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October 8, 2018 HIGHLIGHTS

- The FCC issued a [tentative agenda](#) for its October 23, 2018 Open Meeting. The FCC will consider seven items, including a [Report and Order](#) that will allow rate-of-return carriers that receive fixed USF support to elect incentive regulation for their business data services, an FNPRM proposing to eliminate ex ante pricing regulation of price cap carriers' TDM-based transport services, and an FNPRM on the regulatory treatment of electing RoR carriers' TDM-based transport services.
- The FCC [announced](#) Petitions for Reconsideration were filed by [Micronesian Telecommunications](#), [Hughes](#), [Viasat](#), and [USTelecom, ITTA, and WISPA](#) and Applications for Review were filed by [WTA](#) and [NTCA](#) of the [Network Performance Testing Order](#). Due dates are not yet set on the PFRs, but oppositions to the AFRs were due October 4, 2018, and replies are due October 15, 2018.
- Sen. John Thune (R-S.D.) et al. [urged](#) Chairman Pai to immediately act to restore sufficiency and predictability to the USF's High Cost program's budget to ensure South Dakotans have access to high-quality broadband and voice services that are comparable to those available in urban areas.
- ITTA, USTelecom, NTCA, and WTA [urged](#) the FCC to address the unpredictable and insufficient levels of USF support for rate-of-return carriers as soon as possible. NTCA [discussed](#) sufficient funding for existing USF mechanisms, the negative effects of the rate floor policy, and the capital investment allowance. ITTA [discussed](#) the [NPRM](#) on the rate-of-return budget, and the draft [BDS Order](#). WTA [discussed](#) the joint [letter](#) on high cost support principles and its [AFR](#) of the [Network Testing Order](#). TDS [urged](#) the FCC to raise the cap on A-CAM funding to the originally-contemplated amount of \$200 per location, and supported the proposals described in ITTA et al.'s [letter](#).
- WISPA [supported](#) the AFRs filed by [WTA](#) and [NTCA](#) of the [Network Testing Order](#). Vantage Point Solutions [discussed](#) the [Network Testing Order](#) and encouraged the FCC to consider clarifying several issues. Alaska Communications [discussed](#) the Petition for Reconsideration filed by [USTelecom, ITTA, and WISPA](#) of the [Network Testing Order](#).
- [Reply comments were filed](#) on the [8YY Access Charge Reform FNPRM](#).
- The Senate Commerce Committee held a [hearing](#) on broadband deployment in rural areas. The Senate Committee on Indian Affairs held a [hearing](#) on the GAO reports on broadband availability on tribal lands.
- [Reply comments were filed](#) on the [14th Broadband Deployment Report Notice of Inquiry](#).
- Verizon, CenturyLink, Windstream, and USTelecom [discussed](#) rural call completion issues.
- The U.S. Department of Justice filed a [complaint](#) in California district court challenging a California [net neutrality law](#). ACA, CTIA, NCTA, and USTelecom also filed a [complaint](#) and a [motion](#) for preliminary injunction on the [net neutrality law](#).

Other Key Upcoming Dates

- Oct. 8 - Replies due to refresh the record on the Call Blocking NPRM and NOI on additional criteria voice providers could use to identify and block illegal calls. [Public Notice](#)
- Oct. 22 - Replies due on [NECA's 2019 Modification of the Average Schedule Universal Service HCL Support Formula](#). [Public Notice](#)

