. The FCC also issued Fee Filing Guides for the Enforcement and Wireless Telecommunications Bureaus.

- North American Portability Management filed a letter on August 31, 2016, to provide an update on the LNP Administrator transition. NAPM detailed the recent accomplishments of the Transition Oversight Manager, including managed the transfer and loading of all seven US NPAC regional data, LEAP historical data, and testbed data, and reached agreement with the incoming LNPA on a communications plan, checkpoints and supporting dashboards for user on boarding and testing, among other things.

- The Wireline Competition Bureau issued a Public Notice on September 1, 2016, granting Edge Communications’ 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.

Upcoming Filing Dates

- 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. 7 - Comments due on AireSpring’s application to obtain NANP telephone numbers directly from the Numbering Administrators for its iVoIP service. Public Notice

- Sept. 12 - Replies due to oppositions to Baraga Telephone’s Petition for Reconsideration and Clarification of the RoR USF Reform Order are due

- Sept. 12 - Replies due to oppositions to petitions for reconsideration of the CAF Phase II Auction Order. Notice

- Sept. 14 – Comments due on the VRS Further Notice on interoperability and portability standards. FR

- Sept. 19 - PRA comments are due for emergency OMB approval related to information needed to implement the RoR USF Reform Order, including revisions to FCC Forms 507, 508 and 509

- 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 a revision of a currently approved collection associated with the FCC’s Electronic Tariff Filing System. Notice

- Sept. 30 - Comments due on NECA’s 2017 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. Replies due October 17. Public Notice

- Oct. 17 - Replies due on NECA’s 2017 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. Public Notice

- 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

- Oct. 31 - PRA comments due on an extension of a currently approved collection associated with the FCC’s Electronic Tariff Filing System. Notice