December 11, 2017 HIGHLIGHTS

- The FCC released the agenda for its December 14, 2017 Open Meeting. The FCC will consider seven items, including: a Declaratory Ruling, Report and Order, and Order that will return broadband internet access service to its prior classification as an information service and reinstate the private mobile service classification of mobile broadband internet access service; and an NPRM and Order to strengthen the Rural Health Care Program.

- Chairman Pai gave a speech on broadband and the draft Restoring Internet Freedom Order. Pai issued a statement after speaking with small ISPs. Commissioner Rosenworcel said there is a lack of integrity in the FCC process, and specifically with the Restoring Internet Freedom proceeding, and urged the FCC to delay the vote on the draft Order. The FCC’s General Counsel provided a list of sources it consulted in crafting rules in the draft Restoring Internet Freedom Order.

- Twenty-six Members of Congress sent a letter to Chairman Pai to express concern with the draft Restoring Internet Freedom Order and to request an investigation by the FCC into reports that bots may have interfered with this proceeding. Six members of Congress also opposed the draft Order.

- Comments were filed to update the record on broadband performance measures for CAF high-cost USF support recipients.

- Pai sent a letter to Congress on affordable access to high-speed internet in rural areas. Pai also sent letters to 12 Members of Congress on broadband deployment barriers, saying the FCC plans to seek comment on the topics identified in the GAO report on actions to promote broadband competition.

- RLECs urged the Commission to authorize additional A-CAM funding up to $200/month per eligible customer location before the end of this year.

- The FCC granted AT&T’s request to withdraw its Petition for Forbearance from tariffing requirements for tandem switching and tandem switched transport charges and database dip charges for 8YY calls.

- Comments were filed by Verizon, Windstream, INCOMPAS and Sprint, and AT&T on the voluntary remand by the D.C. Circuit of the BDS Tariff Investigation Order. Replies are due December 19, 2017.

- The FCC ordered Blanca Telephone to repay $6,748,280 in USF support.

- Chairman Pai sent letters to Congress on forensic audits of the top 30 ETCs in the Lifeline program.

- AT&T discussed 8YY call flows, database query charges, and arbitrage. Consolidated Communications, et al. and Inteliquent also discussed 8YY access charges.

- NASUCA, et al. filed a Petition for Review of the Report and Order and Declaratory Ruling that made further changes to network change disclosure and section 214(a) discontinuance processes.

Other Key Upcoming Dates

- Dec. 12 - Replies due on NTCA’s petition seeking temporary waiver of the updated minimum service standards applicable to fixed, wireline broadband access service eligible for Lifeline Support. Public Notice

- Dec. 19 - Comments due on Venture’s Petition for Waiver of Part 51 rules to implement its planned January 1, 2018 merger of two commonly-owned and merged study areas in the same state. Replies due January 3, 2018.

- Dec. 27 - Comments due on the NPRM and NOI on the changes that would be required to implement complete nationwide number portability between all service providers. Replies are due January 26, 2018.

Editor: Teresa Evert | Assistant Editor: Shawn O'Brien
Open Internet

- Chairman Pai spoke at the International Institute of Communications Telecommunications and Media Forum on December 5, 2017, discussing broadband and the draft Restoring Internet Freedom Order. He said once the Restoring Internet Freedom plan is adopted, the Commission will move from heavy-handed regulation to light-touch regulation and shift from one-size-fits-all preemptive regulation to targeted enforcement based on actual market failure or anticompetitive conduct. He also discussed several initiatives to reduce barriers to infrastructure deployment, including recent Commission action to remove excessive regulation that has been slowing the transition from legacy copper networks to new IP-based networks.

- Chairman Pai issued a statement on December 8, 2017, after a series of telephone calls he had with small ISPs. Pai said one constant theme he heard is Title II had slowed investment and injected regulatory uncertainty into their business plans. He said by lightening the regulatory burden the Commission will unleash providers to serve their communities and provide broadband access to residents across the country.

- Commissioner Rosenworcel released a statement on December 8, 2017, to urge the Commission to delay the vote on the Restoring Internet Freedom Order. She said it was unacceptable that the Commission refused to assist the NY Attorney General in its investigation of identity theft in the net neutrality record, saying the failure to investigate undermines the process for seeking public input in the digital age.

- Commissioner Rosenworcel issued a statement on December 4, 2017, to express concern with the lack of integrity in the FCC process, specifically as it relates to the Restoring Internet Freedom proceeding. She claimed the FCC has held zero public hearings, approximately a million comments may have fraudulently used the names of real people, and there are 50,000 complaints missing from the record. She said until responsible investigation is complete, no vote should take place.

- Twenty-six Members of Congress sent a letter to Chairman Pai on December 4, 2017, to express concern with the draft Restoring Internet Freedom Order and to request an investigation by the FCC into reports that bots may have interfered with this proceeding by filing hundreds of thousands of comments. They said an additional 50,000 consumer complaints seem to have been excluded from the public record in this proceeding, according to the National Hispanic Media Coalition’s FOIA requests. They said without additional information about the alleged anomalies surrounding the public record, the FCC cannot conduct a thorough and fair evaluation of the public's views on this topic, and the Commission should not move forward with a vote.

- Six members of Congress representing California sent a letter to Chairman Pai on December 7, 2017, to express opposition to the Restoring Internet Freedom Draft Order. They said the Order would eliminate the FCC's authority to protect consumers in a proactive, flexible manner, and they expressed concern that the proposal preempts states and localities from adopting their own related consumer protections. They urged him to remove it from the December Open Meeting agenda and to abandon attempts to repeal the judicially approved 2015 Open Internet rules.

- The FCC's General Counsel filed a letter with the FCC Secretary on December 1, 2017, to provide a list of sources it consulted in crafting rules in the Restoring Internet Freedom proceeding, and were cited in the draft Order.