USF Reform

- The FCC issued a [Public Notice](#) on October 2, 2018, commencing the pleading cycle for Petitions for Reconsideration filed by [Micronesian Telecommunications](#), [Hughes](#), [Viasat](#), and jointly by [USTelecom](#), [ITTA](#), and [WISPA](#) of the [Network Performance Testing Order](#). It noted Applications for Review were also filed by [WTA](#) and [NTCA](#). Oppositions to the Petitions for Reconsideration will be due 15 days after the publication date of this Public Notice in the Federal Register, and replies to oppositions will be due 10 days thereafter. Pursuant to section 1.115(d), oppositions to the Applications for Review are due October 4, 2018, and replies to those oppositions are due October 15, 2018.
- Sens. John Thune (R-S.D.) and Mike Rounds (R-S.D.) and Rep. Kristi Noem (R-S.D.) posted a [Press Release](#) on October 3, 2018, indicating they sent a letter to Chairman Pai urging the FCC to immediately act to restore sufficiency and predictability to the USF's High Cost program's budget to ensure South Dakotans have access to high-quality broadband and voice services that are comparable in quality and price to those available in urban areas. They said the current budget limit is estimated to cut support that carriers in South Dakota would otherwise have received for broadband deployment by more than \$11 million over a twelve-month period and these reductions will require providers to postpone or even cancel broadband investment, reducing the availability of rural broadband.
- Chairman Pai sent a [letter](#) to Sen. Tom Udall (D-N.M.) on October 3, 2018, in response to his letter expressing support for the Petitions for Reconsideration filed by Mescalero Apache Telecom and Sacred Wind Communications of the April 2018 [Tribal OpEx Order](#). Pai said he agreed the Order did not go far enough in extending support to more carriers that service Tribal lands. Pai said he believes it was inappropriate to exclude carriers that did not have 10/1 Mbps broadband service deployed to 90 percent of their service territory (like Mescalero Apache and Sacred Wind) at the time the Order was adopted, and said he directed staff to circulate an Order in the near future to fix this mistake.
- ITTA, USTelecom, NTCA, and WTA filed [a letter](#) on October 1, 2018, urging the Commission to address the unpredictable and insufficient levels of USF support for rate-of-return carriers as soon as possible. They urged the Commission to adopt a compromise set of proposals that included: increasing the high-cost budget to at least \$2.4 billion for 2018; applying the inflation adjustment factor to the entire high-cost program budget; providing each RoR carrier receiving cost-based support with a "floor" of support based in some manner on each carrier's unconstrained costs over the prior three years or the carrier's then-current unconstrained support, whichever is lower; and not offering another model support offer until existing mechanisms are sufficiently funded.
- NTCA [met with](#) Wireline Competition Bureau staff on October 4, 2018, to discuss USF budget issues. NTCA discussed the support in the record for a detailed roadmap that would provide longer-term sufficient funding for existing USF mechanisms, and the need for Commission action to eliminate the negative effects of the rate floor policy consistent with recommendations filed last year. NTCA also discussed the capital investment allowance that limits recovery of capital expenditures through USF, and urged the Commission to replace the existing limit formula with a simpler and more straightforward engineering certification.
- NTCA and Golden West Communications [met with](#) Chairman Pai's Legal Advisor on October 4, 2018, to discuss USF budget issues. They suggested the Commission adopt and implement a straightforward set of reforms that provides support that is both sufficient and predictable for each of the already-existing USF mechanisms and continues to promote effective and responsible use of USF resources going forward.
- ITTA [met with](#) Chairman Pai's Wireline Advisor and Senior Counsel on October 2 and 4, 2018, to discuss the March 23, 2018 [NPRM](#) on the rate-of-return budget, and the draft [BDS Order](#), which will be considered at the FCC's October 23, 2018 Open meeting. ITTA discussed issues raised in ITTA's comments on the RoR Budget NPRM and addressed timing considerations associated with any further offer to fund current participants in the A-CAM program to \$200 per eligible location, as well as with respect to elections in response to any second A-CAM program offer.

