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Alexicon *insider*

INFORMATION AND ADVOCACY FOR THE
RURAL TELECOMMUNICATIONS INDUSTRY

Regulatory Headlines

[FCC's Media Ownership Efforts](#)

A group of Senate Democrats is calling on the Federal Communications Commission (FCC) to hold off on any media ownership proceedings, including its review of Sinclair Broadcast Group's proposed merger with Tribune Media, until it surveys the state of the broadcasting industry.

[DoJ Investigating AT&T, Verizon](#)

The Justice Department is investigating whether AT&T and Verizon colluded with a wireless standards organization to make it harder for consumers to switch phone carriers, according to The New York Times. The Times is reporting that the DOJ's antitrust division has contacted the companies and the industry group about whether there was any effort to deter a new technology known as eSIM, which would allow consumers to switch providers without using a SIM card.

[FCC Sets 2018 ILEC TRPs](#)

The Pricing Policy Division of the FCC's Wireline Competition Bureau has released an order establishing the Tariff Review Plans (TRPs) used by all incumbent local exchange carriers (ILECs) to support interstate access service tariff revisions filed in 2018.

[Congress Spars Over Social Media](#)

Democrats and Republicans in the U.S. House of Representatives on Thursday sparred over the role of social media platforms Facebook, Google and Twitter in filtering content after representatives of the tech companies skipped a hearing.

[ROBOCOP Act](#)

U.S. Senators Richard Blumenthal (D-CT), Edward J. Markey (D-MA), Ron Wyden (D-OR), Charles E. Schumer (D-NY), Tammy Baldwin (D-WI), and Jeff Merkley (D-OR) have introduced the Repeated Objectionable Bothering of Consumers on Phones (ROBOCOP) Act which would expand and clarify the prohibition on robocalls.



Market Watch

[Charter Continues 1 Gig Service Rollout](#)

[Why is AT&T Trying to Buy Time Warner?](#)

[Impact of Export Ban to ZTE](#)

[Overestimating the Security of Home Security](#)



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Questions? Comments?
Contact Chris Barron

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Technology Trends

New and notable technology and services

FirstNet Interoperability Details

AT&T and Verizon have been conducting a sort of press release duel in recent months with regard to public safety communications. Verizon traditionally has had the largest share of that market, but AT&T gained a tremendous edge when it won contracts and spectrum to build out a nationwide mobile broadband network on which public safety users would have priority.

Is Huawei Working With HPE?

Huawei announced an open architecture for SD-WANs and said that Riverbed Technologies, F5 and HPE were among the companies it was working with to develop it. The single line in Huawei's statement referencing HPE was, "Huawei are [sic] currently working together with HPE on fully integrating SD-WAN technology to be orchestrated by an HPE Service Director using open API."

New Phishing Malware Campaign

A new spam campaign designed to infect victims with GandCrab ransomware has surged over the past few days, as the criminals behind the scheme look to infect as many victims as possible. GandCrab first emerged in January and those behind it have regularly updated the ransomware and altered their attack techniques in order to maximise profit from the file-encrypting malware.

Amazon, NFL Reach Streaming Deal

Amazon.com Inc agreed to pay the National Football League about \$65 million per year to stream two more seasons of Thursday night games on its Prime Video service, a person familiar with the matter told Reuters. The price tag, about 30 percent more than Amazon paid for the rights last season, underscores how the online retailer values sportscasts as a way to attract people to its lucrative loyalty club Prime...

Turning Echo Into A Spy

It's important not to overstate the security risks of the Amazon Echo and other so-called smart speakers. They're useful, fun, and generally have well thought-out privacy protections. Then again, putting a mic in your home naturally invites questions over whether it can be used for eavesdropping—which is why researchers at the security firm Checkmarx started fiddling...



IN FOCUS:
RoR USF NPRM
Comments Due May 25

The FCC recently published the March 23 Rate-of-Return Carrier USF Notice of Proposed Rulemaking in the Federal Register, with comments being due May 25 and replies due June 25. The NPRM was covered in detail in the April 10 Special Bulletin, and following is additional detail on some of the main themes of the NPRM and likely input from various industry stakeholders.

Overall, it is fairly clear that the FCC is still enamored with the ACAM, with several tweaks in the orders and two proposals for expanded ACAM support offers. On the other hand, RoR regulation is seen as providing disincentive for efficiencies and opportunities to "pad" operating expenses and "over-invest" in capital projects in order to "increase profits."

As to the overall budget, one thought is to present the FCC with an estimate to deploy fiber-to-the-premises in all rural areas. Since the ACAM was essentially designed to estimate the cost of a FTTP network, the FCC could look to the original ACAM run resulted in an overall budget of approximately \$3.2 billion (compared to the current \$1.23 billion allocated to HCLS and CAF BLS).

Another, a more urgent, problem is new iteration of the budget control mechanism (BCM) that is due out on May 1 from USAC. Even though the FCC mitigated the effects of the BCM for the 2017/2018 funding year, nothing was decided as to the 2018/2019 funding year BCM effect. Currently, the overall BCM reduces HCLS and CAF

BLS by around 12.5%, with the reduction only forecast to increase in the near future. NTCA will be distributing a survey in the near future designed to assist in filing comments on this issue. Please consider responding as soon as possible due to the comment due date.

Finally, Commissioner O'Rielly recently spoke before the American Enterprise Institute, at which he fairly succinctly outlined the challenges the RoR RLEC industry faces:

"How to allocate funding within the overall budget is a conversation I've wanted to have for a long time. There seems to have been an informal détente amongst different program stakeholders such that increases to one program are not opposed – or even commented on – by stakeholders from another program. That may have worked while the Commission was willing to spend more on each program. But with authorized spending topping \$11 billion, it is time to institute the practice that any further increases in one program must be paired with offsets from another. That's not intended to favor or 4 penalize a specific program. Rather, it should prompt a holistic and fulsome discussion in the record of whether particular funding increases are warranted. Viewed in isolation, discrete funding requests may seem appropriate, but once all program stakeholders have an incentive to highlight the costs and benefits, and identify any tradeoffs, the Commission may choose to prioritize other funding needs. In short, engaging in this type of discussion and analysis will produce better reasoned and more consistent funding decisions across the four programs."



Alexicon at Work

Doug Kitch will attend, and present at, the National Council of State Telecom Association Executives meeting in New Orleans on April 30 through May 2.

Dion Nero will attend the Arizona-New Mexico Telecommunications Association Spring Conference in Tucson, AZ on May 7-9.



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