- Washington State Governor Jay Inslee sent a letter to Chairman Pai on December 6, 2017, to express concerns with the draft Restoring Internet Freedom Order. He asserted the Commission’s 2015 rules are critical to protecting consumers and internet companies on both fixed and mobile platforms from blocking, throttling, discrimination, and paid prioritization, while making the market for internet services more transparent for all. He urged the FCC not to repeal them.
• NTCA met separately with Legal Advisors to Chairman Pai and Commissioners Rosenworcel, Clyburn, Carr, and O’Rielly on December 1 and 4, 2017, to stress the importance of an ongoing role for the Commission in ensuring that underlying operators interconnect and exchange data in a manner that promotes broadband availability and universal service objectives that are the distinct province and responsibility of this Commission under federal law. It said this role is critical regardless of the classification of retail BIAS. NTCA also asserted any ongoing role for the Commission with respect to interconnection and exchange of data should not impose significant ex ante obligations.

• AT&T spoke with Chairman Pai’s Legal Advisor on November 30, 2017, to express support for the draft Restoring Internet Freedom Order. AT&T claimed restoration of the longstanding information services classification of internet services will promote investment and innovation in broadband infrastructure. AT&T also met with Commissioner Carr’s Chief of Staff and Commissioner Rosenworcel’s Legal Advisor on December 1, 2017, to discuss the same issues.

• CenturyLink met with Commissioners Carr and Rosenworcel’s Chiefs of Staff and Commissioners O’Rielly and Clyburn’s Legal Advisors on December 5 and 6, 2017, to suggest the Commission not relinquish authority over internet traffic exchange arrangements. It said should the Commission adopt an Order reclassifying BIAS as a Title I information service and asserting Title I jurisdiction over internet traffic, the Commission should also clearly state that it can and will be available to resolve significant issues related to the associated policies and rules that give rise to such Title I jurisdiction. CenturyLink emphasized the exchange of internet traffic should occur through commercial negotiation, but also said it is important for the Commission to serve as a backstop so that negotiations can produce commercially reasonable agreements reflecting the interests of the parties, consistent with law and the public interest.

• Public Knowledge filed a letter on December 7, 2017, claiming that in the draft Restoring Internet Freedom Order, the Commission fails to explain why investment, rather than increases in speed and deployment, are the relevant measures of the success or failure of the current broadband regulatory regime. It said the Commission also fails to evaluate the significant disruption in traffic caused by the peering dispute between Netflix and the largest ISPs which took place from 2013-2014, and claimed the Commission’s description of how an ISP functions, if adopted, will cause ISPs to lose their current status under the Digital Millenial Copyright Act as “transitory digital networks” protected by the safe harbor provision of section 512(a) and would instead require carriers to comply with the more onerous and burdensome conditions of the DMCA’s “Notice and Takedown” provision.

• New America’s Open Technology Institute filed a letter on December 7, 2017 saying any preemption of state laws in the final Restoring Internet Freedom Order would be procedurally deficient in violation of the Administrative Procedure Act because the Commission failed to provide adequate notice of its intent to preempt and the basis for its preemption. It also said the Commission’s purported authority to preempt is a fact-intensive determination that, if justified, allows agencies to exercise narrow preemption authority of state laws and regulations that govern activities that are purely interstate or impossible to separate from intrastate activities. OTI also filed two other ex partes on the draft Restoring Internet Freedom Order.

• Amazon met separately with Commissioner Rosenworcel and her Legal Advisors and Commissioner O’Rielly’s Legal Advisor on November 29 and 30, 2017, to express support for net neutrality protections to ensure its customers can enjoy an open internet. Amazon said it does not support rolling back existing net neutrality protections, and stressed the need for enforceable, bright-line rules to protect the open internet and guard against anti-consumer and anti-competitive activities. Amazon also discussed spectrum issues.

• CTIA met with Chairman Pai and Commissioners Clyburn, O’Rielly, and Carr on December 4, 5, and 6, 2017, to express support for the draft Restoring Internet Freedom Order. CTIA asked the Commission to restore the bipartisan light-touch regulatory framework that existed since the inception of internet service until 2015, and expressed support for the draft Order’s conclusion that broadband internet access services should be governed by a uniform set of federal regulations, rather than by a patchwork of separate state and local requirements. CTIA also expressed support for the Commission’s efforts to
modernize processes for the deployment of wireless broadband infrastructure. CTIA also met separately with Legal Advisors to Chairman Pai and Commissioners Clyburn, O’Rielly, and Rosenworcel on November 30 and December 1, 2017, to discuss similar issues.

• Union Telephone, Appalachian Wireless, Pine Cellular Phones, and Pioneer Telephone Cooperative filed a letter on December 7, 2017, to ask the Commission not to adopt the draft Restoring Internet Freedom Order. They claimed BIAS cannot be classified as an information service and also be subjected to a Title II-based transparency requirement, arguing BIAS therefore cannot be regulated under the information service framework contemplated by the Draft Order.

• NCTA met with Legal Advisors to Chairman Pai and Commissioners O’Rielly and Carr, and Wireline Competition Bureau, General Counsel and Wireless Telecommunications Bureau staff on December 4 and 5, 2017, to express support for the draft Restoring Internet Freedom Order, including the Commission’s return to its prior classification of BIAS as an interstate information service. NCTA also addressed the draft Order’s discussion of interconnection, transparency, broadband competition, and infrastructure issues.

• INCOMPAS met with Commissioner Carr and his Legal Advisor and Commissioner O’Rielly’s Legal Advisor on December 4, 2017, to state that if the draft Restoring Internet Freedom Order is adopted, it will impede the FCC’s ability to ensure that consumers will continue to have access to an open internet. INCOMPAS asserted the record shows that most consumers only have one choice for high-speed residential broadband, that mobile broadband is an inadequate substitute, and that even where there is a second choice, consumers rarely switch providers due to high switching costs. INCOMPAS claimed in its merger reviews, the FCC has found large BIAS providers have the means and motive to impede online competition, including through interconnection, and the FCC should consider that evidence in this proceeding.

• INCOMPAS met with Chairman Pai’s Legal Advisor on November 30, 2017, to state Chairman Pai’s draft Restoring Internet Freedom Order is a significant departure from almost two decades of bipartisan agreement that the Commission is the expert agency to ensure that the internet remains open in the U.S. INCOMPAS claimed if the draft Order is adopted, it will impede the Commission’s ability to ensure consumers will have access to an open internet, and urged it to delay the vote.