- WTA [met with](#) Chairman Pai's Wireline Advisor on October 2, 2018, to discuss the joint [letter](#) on high cost support principles. WTA expressed support for a second ACAM glide path offer, and also discussed its [Application for Review](#) of the [Network Testing Order](#). WTA also supports targeted rules, procedures and enforcement actions aimed at deterring and stopping abuse of the access charge system, but said there is no need to eliminate most or all of the originating access and transport revenues.
- TDS Telecommunications [met with](#) Chairman Pai and his Advisor, Commissioner O'Rielly and his legal intern, Advisors to Commissioners Carr and Rosenworcel, and Wireline Competition Bureau staff on October 2, 2018, to urge the Commission to raise the cap on A-CAM funding for eligible locations to the originally-contemplated amount of \$200 per location. It claimed the total outlay of raising the cap is comparatively modest at approximately \$66 million per year across all A-CAM companies. TDS also expressed support for the compromise set of proposals described in the [joint letter](#) filed on October 1, 2018, by the four national associations representing rural telecommunications companies.
- WISPA filed [comments](#) on October 4, 2018, in support of the Applications for Review filed by [WTA](#) and [NTCA](#) of the [Network Performance Testing Order](#). WISPA said NTCA and WTA are correct that implementing the performance testing requirements will be particularly challenging for small providers, not the least of which is that the equipment necessary for small providers to carry out their obligations under the Order is simply not yet readily available. WISPA supported a delay, deferral or temporary suspension of implementation of the performance testing requirements imposed by the Order, at least as applied to smaller providers. Replies to oppositions are due October 15, 2018. [Public Notice](#)
- Vantage Point Solutions [spoke with](#) Wireline Competition Bureau staff on October 1, 2018, to discuss the Network Performance Testing Order. VPS encouraged the FCC to consider: clarifying that any performance testing be performed on the subscriber's side of the provider's interface; relaxing the requirement that the testing be performed at a remote test server that is located at, or reached by passing through, an FCC IXP for RLECs; and allowing the initiation of the testing to start at various times throughout each test hour due to capacity limitations with both the network and remote test servers. It reported the Commission confirmed that the network usage did not have to be determined by a single sample, but could be measured over a period of time to ensure the streaming usage characteristics are properly characterized.
- Alaska Communications [met separately](#) with Legal Advisors to Chairman Pai, and Commissioners O'Rielly, Carr and Rosenworcel and Wireline Competition Bureau staff on October 2 and 3, 2018, to discuss issues raised in the Petition for Reconsideration filed by [USTelecom, ITTA, and WISPA](#) of the [Network Testing Order](#). Alaska Communications urged the Wireline Bureau to clarify that for CAF compliance purposes, service providers must demonstrate compliance with the minimum CAF-required speed, regardless of whether the service provider is advertising or selling service that offers a higher transmission speed.
- WISPA filed [comments](#) on October 4, 2018, in support of the Association of Federal Communications Consulting Engineers' [Petition for Reconsideration](#) of the February 1, 2018 Public Notice on the CAF Phase II Auction. AFCCE requests the Commission clarify whether the term "professional engineer" as it is used in the CAF II Auction Public Notice requires the engineer to be a licensed "Professional Engineer." WISPA supports the Petition and asks the Commission to make any necessary clarification as soon as possible so that CAF Phase II recipients do not face uncertainty as they complete their long-form application requirements and retain professional engineers in advance of the November 5, 2018 deadline.
- The Rural Broadband Auctions Task Force and the Wireline Competition and Wireless Telecommunications Bureaus issued a [Public Notice](#) on October 1, 2018, providing the fifth update on the MF-II challenge process. They said as of September 30, 2018, a total of 105 entities have access to USAC's MF-II Challenge Process Portal to participate in the MF-II challenge process. They said while the number of speed tests on file varies on a daily basis, given that participants can add, remove,

and reupload data files during the filing window, a total of over 6.6 million speed tests have been submitted during the course of the challenge process.

- No replies were filed on Haefele TV's [Petition](#) seeking ETC designation in New York in all areas in which it has been awarded CAF Phase II support via the New NY Broadband Program. [Public Notice](#)

