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Alexicon *insider*

INFORMATION AND ADVOCACY FOR THE
RURAL TELECOMMUNICATIONS INDUSTRY

Regulatory Headlines

Carr, Rosenworcel Confirmed

The FCC will soon have a full five-commissioner roster as the U.S. Senate voted on Thursday to confirm Jessica Rosenworcel and Brendan Carr to occupy the regulator's two open posts. By confirming Rosenworcel and Carr, the commission will now operate as a five-member staff. The new commission would include Chairman Pai, Michael O'Rielly, a Republican commissioner and Mignon Clyburn, a Democrat whose term is about to expire.

CAF Phase II Auction Moves Forward

The FCC said today that it expects to conduct a reverse auction of up to \$1.98 billion in Connect America Fund (CAF) money in 2018, which will go toward the cost of bringing broadband to rural areas lacking broadband service. CAF auction funds are to be dispersed over a 10-year period.

Court Decision on FCC BDS Order

A Federal Communications Commission decision to eliminate price caps in much of the business broadband market can remain in place after a federal judge denied a petition to halt the FCC order.

FCC Proposes to Keep Broadband Def'n

This week, the Republican-led FCC proposed maintaining the current definition of 25 Mbps downstream and 3 Mbps upstream, but also sought comment about whether to incorporate other factors -- including service consistency -- into the definition.

Warning on Sinclair-Tribune Merger

The Competitive Carriers Association is warning the proposed merger of Sinclair Broadcasting and Tribune Media could throw the Federal Communication Commission's 39-month spectrum repacking plan completely "off the rails."



Market Watch

[U.S. Median Broadband Price is \\$80](#)

[CenturyLink: Cable 1 gbps Driving Losses](#)

[Consolidated on FairPoint Integration](#)

[TDS on ACAM and State Programs](#)



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Questions? Comments?
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Technology Trends

New and notable technology and services

IoT Critical to Digital Transformation

Everyone is trying to get their hands around IoT. Within the next five years, there will be 50 billion devices on the IoT market. IoT is the most important component that comprises digital transformation. It will transform your whole business by changing how you track inventory and your supply chain, giving you more analytical data, and more knowledge.

Households Embrace Tech Support

Americans are reaching out for help in the management of their electronic devices and smart homes, according to Parks Associates. The firm reports that more than 20 percent of broadband households have some form of tech support subscriptions. Currently, according to Parks research, electronics retailer Best Buy is the leading provider of these services.

Wi-Fi Could Get Boost From Li-Fi

Wi-Fi has had an enormous impact on mobile computing use, enabling employees to access corporate networks from anywhere and turning coffee shops into offices for independent workers. It also has its shortcomings, which is where a new standard, Li-Fi, could one day fill in the gaps, assuming it can make it to market.

67% of Malware Attacks Via Phishing

Organizations hit with malware during the second quarter had it delivered via phishing attacks in 67% of the cases, according to a Global Threat Intelligence Center (GTIC) report released today by NTT Security. GTIC's 2017 Q2 Threat Intelligence Report, which gleans data from both successful and unsuccessful attempts on its customers, found phishing emails were by far the most heavy used delivery method for malware.

VR Could Strain Networks

Wireless virtual reality headsets data consumption is forecast to explode over the next four years, putting a severe strain on both wireless and wired networks, according to a new report from Juniper Research. The firm predicts data consumption from wireless VR headsets will skyrocket from almost 2,800 PB in 2017 to more than 21,000 PB in 2021 – an increase of 650 percent.



IN FOCUS: More on Upcoming FCC Auctions

As noted above, the FCC is moving forward on the CAF Phase II auction that will award nearly \$2 billion in support over ten years for fixed broadband deployment in certain price cap carrier-served areas. In addition, the FCC adopted an [Order on Reconsideration/Second Report and Order](#) in regards to the Mobility Fund Phase II process.

CAF Phase II

Two important items were released last week on the CAF Phase II auction: the auction procedures comment [Public Notice](#) and a [Technical Guide](#) on the proposed bidding procedures. The Public Notice is much the same as the draft notice released prior to the Open Meeting (see June 27, 2017 Special Bulletin). Comments are due on the Public Notice September 18, 2017 with replies due on October 18.

The Technical Guide released covers, in substantial detail, how the FCC's proposed auction process will work. Recall that the FCC proposes to use a "descending clock auction" (sometimes known as a Dutch auction), with the amount each bidder will be eligible to receive established using a "second price" rule. The Guide covers areas such as price points and implied support amounts, bidding for geographic areas, bidding procedures, carried-forward bids, bid processing, and information that will be available to bidders during the auction. There are 19 bidding examples illustrative each of the proposed auction rules, and a "simple example" illustrative all of

the proposed mechanisms.

For companies interested in participating in the CAF Phase II auction, which is estimated to begin in mid-2018, the Public Notice and Technical Guide are vital, if somewhat dry and technical, reading. We will be reviewing these materials as well to assist any companies looking to participate.

Mobility Fund Phase II

The FCC's activity on Mobility Fund Phase II (MF-II), which will award approximately \$4.53 billion in support over ten years, focuses on establishing a process to determine eligible areas and a way for parties to challenge the areas deemed eligible for support.

There will be a one-time new data collection effort to determine eligible areas (basically 4G LTE with 5 mbps download speeds). Then there will be a 150-day challenge process for interested parties to prove that areas presumptively determined to be ineligible should be eligible for the MF-II reverse auction. Carriers whose areas are being challenged will then have an opportunity to respond.



Alexicon at Work

Alexicon is working on Form 477s, which are due September 1, 2017 and relate to data as of June 30, 2017.

In addition, and speaking of Form 477, Alexicon is working on comments in response to the FCC's [Further Notice of Proposed Rulemaking](#) adopted last week that seeks input on several proposed revisions to the FCC's most important voice and broadband data collection process.


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