• Free State Foundation filed ten statements by members of its Board of Academic Advisors on December 5, 2017, relating to the draft Restoring Internet Freedom Order. Free State said these statements are brief reactions to the FCC’s draft Order and are from prominent scholars, all recognized experts in communications law and policy or administrative law.

• The American Council on Education, et al. filed a letter on December 7, 2017, to indicate they reject the draft Restoring Internet Freedom Order’s argument that ISP financial incentives to engage in harmful conduct are either non-existent or sufficiently offset by competition and other considerations. They also said while internet services, i.e., the applications and services that ride the network, have enjoyed a bipartisan consensus that they be lightly regulated as information services, there has been no similar consensus regarding whether access to the internet should receive similar regulatory treatment.

• The Coalition for Internet Openness filed a letter on December 7, 2017, to request the Commission withdraw the draft Restoring Internet Freedom Order from circulation and revisit it. The Coalition claimed strong rules, including the bright line protections, the general conduct standard, and oversight over interconnection practices, are necessary. It argued the draft Order errs by failing to adopt such protections, by dismissing all possible jurisdictional sources for them, and by using the wrong standard to conclude that broadband internet access service is an information service.

• The Electronic Frontier Foundation filed a letter on December 6, 2017, to correct what it says are misunderstandings in the draft Restoring Internet Freedom Order regarding technical details of the PSTN and mobile BIAS. EFF claimed the Commission’s conclusion that mobile BIAS does not constitute a commercial mobile service is incorrect because it is based on the incorrect assumption
that mobile BIAS and the PSTN are not interconnected. EFF claimed not only are the networks interconnected, mobile carriers are deploying technology which unifies the underlying infrastructure that makes up the PSTN and the internet on their networks.

- The Internet Association sent a letter to Chairman Pai and the FCC Commissioners on December 6, 2017, to express support for the net neutrality rules adopted in the 2015 Open Internet Order. It claimed because of long standing respect for net neutrality codified in the 2015 Order, the internet contributes more than 6 percent of US GDP, over 3 million direct American jobs, and nearly 24 million additional online income opportunities in every state. IA claimed the draft Restoring Internet Freedom Order undoes decades of bipartisan agreement on net neutrality principles and ends net neutrality. It asked the FCC to delay or vote against the draft Order.

- The Multicultural Media, Telecom and Internet Council, and the National Association of Black Owned Broadcasters met separately with Chairman Pai and his Legal Advisor, Commissioners Rosenworcel, Carr, and Clyburn and their Chiefs of Staff, and Commissioner O’Rielly’s Legal Advisor on November 30 and December 1, 2017, to express support for the proposed repeal of Title II regulation. They also discussed their recommendation that the Commission continue to be prepared to deploy section 706 to prevent and proscribe violations of the core net neutrality principles.

- The Ponca Tribe of Nebraska filed a letter on December 5, 2017, to express opposition to the draft Restoring Internet Freedom Order. It asserted the Order would create a system where the government-to-government relationship could become pay to play for Tribal participation at the discretion of ISPs. It also claimed the Order will hinder tribal self-determination as a self-determined future requires a free and open internet full of possibilities for Tribal Nations and Tribal citizens to share ideas, access knowledge, and use technology to protect trust resources.

- Ex partes on the draft Restoring Internet Freedom Order were also filed by: the Communication Workers of America; Akamai Technologies; Twilio Inc.; ASL Services Holding; NHMC, Free Press; the National League of Cities and the US Conference of Mayors; Netmagic Associates; the ACLU et al; and the Confederated Tribes of The Colville Reservation.

Back to Highlights

USF Reform

- Comments were filed on December 6, 2017, to update the record on broadband performance measures for certain CAF high-cost USF support recipients, including price cap carriers, rate-of-return carriers, rural broadband experiment support recipients, and CAF Phase II auction winners. NTCA urged the Commission to ensure any testing protocol is technology-neutral, captures sufficient data to discern the actual capabilities of the supported network, and makes reasonable accommodations for the potential burden on smaller ETCs. NTCA supported: the use of CPE for testing; testing group sizes that are keyed to the size of the provider; testing only those network segments that are, in fact, part of the supported network and within the control of the ETC; and reasonably expanded testing windows that provide flexibility but still recognize the implications of peak performance characteristics and thereby prevent false-positive reporting. WTA said critical differences between RLECs and price cap carriers render USTelecom’s proposed testing template inequitable and inappropriate as a vehicle for testing the broadband performance of RLECs. It suggested: requiring RLECs to conduct performance testing solely and entirely with respect to their own networks; allowing smaller samples sizes; recognizing that A-CAM Path participants have varied service obligations involving the provision of different broadband speeds to differing numbers of locations in each state; and minimizing the burdens, complexities, and costs of performance testing upon RLECs. USTelecom opposed the Bureau’s 2014 proposal to require speed measurements be taken during “peak periods,” as well as the Bureau’s suggestions to “tak[e] measurements throughout the entire day and then determine when the busy period actually occurred during that day” or to take measurement during the “busy season” “in areas where there is seasonal fluctuation in traffic load.” It clarified its proposed measurement windows were intended to divide the proposed 18-hour testing period into equal time periods to ensure testing reflected use during all times of the day. USTelecom also said: its proposed compliance and
certification framework should be adopted; any speed and latency measurement framework should be implemented through a technologically neutral mechanism that is uniform for all ETCs regardless of the platform over which they provide broadband service; flexibility should be permitted in allowing the use of either software installed in CPE itself or directly attached to CPE to conduct required testing; and the Commission should support implementation of a testing standard that enables network throughput performance testing and statistical monitoring in a technology neutral manner, such as the TR-143 Standard. USTelecom asserted the broadband measurement rules should be in place before CAF II auction participants submit short forms so that parties can make informed decisions about whether to participate, and so that bidding will be based on common understandings of program requirements. ITTA supported USTelecom’s broadband measurement reporting and compliance framework with one modification - the proposed sample size threshold should be reduced to the lesser of one percent of HUBB input locations or 20 subscribers in each state. ITTA also supported flexibility in testing methodologies to accommodate ETCs of different sizes and network configurations. Hughes Network Systems recommended the FCC dovetail the CAF performance testing with other required performance measures, for example the Measuring Broadband America program. It said in the event the FCC chooses to impose a new requirement, Hughes urged the FCC to select a software approach where the software resides on the operators’ modems. All comments available to date. Public Notice