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ICC

- Reply comments were filed on October 1, 2018, on the [8YY Access Charge Reform FNPRM](#), in which the Commission proposes to migrate interstate and intrastate originating end office and tandem switching and transport charges for toll free (8YY) calls to bill-and-keep. [Windstream and NTCA](#) said the record in this docket confirms that any abuse of the 8YY intercarrier compensation system is limited to a handful of bad actors and moving all 8YY traffic to bill-and-keep would be an overbroad response to a minor problem that can be effectively remediated with more targeted reforms. They suggested, instead, the Commission take limited action to address abuse based on data-driven, evidence-backed findings and exercise care to avoid a result that harms consumers. [Frontier](#) said it makes little sense to turn the 8YY toll-free system upside down to target just 20 or so bad actors when there are over 1,000 participants in the system. It suggested first leveraging the tools readily available to the Commission to target the roughly twenty bad actors engaging in 8YY arbitrage and thereby avoiding significant harms to rural broadband deployment. Frontier said if the Commission moves forward with upending the 8YY toll-free system, it urged the adoption of an access recovery mechanism and a sufficient transition period similar to the six-year period adopted in 2011. [Aureon](#) said as an alternative to the Commission's proposals, it recommends the Commission adopt a rule that prohibits 8YY abuse as an unjust and unreasonable practice. It argued once the illegality of 8YY abuse is clearly established in the Commission's rules, the industry can work cooperatively and take the legal and technical actions necessary to prevent unlawful 8YY calls. [CenturyLink](#) said it previously proposed a balanced approach that includes: mandating bill-and-keep for interstate and intrastate end office access charges for 8YY traffic; imposing reasonable rate caps for tandem access charges; imposing a reasonable rate cap for database query charges and a prohibition on multiple query rate charges on a single call; and establishing a reasonable transition for each component of reform. It said in these reply comments, it further proposes the Commission adopt a single, nationwide per-minute rate cap for tandem services rather than a framework with both a mileage cap for mileage-based tandem rates and a separate overall rate cap. [AT&T](#) asserted many commenters agreed the only way to truly eliminate any ability to exploit these arbitrage opportunities is to adopt a system of bill-and-keep that eliminates most intercarrier payments altogether. It said the Commission should address the issues with tandem providers by adopting the direct interconnection proposal AT&T recently put forward for both terminating and originating access. AT&T claimed there was even broader support for the Commission's proposal to cap the rates for 8YY database dip charges, and it suggested the Commission complete the transition of all originating traffic to bill-and-keep. [Public Knowledge](#) said the Commission should not move to bill-and-keep because this proposal will harm consumers as well as carriers that serve rural communities, widening the digital divide. It argued the Commission has provided little, if any, of its own evidence, data, or cost-benefit analysis to justify its proposals, and suggested there are other solutions besides moving to bill-and-keep that would not be as harmful to consumers, rural carriers, and to the 8YY system as we know it. [FR. All comments available to date.](#)
- OmniTel Communications, BTC, d/b/a Western Iowa Networks, and Amish and Mennonite Conference Line [met with](#) Chairman Pai's Advisor and Advisors to Commissioners [O'Rielly](#), [Rosenworcel](#), and [Carr](#), and [Wireline Competition Bureau](#) staff on October 1 and 2, 2018, to discuss access stimulation. They discussed: the Expert Report of Dr. Daniel E. Ingberman (attached); the 750-plus comments filed by consumers supporting access stimulation and free conferencing services; and the benefits free conference calls provide to discreet minority groups like the Amish and Mennonite communities. They reiterated CLECs' concern that many allegations made in the NPRM are not supported by current evidence contained in the record and that the Commission has not yet issued any data requests to the long-distance carriers or CEA providers. They discussed the IXC and CEA provider data requests

proposed by the CLECs (attached) and reiterated the CLECs' request for the Commission to issue those or similar data requests.

- O1 Communications filed [a letter](#) on September 28, 2018, to provide, at the Wireline Competition Bureau's request, [a list](#) of ten federal court cases involving the issue of the appropriate switched access rates to apply to over-the-top VoIP services and a description of the status of each case. It said generally, other than one case on the list, the cases began as collection actions filed by LECs against AT&T or Verizon to address the large interexchange carriers' self-help non-payment tactics, and it said the over-the-top VoIP issue was then injected into the proceedings as a defense or counterclaim to the LEC's demand for payment.
- The Pricing Policy Division issued an [Order](#) on October 1, 2018, suspending South Dakota Network's Tariff Transmittal No. 13, which was filed on September 17, 2018. The PPD said because substantial questions of lawfulness exist regarding how SDN revised the centralized equal access service rate contained in its proposed tariff, it suspended the revisions for one day and set for investigation the question of whether SDN properly revised its centralized equal access service rate.
- AT&T filed a [Reply](#) to Aureon's [Opposition](#) to AT&T's motion that seeks to amend the Protective Order in the Aureon tariff investigation [proceeding](#) to allow inside consultants' access to the confidential information. AT&T claimed Aureon did not present any evidence that AT&T's cost expert, Daniel P. Rhinehart, has misused or mishandled any of the confidential information he has had access to in this proceeding, the complaint case, or in any of the many other rate case proceedings in which he has participated. AT&T asserted the concerns Aureon expresses about Mr. Rhinehart's access to this information are baseless, and said Mr. Rhinehart is not involved in competitive decision-making, and there is absolutely no evidence that he would not fulfill his obligations under the Protective Order.

