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# Alexicon *insider*

INFORMATION AND ADVOCACY FOR THE  
RURAL TELECOMMUNICATIONS INDUSTRY

## Regulatory Headlines

### [Dems ask FCC to Delay Repeal](#)

A group of Senate Democrats is asking the Federal Communications Commission (FCC) to delay its effort to repeal the Obama-era net neutrality regulations in order to review a trove of recently-released documents related to the proceeding.

### [Providers Seek CAF Auction Changes](#)

Organizations representing broadband providers have asked the FCC to modify its proposal for the Connect America Fund (CAF II) Auction. The CAF II auction will award funding rejected by price cap carriers in parts of 20 states. The auction is designed to award funding to the provider that offers to deploy service at the lowest level of support.

### [Critics: Block Pai's Reconfirmation](#)

Opponents of Sinclair Broadcast Group's proposed acquisition of Tribune Media are calling on Senate Democrats to put a hold on the reconfirmation of Federal Communications Commission (FCC) Chairman Ajit Pai.

### [FCC Seeks Comment on ICC Issues](#)

The FCC has issued a public notice seeking to refresh the record relating to certain network elements that are being transitioned to bill and keep as part of its ongoing intercarrier compensation (ICC) reform efforts.

### [FCC Eliminates Outdated Rules](#)

The FCC has taken action to eliminate certain outdated rules applicable to common carriers. Specifically, the FCC has eliminated as no longer necessary certain rules from which the Commission has granted unconditional forbearance for all carriers.

### [Verizon Seeks Copper Retirement Ruling](#)

Verizon has asked the FCC for permission to retire copper in eight Northeast markets early next year, marking another step in the telco's migration of its customer base to fiber-based technology. In a series of filings published by the FCC's Wireline Competition Bureau, the service provider has requested to replace aging copper with FTTH infrastructure.



## Market Watch

[T-Mobile, Sprint Nearing Merger Deal](#)

[TelergEE Report on Rural Telecom Economics](#)

[TDS President on FTTH Deployment](#)

[Sjoberg's-Small Internet Provider in Minnesota](#)



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# Technology Trends

*New and notable technology and services*

## Gigabit Telehealth Trial

Ting Internet will support a gigabit telehealth trial in Westminster, Maryland that aims to improve treatment for patients who have complex ailments. Ting will provide gigabit connectivity to two group homes, each of which has three intellectually challenged patients who “go to the emergency room a lot, have a lot of unscheduled doctor visits and are on a lot of medications and who consume a lot of staff time with unexpected complications.”

## Employees #1 Cause of Security Breaches

Negligent employees are the no. 1 cause of data breaches at small and medium-sized businesses (SMBs) across North America and the UK, according to a new study from Keeper Security and the Ponemon Institute, released Tuesday. Of the 1,000 IT professionals surveyed, 54% said careless workers were the root cause of cybersecurity incidents, followed

by poor company password policies.

## AT&T on Second Version of Gfast

AT&T has set an aggressive plan to roll out Gfast across 22 markets outside of its wireline territory, but the service provider is already keen to take advantage of bandwidth and powering elements that are being integrated into the second generation of Gfast. It is expected that the second generation of the Gfast standard will emerge sometime in 2018.

## 1.4 M Phishing Websites Created Monthly

Cyber criminals are creating an average of around 1.4 million phishing websites every month with fake pages designed to mimic the company they're spoofing and then replaced them within hours in order to ensure they're not detected. By building phishing websites with such short life-cycles, cyber criminals aim to make it hard for web crawlers to find their imposter pages...

## Microsoft's Monster Cable

Microsoft, Facebook and Telefonica have hit a key milestone in delivering their new trans-Atlantic subsea cable with a data capacity of 160 terabits per second. Telefonica subsidiary Telxius has finished laying the Microsoft- and Facebook-backed Marea subsea cable, which stretches 4,000 miles (6,600km) across the Atlantic ocean from Virginia Beach, Virginia, to Bilbao in northern Spain.



## IN FOCUS: *Chairman Pai—There's No Place Like Home*

FCC Chairman Ajit Pai, as part of his Rural Divide Tour, went back home to Kansas this week to address attendees of the [Kansas Broadband Conference](#). In addition to multiple Kansas references (Rural Kansas taught the world that there's no place like home), the Chairman's [remarks](#) focused on ways to address the digital divide that still exists in many rural areas of Kansas (and the country). While covering opportunities that broadband for all would provide, the Chairman also cites statistics that 28% of rural Kansans lack access to high-speed fixed service that present seemingly ever-present challenges. Also presenting a challenge to rural areas of Kansas and the rest of the country is population decline, with the population dropping in 77 of 105 Kansas counties over the past decade.

Solutions to these problems, according to the Chairman, revolve around three things: (1) support for high cost areas, (2) regulatory reform, and (3) creating incentives. As for support, only the Connect America Fund Phase II and the Mobility Fund Phase II auctions are mentioned. Absent, at least from the prepared remarks, is any mention of the rate-of-return carrier mechanisms or the fact that the RoR programs are severely underfunded. As to creating incentives, the Chair goes to the result of one of his pet projects—the [Gigabit Opportunity Act](#).

The Gigabit Opportunity, or GO, Act was introduced in May (see the 5-5-17 Insider) by Senator Shelly Moore Capito (R—WV) and

is based in part on Pai's Gigabit Opportunity Zone proposal. The GO Act would in essence spur deployment by using tax breaks and, according to Capito, by giving states flexibility, streamlining regulations, and eliminating barriers to investment. The GO Act focuses on providing tax incentives to encourage companies to deploy broadband infrastructure in low-income urban and rural areas.

While it is good to see the Chairman address the challenges of broadband deployment in rural areas, left out of the discussion thus far is the insufficiency of the current overall budget for RoR carrier areas. While the CAF Phase II and Mobility Fund Phase II auctions will help deployment in certain areas, neither will help with maintaining and enhancing deployment in RoR areas. In addition, the GO Act may provide a kick-start in certain areas, tax incentives are clearly not sufficient without fixes in other areas such as the overall budget.

[NTCA](#), and others, are focusing heavily on the budget sufficiency issue. The bottom line is—without additional funding resources and a change to how the programs are funded, rural areas of the country aren't likely to see much, if any, improvement.



## Alexicon at Work

### *Conferences and Meetings*

Doug Kitch and Rob Strait are attending the NTCA Fall Conference in Philadelphia on September 24-27.

Rob Strait will attend the Arizona-New Mexico Fall Conference on October 2-4 in Ft. McDowell, AZ.

Dion Nero and Malcolm Hardage will attend the KRITC Fall Conference on October 3-4 in Wichita, KS. Malcolm will provide a presentation on the FCC's budget control mechanism.



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Questions? Comments?

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