• Chairman Pai sent a letter to Rep. Billy Long (R Mo.) on November 16, 2017, in response to his letter on the importance of delivering affordable access to high-speed internet to all Americans, including those in high-cost rural areas, such as Granby, Missouri. Pai said despite reforms in the Rate-of Return Reform Order, there are still concerns from small carriers, and said the Order in many ways made it harder, not easier, for small providers to serve rural America. Pai said for those carriers that continue to receive support from the legacy rate-of-return system, he is committed to exploring how this situation can be changed and to determine the appropriate budget levels.

• Six Alabama RLECs, seven Oregon RLECs, five Nebraska RLECs, and five California RLECs who have all accepted A-CAM support filed letters on December 1 and 4, 2017, to urge the Commission to authorize additional A-CAM funding up to $200/month per eligible customer location before the end of this year. They said no further deliberations are necessary, as the Commission already has a program in place to distribute additional funds, and if they receive additional funding now, they will be able to design their networks in the most efficient manner. Sixteen New York RLECs, 13 Michigan RLECs, seven Arkansas RLECs, seven Colorado RLECs; 11 Missouri RLECs; and Five Virginia RLECs filed similar letters.

• Arctic Slope Telephone Association and GVNW met with staff from the Wireline Competition and Wireless Telecommunications Bureaus and the Office of General Counsel on December 6, 2017, to provide an update on Alaska Plan progress, including a clarification as to when they expect to update the performance obligation target levels. They said with the March 2018 deadline for the initial performance obligation report, they appreciate that Alaska Plan carriers have had access to the HUBB reporting portal beginning November 6, 2017.

• Saddleback Communications and Gila River Telecom met separately with Chairman Pai and his Advisor, Commissioner Clyburn and her Advisor, Commissioners O’Rielly and Rosenworcel’s Advisors, and Office of Native Affairs and Policy staff on November 29 and 30, 2017, to urge the Commission to adopt an Order that was circulated on February 13, 2017, to exempt carriers primarily serving Tribal lands from the effects of the operating expense limitation rule retroactive to January 1, 2017. They also discussed the need for broader FCC action to target additional support to carriers serving Tribal lands to close the Tribal broadband gap.

• The Wireless Telecommunications and Wireline Competition Bureaus issued an Order on December 4, 2017, waiving the upcoming filing deadline for mobile wireless providers on Puerto Rico and the U.S. Virgin Islands to submit information regarding 4G LTE coverage for the purpose of determining eligible areas for Mobility Fund Phase II in light of Hurricanes Irma and Maria. The waiver was granted for a period of 180 days (i.e., until July 3, 2018) or until the Commission addresses the appropriate approach for providing ongoing, high-cost support for mobile services in Puerto Rico and the U.S. Virgin Islands, whichever occurs earlier.
Virgin Islands Telephone Corporation, dba Viya, filed an Emergency Petition on December 6, 2017, requesting a supplemental, one-time infusion of up to $45 million in emergency CAF support for the restoration of essential services in the U.S. Virgin Islands. It said due to devastation caused by Hurricanes Irma and Maria, the vast majority of citizens in the USVI currently lack wireline voice or wireline broadband services.

Midwest Energy & Communications, NTCA, Utilities Technology Council, FTI Consulting, the Association of Missouri Electric Cooperatives, HomeWorks, Alger Delta & Great Lakes Energy, Indiana Electric Cooperatives, and Arkansas Electric met with staff from the Rural Broadband Auctions Task Force and the Wireless Telecommunications Bureau on November 30, 2017, to discuss concerns that the complexity of the CAF Phase II auction could deter participation by smaller providers. They reiterated concerns that package bidding not only increases the complexity of the auction, but may favor larger providers and could result in a significant fraction of the budget not being spent.

AT&T, Windstream, CenturyLink, Verizon, Frontier, and Consolidated spoke with members of the Rural Auctions Task Force on November 29, 2017, to express support for package bidding. They claimed package bidding allows potential bidders to plan a most efficient network across census block groups. They also said the ability to change performance tiers between rounds appeared to contribute more to views that the auction is unnecessarily complex than to the needs of existing broadband providers.

WISPA met with Rural Broadband Auctions Task Force staff on December 4, 2017, to discuss the CAF Phase II auction procedures. It argued an applicant proposing to use spectrum in its bid should not be required to submit propagation maps for the census block group(s) for which it intends to bid, and reiterated its request for the Commission to streamline the financial criteria. WISPA also urged the Commission to retain census block groups as the geographic bidding area, to eliminate inter-round switching of performance tiers, and limit package bidding.

Hughes Network Systems met with Chairman Pai’s Advisor on December 1, 2017, to discuss the CAF Phase II competitive bidding rules. Hughes said the Commission should modify the bid-weighting matrix to align weights with the values that consumers place on speed, capacity, and latency, and should add time-to-deployment to the bid weighting matrix. It also said the FCC should not use this auction to test new auction elements.

The Wireline Competition Bureau issued an Order on December 5, 2017, granting AT&T’s request to withdraw its Petition for Forbearance from tariffing requirements for tandem switching and tandem switched transport charges and database dip charges for 8YY calls.

AT&T met with Wireline Competition Bureau staff on November 30, 2017, to discuss 8YY call flows, database query charges, arbitrage, and marketplace inefficiencies experienced by AT&T. It discussed several short-term remedies the Commission could consider, and reiterated its support for broader ICC reform.