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Broadband

- The Senate Committee on Commerce, Science, and Transportation held a [hearing](#) on October 4, 2018, entitled "Broadband: Opportunities and Challenges in Rural America." [Chairman John Thune](#) (R-S.D.), in his opening remarks, said the following principles should guide the Committee with regard to building out rural broadband: rural Americans, and the smaller businesses serving them, must not be an afterthought when making public policy decisions; universal service cannot be achieved without pragmatic and bipartisan cooperation in Congress and without proper oversight of the FCC and other agencies, such as the RUS; and certainty and sufficiency of funding for broadband in rural America must be ensured. Testimony was given by: [Godfrey Enjady](#), General Manager, Mescalero Apache Telecom; [Denny Law](#), General Manager and CEO, Golden West Telecommunications; [Mona Thompson](#), General Manager, Cheyenne River Sioux Tribe Telephone Authority; and [Grant Spellmeyer](#), Vice President, Federal Affairs and Public Policy, U.S. Cellular.
- The Senate Committee on Indian Affairs held a [hearing](#) entitled "GAO Reports Relating to Broadband Internet Availability on Tribal Lands" on October 3, 2018. Testimony was given by: [Mark Goldstein](#), Director, Physical Infrastructure Issues, GAO; [Patrick Webre](#), Chief, Consumer and Governmental Affairs Bureau, FCC; [Godfrey Enjady](#), General Manager, Mescalero Apache Tel., on behalf of NTTA; and [Geoffrey C. Blackwell](#), Chief Strategy Officer and General Counsel, AMERIND Risk Management.
- Chairman Pai [spoke](#) at the National Press Club on October 1, 2018, on the digital divide and Cox Communications' announcement to expand the Connect2Compete program, which is a private-sector initiative to tackle the issue of broadband affordability. Pai said over 400,000 low-income Americans have been connected through Cox's efforts during the last six years, noting Cox is pledging a financial commitment to further expand the program. Pai said closing the digital divide will require not just private sector leadership, but public sector efforts too, and the FCC is reforming its universal service programs, most notably the high-cost program, to leverage private capital expenditures. He also said the FCC is aiming to spur network deployment in sparsely populated areas where the economic incentives for private investment alone do not exist.

- Reply comments were filed on October 1, 2018, on the [14th Broadband Deployment Report Notice of Inquiry](#), which initiated the next annual assessment of the availability of advanced telecommunications capability to all Americans in a reasonable and timely fashion. [New America's Open Technology Institute](#) said the Commission should not deem mobile BIAS as a substitute for fixed BIAS, and claimed the record shows strong support for an increase to the throughput speed threshold of 25/3 Mbps that the Commission currently has set for "advanced telecommunications capability" and for a change in the Commission's reliance on industry reported data through Form 477. [Comcast](#) said the Commission should: find that advanced telecommunications capability is being reasonably and timely deployed; track and report on broadband deployment progress at multiple speed benchmarks; and continue successful regulatory policies to remove barriers to investment and increase the availability of broadband in unserved areas. [WISPA](#) said the Commission should retain its existing criteria for defining "advanced telecommunications capability," and reject the alternative proposals to consider mobile services as a functional substitute for fixed broadband, or to use the deployment of all-fiber networks as a standard for measuring advanced telecommunications capability. The [Utilities Technologies Council](#) urged the Commission to define broadband in terms of faster speeds, greater capacity, lower latency and jitter, and better affordability. UTC asserted the Commission should continue to treat fixed and mobile broadband as separate services and not as substitutes for each other. It also said pole attachments are not a barrier to broadband and the Commission should not reduce rates and impose additional access requirements for pole attachments. [All replies available to date.](#) [Order](#)
- The City of Portland, Oregon filed a [Petition for Review](#) with the Ninth Circuit Court on October 2, 2018, of the August 3, 2018 [Report and Order and Declaratory Ruling](#), that, among other things, concluded section 253(a) prohibits state and local moratoria on telecommunications facilities deployment. Portland claimed the ruling exceeded the FCC's statutory authority.
- Oppositions were filed on October 4, 2018, to Public Knowledge's [Petition for Reconsideration](#) of the section 214(a) service discontinuance rules promulgated in the June 8, 2018 [Report and Order](#). [CenturyLink](#) asserted Public Knowledge provided no basis for eliminating the alternative options test. [Verizon](#) asserted Public Knowledge essentially seeks a stay of the Report and Order, and said this request is procedurally defective because the Commission's rules prohibit combining a motion for stay with any other requested relief. [USTelecom](#) asserted Public Knowledge's claims that the FCC ignored the record and that the Order eliminated consumer protections are unfounded. Replies to oppositions are due October 15, 2018. [FR](#)
- CenturyLink [met with](#) Chairman Pai and his Legal Advisor on September 26, 2018, to express support for Chairman Pai's efforts to close the digital divide and facilitate the rollout of 5G services. CenturyLink claimed the pro-competitive and de-regulatory framework that the Commission has established and is continuing to pursue for the internet and legacy telecommunications networks will allow for the most efficient and rapid transition to the digital future.
- TIA [met with](#) Chairman Pai's Special Counsel on September 27, 2018, to discuss 5G deployment and the NPRM on supply chain security. TIA expressed concern about the impact that import tariffs on information and communications technology from China would have on U.S. 5G deployment. TIA also discussed FCC actions to promote 5G deployment, and claimed the FCC's adoption of reforms to the wireless infrastructure siting process will promote 5G deployment while preserving the authority of state and local governments to conduct reasonable aesthetic reviews. TIA urged the Commission to move forward in its USF National Security proceeding and reiterated its support for various recent actions by the U.S. Government, suggesting the focus of any FCC security efforts be on the trustworthiness of specific suppliers rather than supply chain management in general.

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Call Completion

- Verizon, CenturyLink, Windstream, and USTelecom [met with](#) Wireline Competition Bureau staff on October 2, 2018, to discuss rural call completion issues. They said the FCC should adopt service quality standards for Intermediate Providers that mirror the flexible, standards-based approach it adopted for Covered Providers in the April 2018 [Report and Order](#). They also said the Commission should refrain from mandating specific industry best practices for intermediate providers, and said a 'one-size-fits-all' approach would prevent companies from choosing the practices best suited to their networks and customers. They also encouraged the Commission to sunset the recording and retention rules established in its [2013 Order](#).

Open Internet

- The U.S. Department of Justice filed a [complaint](#) in U.S. District Court for the Eastern District of California on September 28, 2018, challenging a [net neutrality bill](#) recently signed by Gov. Jerry Brown, which seeks to guarantee strong net neutrality protections for California residents. The complaint seeks a declaration invalidating and preliminarily and permanently enjoining the bill. The Justice Department asserted it is preempted by federal law and therefore violates the Supremacy Clause of the United States Constitution. Commissioners [O'Rielly](#) and [Rosenworcel](#) released statements.
- ACA, CTIA, NCTA, and USTelecom filed a [complaint](#) in U.S. District Court for the Eastern District of California on October 3, 2018, challenging the [net neutrality bill](#) recently signed by Gov. Jerry Brown. ACA, et al. asserted this California law was purposefully intended to counter and undermine federal law by imposing on broadband internet access service the very same regulations the FCC expressly repealed in its 2018 Restoring Internet Freedom [Order](#), despite the fact that both the FCC decision and the Communications Act of 1934 prohibit states from taking such action with respect to jurisdictionally interstate services like BIAS. They also filed a [motion](#) for preliminary injunction from enforcing the new law.
- Rep. Ro Khanna (D-Calif.) [released](#) ten principles for an "Internet bill of rights" on October 4, 2018. The principles focus on data privacy and net neutrality and include, among other things: access and use of the internet without internet service providers blocking, throttling, engaging in paid prioritization, or otherwise unfairly favoring content, applications, services, or devices; access to and knowledge of all collection and uses of personal data by companies; and access to multiple, viable, affordable internet platforms, services, and providers with clear and transparent pricing.

Universal Service

- The Wireline Competition Bureau released an [Order](#) on October 1, 2018, to address a request for correction of its [Order](#) denying review of decisions made by USAC concerning duplicative support from the Lifeline program. The Bureau said in the previous Order it inadvertently erred in denying the appeals submitted by Easy Wireless, Global Connection, i-Wireless, and Telrite because they did not have pending appeals for the Bureau to consider. The Bureau said it now reverses that Order in part to remove the Easy Wireless, Global Connection, i-Wireless, and Telrite appeals.
- The Wireline Competition Bureau issued a [Public Notice](#) on October 2, 2018, to announce that effective November 2, 2018, the National Lifeline Eligibility Verifier will fully launch in the initial six participating states: Colorado, Mississippi, Montana, New Mexico, Utah, and Wyoming. The Bureau said at this time, ETCs in these six states will be required to use the National Verifier to make eligibility determinations for all consumers applying for Lifeline service and must cease using legacy eligibility processes for prospective Lifeline subscribers.
- The Wireline Competition Bureau issued a [Public Notice](#) on October 3, 2018, seeking comment on 10 petitions seeking ETC designation for the purpose of becoming eligible to receive CAF Phase II auction support. Comments are due October 17, 2018; replies are due October 24, 2018.