Consolidated Communications, Peerless Network, and West Telecom Services met separately with Advisors to Chairman Pai and Commissioners Clyburn, O’Rielly, Rosenworcel, and Carr and Wireline Competition Bureau staff on November 30 and December 1, 2017, to discuss 8YY access charges. They asserted the optimal approach for addressing traffic aggregation issues is a requirement that carriers provide direct interconnection at their network edge, for both originating and terminating traffic, where justified by traffic volumes. They alleged national wireless carriers are engaging in traffic aggregation schemes at the terminating end of calls and these arbitrage schemes far outweigh other traffic aggregation allegations.
Inteliquent met with Wireline Competition Bureau staff on December 4, 2017, to discuss proposals to address certain abuses of 8YY-related elements. Inteliquent suggested the Commission adopt clear, national benchmarks for 8YY dip charges, mileage to the tandem, and 8YY end office and tandem charges. It claimed this approach would correct abuses while not dramatically disrupting the 8YY system by moving to bill-and-keep, a system that it said is at odds with the toll-free nature of 8YY calls, could create new arbitrage opportunities, and would have a profound effect on the competitive tandem market.

Teliax filed a letter on December 6, 2017, to respond to AT&T’s August 15, 2017 reply comments, in which AT&T suggested consumers pay new or higher rates to make toll free calls. Teliax said for 50 years, toll free calling has been a service where the called party assumes all charges for service and where the caller pays nothing. It said many commercial, nonprofit, and government services and access services rely on the existing model, and making callers pay to make toll free calls would likely create substantial problems and even harm to individuals. Teliax argued AT&T’s attempt to require LECs to give AT&T free access to other providers’ network investments must be rejected.

HD Tandem and Dentons met with Legal Advisors to Commissioners O’Rielly and Clyburn on December 5, 2017, to discuss HD Tandem’s IP Homing Tandem proposal whereby LECs that are hosting high-volume voice applications would be required to home to a new application IPHT. They said under this proposal, originating carriers could then choose over which route to send their traffic, i.e., via the legacy TDM tandem or via the IPHT. They claimed this proposal would address industry concerns in the near term as well as stimulate the IP Transition in the long term by incentivizing carriers to embrace IP networks and technologies.

Broadband

Chairman Pai sent letters to 12 Members of Congress on November 16, 2017, on broadband deployment barriers. Pai said soon after becoming Chairman, the FCC chartered the Broadband Deployment Advisory Committee, which is tasked with recommending ways to bring down barriers to deployment. Pai also said in April 2017, the FCC initiated wireless and wireline rulemakings focused on accelerating broadband infrastructure deployment, and said the FCC plans to seek comment on the topics identified in the GAO report on actions to promote broadband competition.

Crown Castle met with Commissioner Carr and his Legal Advisor on November 30, 2017, to discuss the various barriers facing deployment of next generation broadband networks. Crown Castle discussed ensuring timely access to the rights-of-way for broadband facilities, dealing with unreasonable fees, reforming historic and environmental review, and addressing legal issues, such as the proper standard for prohibition and how to implement deemed granted procedures.

The Power and Communication Contractors Association met with Legal Advisors to Chairman Pai and Commissioners O’Reilly, Rosenworcel, Clyburn, and Carr on November 28, 2017, to discuss one-touch make-ready. PCCA asserted the debate about OTMR is based on timing and efficiency, not safety. PCCA claimed attacks on contractor performance seem to be veiled attempts by existing attachers to obstruct access to poles that include their facilities. PCCA also reiterated that to effectively deploy broadband, the FCC should do everything possible to encourage use of fiber-based infrastructure and avoid repairing copper systems.

Verizon met with Legal Advisors to Commissioners Rosenworcel and Clyburn and Wireless Telecommunications Bureau staff on December 1, 2017, to discuss regulatory barriers that block, delay, or add unnecessary cost to the deployment of wireless infrastructure. Verizon discussed the need to streamline tribal reviews to facilitate wireless broadband deployment. It urged the FCC to find that some small cell construction is not a federal undertaking and therefore not subject to the National Historic Preservation Act, and to adopt an exclusion from tribal reviews for certain small cells that involve no new ground disturbance, among other things.
• NATOA met with Commissioner O'Rielly and his Legal Advisor on December 6, 2017, to discuss issues of concern to local governments that have been raised in the wireline and wireless broadband infrastructure proceedings, including the potential impact of any FCC action on recently enacted state small wireless facilities siting legislation and local efforts to work cooperatively with industry to deploy small cell technology. It also met with Commissioners Rosenworcel and Clyburn and their Legal Advisors to discuss similar issues, as well as the continuing need for Lifeline services and efforts to address the homework gap.

• CTIA and the Wireless Infrastructure Association filed a letter on December 7, 2017, in support of the draft Public Notice on collocation on twilight towers. They said it is in the public interest to make twilight towers available for collocation to support the additional infrastructure needed for broadband deployment, including FirstNet and next-generation 5G technologies and services. They asserted that doing so will not undermine the protection of historic properties of religious and cultural importance, and will promote preservation goals, as each twilight tower that becomes available for collocation could obviate the need for the construction of a new tower.

• National Trust for Historic Preservation filed a letter on December 7, 2017, on the draft Public Notice on collocation on twilight towers. National Trust supported the development of a mechanism that could bring twilight towers into compliance with section 106 retroactively so that they can be used in the future for collocation and reduce the need to build new towers. It said, however, that mechanism should not be based on a broad retroactive exemption for these structures from section 106 compliance, suggesting the preferred approach would be a special, streamlined section 106 review for the twilight towers themselves, with an emphasis on minimizing and mitigating any adverse effects.

• The National Association of Tribal Historic Preservation Officers filed a letter on December 7, 2017, on the draft Public Notice on collocation on twilight towers. NATHPO asserted the industry and the FCC continue to be unwilling to share the locations of the twilight towers with the preservation community, and said Tribal Nations cannot make informed decisions without that basic information.

Back to Highlights

IP Transition

• NASUCA, Greenlining Institute, Public Knowledge, and The Utility Reform Network filed a Petition for Review in the Ninth Circuit on December 8, 2017, of the Report and Order and Declaratory Ruling that made further changes to the pole attachment rules, network change disclosure processes, and section 214(a) discontinuance processes. Petitioners seek review of the elimination of the de facto retirement rule, which required ILECs to provide adequate notice to affected customers when they failed to maintain copper, subloops, or the feeder portion of such loops or subloops that is the functional equivalent of removal or disabling. They also seek review of the elimination of the "functional test," which required the Commission to examine the "totality of the circumstances" when evaluating whether an ILEC’s network change constitutes a discontinuance, reduction, or impairment of service under section 214.

• BT met with Chairman Pai and his Wireline Advisor and Commissioner O’Rielly and his Chief of Staff on November 30, 2017, to discuss the need for time to transition its customers who are dependent on legacy TDM 1.5 Mbps access from these services to IP-based access services.

Universal Service

• The Commission released a Memorandum Opinion and Order and Order on Reconsideration on December 8, 2017, affirming the Office of the Managing Director’s directive that Blanca Telephone Company must repay $6,748,280 in universal service support to which it was not entitled and denying Blanca’s Application for Review. It explained Blanca offered commercial mobile radio service, a
nonregulated service, and included the costs of this nonregulated service in the regulated cost accounts it submitted to NECA, thus inflating the amount of high-cost support Blanca received from USF. In 2012, NECA discovered Blanca’s improper inclusion in its rate base of nonregulated costs and directed Blanca to correct its cost accounting for 2011 and later years. The Commission’s OMD directed Blanca to return $6,748,280 in improperly paid universal service support for 2005-2010.

- Chairman Pai sent letters to Sens. Ron Johnson (R Wis.) and Claire McCaskill (D Mo.) on November 21, 2017, in response to their letter requesting the FCC and USAC initiate forensic audits of the top 30 ETCs in the Lifeline program. Pai said the FCC’s Office of Managing Director and Wireline Competition Bureau have been working with USAC to develop a forensic audit plan in response to their request. Pai said FCC staff will oversee USAC’s work on this initiative to ensure these audits are conducted in a cost-effective manner and are completed expeditiously, and said his staff will provide regular updates as the audits progress.

- The Wireline Competition Bureau issued a Public Notice on December 7, 2017, seeking comment on Sprint’s Petition for Reconsideration of a provision included in the Order that granted the California PUC’s request for additional time to implement the federal, streamlined Lifeline eligibility programs. Sprint said the FCC’s mandated shift of the compliance burden onto ETCs should California be unable to meet the April 30 deadline is unreasonable and was imposed without any opportunity for comment. Comments are due January 8, 2018; reply comments are due January 23, 2018.

- The Wireline Competition Bureau issued a Public Notice on December 8, 2017, seeking comment on the California Public Utilities Commission’s Petition seeking a temporary waiver of Lifeline re-certification and non-usage rules for customers affected by the recent California wildfires. Comments are due January 8, 2018; replies are due January 23, 2018.

- The Alaska Telephone Association filed a Petition on December 4, 2017, seeking clarification and a waiver of Lifeline minimum service standards. ATA asked the Commission to clarify that an ETC in remote Alaska is “providing” mobile wireless 3G service to a Lifeline subscriber if that subscriber has full access to the carrier’s 3G network, even if the 3G network does not cover the subscriber’s residential or billing address. ATA also asked the FCC to waive the requirement to provide 3G service in areas of remote Alaska where ETCs have not yet deployed 3G service and to waive the fallback minimum speed standard of 4/1 Mbps for fixed Lifeline broadband service in areas of remote Alaska where such speeds are not available.

- The Telecommunications Association of Michigan filed a letter on December 4, 2017, to express support for the Michigan PSC’s request for a 12 month extension of the previously granted waiver of the effective dates of certain Lifeline rules, until December 31, 2018. TAM said extension of the waiver period will enable Michigan to amend MTA section 316 to align its state-specific eligibility criteria with the federal criteria, provide adequate time to educate customers on the changes in eligibility criteria, and implement the administrative changes required by the Lifeline Order and revised FCC Rules.

- To date, no replies were filed on the joint petition of Cheyenne River Sioux Tribe Telephone Authority and CenturyLink QC for a study area waiver. Public Notice

- To date, no replies were filed on the joint petition of CenturyLink and Nunn Telephone for a study area waiver to permit CenturyLink to transfer a portion of its Eaton-Ault Exchange with four subscriber lines and four other non-active end-user locations from CenturyLink to Nunn. Public Notice

- The Oglala Sioux Tribe spoke with Office of Native Affairs and Policy staff on December 1, 2017, to discuss the Tribe’s intent to submit comments in the Bridging the Digital Divide proceeding and the Tribe’s position on third-party verification and recertification of Lifeline eligibility. It said the recertification process does not comport with Tribal culture or the abilities of subscribers, and suggested the Commission use Tribal programs that are proxies for annual re-certification. It also asked the Commission to consider action that would allow Tribal members that live off-reservation to be eligible for Lifeline service.
• ITTA filed a letter on December 7, 2017, on the draft Promoting Telehealth in Rural America Order. ITTA said the Commission should maintain, if not bolster, the language emphasizing that any price reductions by service providers for RHC funding in FY 2017 are both voluntary and adopted as a single, one-time measure. ITTA also said the Commission should add language specifying that any service provider that declines to voluntarily reduce its rates for qualifying FY 2017 requests will incur no penalty by the Commission for declining to do so.

• USTelecom filed a letter on December 7, 2017, to express concern with the proposal to address potential shortfalls to funding for the Rural Health Care Program for FY 2017 in the draft Promoting Telehealth in Rural America Order. USTelecom expressed concern that the Commission may be looking to service providers to bear the burden of the program exceeding its budget by reducing prices below competitively-bid rates. It asserted the more appropriate and efficient approach is for the Commission to better manage costs, such as allocating additional funding or by more judiciously approving RHC support applications.

• Alaska Communications spoke by phone with Legal Advisors to Chairman Pai and Commissioner O’Rielly on December 6 and 7, 2017, to express support for an immediate increase in the rural healthcare budget and to ask the Commission to seek comment on several issues, including perceived inefficiencies not only among applicants but at USAC as well. It recommended the Commission seek comment on adopting timetables, transparency requirements, and other procedural tools that could reduce USAC processing delays and give applicants greater certainty.