- Nebraska PSC Commissioner Crystal Rhodes filed [ex parte comments](#) on October 2, 2018, to express support for [Q Link Wireless](#) and [TracFone's](#) petitions regarding the National Verifier. She urged the Commission to direct USAC to adopt APIs for its online interface and to work with USAC to make sure states have access to key databases before the hard launch of the National Verifier.
- The National Lifeline Association [met with](#) Legal Advisors to Commissioners Carr and Rosenworcel on September 27, 2018, to discuss recent and proposed changes to the Lifeline program. The said the proposed ban on wireless resellers must be rejected and the subsidy pass-through proposal is functionally a reseller ban that must also be rejected.
- TruConnect [met with](#) Legal Advisors to Chairman Pai and Commissioner Carr on October 4, 2018, to discuss [Order and NPRM](#) on Lifeline and the [NOI](#) on telehealth. TruConnect expressed support for the Commission's decision to implement a National Verifier and suggested that the Commission allow time for it to be fully implemented before making any changes to the status of resellers in the Lifeline program.
- Alaska Communications [met with](#) Legal Advisors to Chairman Pai and Commissioners Rosenworcel, Carr and O'Rielly on October 2 and 3, 2018, to urge the Commission to act on the [NPRM](#) on promoting rural telehealth. It expressed support for a further increase in the budget for the rural health care program. It also requested the Commission adopt changes to its RHC rules that will better serve the program in the current environment, including modifying the definition of the "rural rate" to align it with market pricing, among other things.
- USAC filed its [Semi-Annual Audit Recovery Report](#) for the Schools and Libraries Program on October 2, 2018, which summarizes the status of all outstanding audit findings.
- Huawei Technologies [met with](#) staff from the Wireline Competition Bureau, International Bureau, Wireless Telecommunications Bureau, Office of the General Counsel, and Public Safety and Homeland Security Bureau on September 27, 2018, to discuss the [NPRM](#) on supply chain security. It urged the Commission to consider the substantial costs of the NPRM, in particular its impact on carriers in rural and remote areas, many of whom are attracted to Huawei as a result of Huawei's commitment to affordable, quality products and attentive customer service.
- West River Telecommunications Cooperative filed a [Petition](#) on October 5, 2018, to change the boundaries of the CenturyLink exchange of Morristown and WRT Elgin exchanges in North Dakota. WRT said it has received requests for broadband service from two individuals close, but just outside of its Elgin exchange boundary in North Dakota, which are currently in the Morristown exchange served by CenturyLink but do not receive broadband access from Centurylink.

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Misc.

- The FCC issued a [tentative agenda](#) on October 2, 2018, for its October 23, 2018 Open Meeting. The FCC will consider a [Report and Order](#) that will allow rate-of-return carriers that receive fixed USF support to elect incentive regulation for their business data services, and two FNPRMs on eliminating ex ante pricing regulation for lower capacity TDM services offered by RoR carriers receiving fixed support and proposing to eliminate ex ante pricing regulation for TDM transport services offered by price cap carriers. The FCC will also consider: an [NPRM](#) that promotes the use of mid-band spectrum for broadband by allowing new unlicensed uses of the 5.925-7.125 GHz band; a [Report and Order](#) that would make limited changes to the Citizens Broadband Radio Service in 3.5 GHz band to increase incentives for innovation and investment, including for mobile 5G services; a [Report and Order and Order](#) opening up new channels in the 800 MHz Private Land Mobile Radio band and update rules; an [FNPRM and Report and Order](#) to modernize cable television rate regulations; a [Report and Order](#) that

would eliminate the requirement that broadcast stations routinely file paper copies of contracts and other documents with the FCC; and an enforcement action.