• The Alaska Primary Care Association filed a letter on December 6, 2017, to express support for the draft Promoting Telehealth in Rural America Order and NPRM. It made several suggestions to improve the NPRM, including a proposed limited cap relief for FY2017 and extending the current application window.

• The Schools, Health & Libraries Broadband Coalition and HealthConnect Networks, on behalf of the New England Telehealth Consortium, met separately with Legal Advisors to Chairman Pai and Commissioners Carr, Clyburn, and O’Rielly and Wireline Competition Bureau staff on December 1 and 5, 2017, to express support for the draft Promoting Telehealth in Rural America Order and NPRM. They identified areas where they said changes would improve the item, and urged the Commission to fully fund all RHC applications that were submitted within the FY 2017 filing window. They also discussed the importance of gathering greater information about the need for RHC funding.

• The Tanana Chiefs Conference filed a letter on December 5, 2017, requesting the FCC add a provision to fully fund the Rural Health Care Program for FY2016 in its final Promoting Telehealth in Rural America NPRM and Order, which will be considered at the FCC’s December 14, 2017 Open Meeting. TCC said the draft NPRM and Order does not address the existing RHC Program funding shortfall for FY2016, and claimed the funds exist to alleviate the FY2016 shortfall.

Misc.

• The FCC released the agenda on December 7, 2017, for its December 14, 2017 Open Meeting. The Commission will consider: a Declaratory Ruling, Report and Order, and Order that will return broadband internet access service to its prior classification as an information service and reinstate the private mobile service classification of mobile broadband internet access service; a Report and Order to amend the Commission’s Emergency Alert System rules; an NPRM and Order to strengthen the Rural Health Care Program; a Public Notice addressing the historic preservation review requirements for collocating wireless communications facilities on certain communications towers; a Report and Order to harmonize the Commission’s rules by eliminating the commercial mobile radio service presumption; an NPRM on the electronic delivery of cable communications; and an NPRM to amend the national television multiple ownership rule.
Comments were filed on December 4, 2017, on the voluntary remand by the D.C. Circuit Court of the FCC’s Tariff Investigation Order that found certain provisions in tariffed pricing plans for business data services offered by AT&T, CenturyLink, Frontier, and Verizon were unlawful. Verizon said the FCC should find the voluntary tariff discount plans that were at issue in the Tariff Investigation Order were lawful. Verizon asserted its discount plans did not weaken or harm competitive markets, and claimed the Commission now has found a “dynamic and increasingly competitive marketplace” for business data services. Windstream, INCOMPAS and Sprint urged the FCC to affirm the findings in the Order in all respects and expand the remedies it adopted in the Order. They claimed reversing the Order would enable the ILECs that currently dominate the market for low-bandwidth BDS to unlawfully maintain their monopoly status. AT&T claimed the Tariff Order is both unlawful and contrary to the evidence, and said the Order is irreconcilable with both the D.C. Circuit’s 2006 BellSouth decision and the economic realities of an expanding and intensely competitive market for BDS. AT&T said the FCC should dismiss the underlying complaints with prejudice. Replies are due December 19, 2017. Public Notice

The National Retail Federation, Wal-Mart, HSN, J.C. Penney, Macy’s, Target, and QVC met with Chairman Pai’s Advisors on December 1, 2017, to express their support for an FCC-established database for reassigned telephone number information and for a safe harbor from violations of the Telephone Consumer Protection Act for callers who use or access reassigned number information provided in such a database. They discussed common types of informational or transactional calls or text messages from retailers to their customers, and asserted continuing to permit businesses to rely on the existing TCPA rules requiring implied consent for informational or transactional calls or text messages in these instances is a sensible rule that supports beneficial business-customer communications.

NATOA met with Consumer and Government Affairs Bureau staff on December 6, 2017, to discuss the recent Report and Order concerning unlawful robocalls and the FNPRM. It also discussed issues of concern to local governments that have been raised in comments filed to date in the various siting proceedings, and discussed broadcast and sports programming fees that have been added to subscribers’ cable bills.

Comments were filed on December 1, 2017, on the FNPRM on the appropriate tiers for calculating terrestrial and satellite international bearer circuit fees, the methodology for calculating cable TV subscribers in multiple dwelling units, and proposing to adopt a regulatory fee for all holders of section 214 international authorizations. ITTA urged the FCC to retain the bulk rate calculation, without modification, claiming it continues to function reasonably well as a proxy for the number of subscribers in an MDU. CenturyLink asserted it is not appropriate to adopt the proposed submarine cable regulatory fee tiers for satellite and terrestrial IBCs. It also said it would not be appropriate to adopt at this time a fee methodology assessing a flat fee on every holder of an international section 214 authorization in lieu of an assessment on IBCs. NCTA and ACA said the FCC should retain the current voluntary methodology for determining the number of subscribers in a multiple dwelling unit, but not restrict operators from using an alternate method of calculation. Comments All comments available to date. Replies are due December 18, 2017. Public Notice

Champaign Telephone filed a letter on December 4, 2017, withdrawing its October 11, 2017 Petition for Waiver of Accounting Rules. It said it revised its Petition for Waiver of Accounting rules and filed the revision on November 20, 2017, noting the Wireline Competition Bureau released a Public Notice on November 29, 2017, seeking comment on CTC’s revised filing.

The Wireline Competition Bureau issued a Public Notice on December 5, 2017, announcing PriceWaterhouseCoopers, LLP, the LNPA Transition Oversight Manager, will host a LNP Administrator Transition Outreach and Education Plan webcast on December 12, 2017. Interested parties may register for the webcast by visiting this link.

Commissioner Clyburn announced on December 4, 2017, the appointment of April Jones as Policy Analyst and Special Assistant. Ms. Jones joins Clyburn’s office from Hausfeld LLP, where she was an attorney focusing on civil litigation matters in antitrust and consumer protection law.
• Commissioner Carr announced on December 4, 2017, Evan Swarztrauber has joined his office as Policy Advisor for media issues. Mr. Swarztrauber joins Carr's office from TechFreedom, where he was Director of Public Affairs.

• Commissioner Rosenworcel announced on December 5, 2017, the appointment of Jessica Martinez as Special Advisor and Confidential Assistant. Ms. Martinez joins Rosenworcel's office from the U.S. House Energy and Commerce Committee Democratic Staff, where she served as the Outreach and Member Services Coordinator.

Upcoming Filing Dates

• Dec. 11- Comments due on Verizon's Petition for Waiver of rule 61.74(a) when one of Verizon's FCC tariffs references another. Replies are due January 10, 2018. Public Notice

• Dec. 12 - PRA comments on an extension of a currently approved information collection associated with qualified 4G LTE coverage data collection for Mobility Fund Phase II. Notice

• Dec. 12 - Replies due on the NPRM allowing the FCC to assign toll-free numbers by auction, on a first-come, first-served basis, by an alternative assignment methodology, or by a combination of methodologies. Federal Register

• Dec. 12 - Replies due on NTCA petition seeking temporary waiver of the updated minimum service standards applicable to fixed, wireline broadband access service eligible for Lifeline Support. Public Notice

• Dec. 15 - PRA comments due on an extension of a previously approved information collection associated with Form 480 (Rural Call Completion Data). Notice

• Dec. 18 - Replies due on the FNPRM on the appropriate tiers for calculating terrestrial and satellite international bearer circuit fees and the methodology for calculating cable TV subscribers in multiple dwelling units. It also seeks comment on the proposal to adopt a regulatory fee for all holders of section 214 international authorizations. Public Notice

• Dec. 19 - Comments due on Champaign Telephone Company’s Petition for Waiver of the requirement that “investments once allocated to nonregulated use may not be reallocated to regulated use,” consistent with the waiver process contemplated at that time. Replies due January 3, 2018. Public Notice

• Dec. 19 - Replies due on the voluntary remand by the D.C. Circuit Court of the FCC’s Tariff Investigation Order that found certain provisions in tariffed pricing plans for business data services offered by AT&T, CenturyLink, Frontier, and Verizon were unlawful. Public Notice

• Dec. 19 - Comments due on Venture Communications’ Petition for Waiver of sections 51.909(a), 51.917(b)(1), and 51.917(b)(7) to implement its planned January 1, 2018 merger of two commonly-owned and merged study areas in the same state. Replies due January 3, 2018. Public Notice

• Dec. 26 - PRA comments due on the information collection requirements to implement sections 201 and 251, to provide for physical collocation on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, and to promote deployment of advanced telecommunications services without significantly degrading the performance of other services. Notice

• Dec. 26 - PRA comments due on a revision of a currently approved information collection associated with Lifeline/Linkup FCC Forms 555, 481,497, 5629, 5630, and 5631. Notice
• Dec. 27 - PRA comments due on an extension of a currently approved information collection associated with the FCC’s consumer broadband services testing and measurement program. Notice

• Dec. 27 - Comments due on the NPRM and NOI on the regulatory and technological changes that would be required to implement complete nationwide number portability between all service providers. Replies are due January 26, 2018. Federal Register

• Jan. 3 - Replies due on Champaign Telephone Company’s Petition for Waiver of the requirement that “investments once allocated to nonregulated use may not be reallocated to regulated use,” consistent with the waiver process contemplated at that time. Public Notice

• Jan. 3 - Replies due on Venture Communications’ Petition for Waiver of sections 51.909(a), 51.917(b)(1), and 51.917(b)(7) to implement its planned January 1, 2018 merger of two commonly-owned and merged study areas in the same state. Public Notice

• Jan. 4 - Due date for the filing of 4G LTE coverage data pursuant to the Mobility Fund II Challenge Process Order. Public Notice

• Jan. 8 - Comments due on Sprint’s Petition for Reconsideration of a provision included in the Order that granted the California PUC’s request for additional time to implement the federal streamlined Lifeline eligibility programs. Replies due January 23, 2018. Public Notice

• Jan. 8 - Comments due on the California PUC’s Petition seeking a temporary waiver of Lifeline recertification and non-usage rules for customers affected by the recent California wildfires. Replies are due January 23, 2018. Public Notice

• Jan. 10 - Replies due on Verizon’s Petition for Waiver of rule 61.74(a) when one of Verizon’s FCC tariffs references another. Public Notice

• Jan. 17 - Comments due on the FNPRM on further changes to the pole attachment rules, network change disclosure processes, and section 214(a) discontinuance processes. Replies due February 16, 2018.

• Jan. 23 - Replies due on the California PUC’s Petition seeking a temporary waiver of Lifeline recertification and non-usage rules for customers affected by the recent California wildfires. Public Notice

• Jan. 23 - Comments due on potential mechanisms to ensure that erroneously blocked calls can be unblocked quickly and without harm to callers and consumers, and ways to measure the effectiveness of robocalling efforts. Replies are due February 22, 2018. FNPRM

• Jan. 23 - Comments due on the Report and Order, FNPRM, Order on Reconsideration, and MO&O on spectrum bands above 24 GHz. Replies are due February 22, 2018.

• Jan. 23 - Replies due on Sprint’s Petition for Reconsideration of a provision included in the Order that granted the California PUC’s request for additional time to implement the federal streamlined Lifeline eligibility programs. Public Notice

• Jan. 24 - Comments due on the NPRM and NOI portion of the Lifeline Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, NPRM and NOI. Replies are due February 23, 2018.

• Jan. 26 - Replies due on the NPRM and NOI on the regulatory and technological changes that would be required to implement complete nationwide number portability between all service providers. Federal Register

• Feb. 16 - Replies due on the FNPRM on further changes to the pole attachment rules, network change disclosure processes, and section 214(a) discontinuance processes.
• Feb. 22 - Replies due on potential mechanisms to ensure that erroneously blocked calls can be unblocked quickly and without harm to callers and consumers, and ways to measure the effectiveness of robocalling efforts. FNPRM

• Feb. 22 - Replies due on the Report and Order, FNPRM, Order on Reconsideration, and MO&O on spectrum bands above 24 GHz.

• Feb. 23 - Replies due on the NPRM and NOI portion of the Lifeline Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, NPRM and NOI.

Back to Highlights

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