- To date, no comments were filed on [NECA's 2019 Modification of the Average Schedule Universal Service High Cost Loop Support Formula](#). Replies are due October 22, 2018. [Public Notice](#)
- The Wireline Competition Bureau issued a [Public Notice](#) on October 3, 2018, announcing the inflation-adjusted 2017 revenue thresholds used for classifying carrier categories for various accounting and reporting purposes. The revenue threshold between Class A carriers and Class B carriers is increased to \$160.16 million, and the revenue threshold between larger Class A carriers and mid-sized carriers is increased to \$9.49 billion.
- The Wireline Competition Bureau issued a [Public Notice](#) on October 1, 2018, granting, subject to condition, the application to transfer control of Inter-Community Telephone and Valley Communications from ICTC Group to BEK Communications Cooperative. The Bureau said because the transaction involves companies that receive high-cost USF support under the different mechanisms of fixed model-based support and cost-based support, the grant is subject to the condition adopted in the *Hargray/ComSouth Order*. The combined OpEx of BEK and any RoR subsidiaries shall be capped at the averaged combined OpEx of the three calendar years preceding the transaction closing date for which the OpEx data are available, and the cap will apply to both HCLS and CAF-BLS. For all entities to which it applies, the new cap shall also include an annual adjustment for inflation based on the GDP-CPI for the years in which the new cap remains in effect, which shall be seven years from the consummation of the transaction.
- Townes Telecommunications and Hilliary Acquisition Corp. Texas filed a [Streamlined Application](#) for transfer of control of TTI's direct subsidiary Tatum Telephone Company and the blanket domestic 214 authorization held by Tatum to Hilliary. They claimed the proposed transaction is entitled to streamlined treatment pursuant to section 63.03(b)(2)(iii), saying upon consummation of the transfer of control, all companies affiliated with Hilliary will have a market share in the interstate, interexchange market of less than 10% and all the rural LEC affiliates of Hilliary will have, in combination, fewer than two percent of the subscriber lines installed in the aggregate nationwide. They added the transaction would result in no new overlapping or adjacent service areas. Townes Telecommunications and Hilliary Acquisition Corp. Texas filed another [Streamlined Application](#) for transfer of control of TTI's direct subsidiary Electra Telephone Company and the blanket domestic 214 authorization held by Electra to Hilliary. They claimed the proposed transaction is entitled to streamlined treatment pursuant to section 63.03(b)(2)(iii).
- Verizon, AT&T, and Comcast [met with](#) Consumer and Governmental Affairs Bureau and Enforcement Bureau staff on September 27, 2018, to discuss ways to address the robocall problem by tracking down and shutting down illegal robocallers. They discussed ways to incentivize carriers to participate in good faith in tracebacks administered by reputable, neutral third parties, and discussed the fact that certain traffic metrics, such as the unanswer rate and call duration, could potentially help the Commission identify illegal robocall traffic on networks of service providers who do not participate.

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Upcoming Filing Dates

- Oct. 8 - Replies due on refreshing the record in response to the Call Blocking NPRM and NOI on additional criteria voice providers could use to identify and block illegal calls. [Public Notice](#)
- Oct. 8 - Nominations due for six Board member positions on the USAC Board of Directors, for a three-year term. [Public Notice](#)
- Oct. 10 - Replies due on the [Notice of Inquiry](#) on creating a USF pilot program to promote the use of telehealth services among low-income Americans.

- Oct. 12 - Comments due for the FCC's report on promoting broadband internet access service for veterans. Replies are due October 29, 2018. [Public Notice](#)
- Oct. 15 - Replies to oppositions due to Public Knowledge's [Petition for Reconsideration](#) of the section 214(a) service discontinuance rules promulgated in the June 8, 2018 [Report and Order](#). [FR](#)
- Oct. 15 – Replies due to oppositions to Applications for Review filed by [WTA](#) and [NTCA](#) of the [Network Performance Testing Order](#). [Public Notice](#)
- Oct. 17 - Comments due on 10 petitions seeking ETC designation for the purpose of becoming eligible to receive CAF Phase II auction support. Replies are due October 24, 2018. [Public Notice](#)
- Oct. 22 - Replies due on [NECA's 2019 Modification of the Average Schedule Universal Service High Cost Loop Support Formula](#). [Public Notice](#)
- Oct. 24 - Replies due on 10 petitions seeking ETC designation for the purpose of becoming eligible to receive CAF Phase II auction support. [Public Notice](#)
- Oct. 29 - Comments due on whether the rules adopted in 2005-2006 should be continued without change, amended, or rescinded, consistent with the stated objective of section 610 of the Regulatory Flexibility Act. [Public Notice](#) | [Federal Register](#)
- Oct. 29 - Replies due for the FCC's report on promoting broadband internet access service for veterans. [Public Notice](#)
- Oct. 29 - Comments due on the [Public Notice](#) seeking comment on proposed approaches to identifying and resolving apparent discrepancies between the number of model-determined funded locations that Phase II auction support recipients are expected to serve and the actual number of locations that support recipients can serve. Reply comments are due November 13, 2018. [FR](#)
- Nov. 13 - Reply comments due on the [Public Notice](#) seeking comment on proposed approaches to identifying and resolving apparent discrepancies between the number of model-determined funded locations that Phase II auction support recipients are expected to serve and the actual number of locations that support recipients can serve. [FR](#)
- Nov. 19 - PRA comments due on a new information collection to establish an intermediate provider registry. [Notice](#)
- Dec. 3 - PRA comments due on an extension of a currently approved information collection associated with FCC Forms 492 and 492-A, Rate-of-Return Monitoring Reports. [Notice](#)

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