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Alexicon *insider*

INFORMATION AND ADVOCACY FOR THE
RURAL TELECOMMUNICATIONS INDUSTRY

Regulatory Headlines

FCC Changes RHC Program

The FCC this week adopted a Report and Order that will change the way the Rural Health Care Program is administered. The goal of the changes is to distribute funds efficiently and equitably, promote transparency and strengthen safeguards against waste, fraud and abuse.

Lawmakers Start Talks on Privacy

Lawmakers are working through the August recess to cobble together legislation on data privacy after missing a deadline they set to unveil a bill before the summer break.

Senate Rural Infrastructure Bill

Senators Marsha Blackburn (R-TN), David Perdue (R-GA), and Cindy Hyde-Smith (R-MS) have introduced The Paving the Way for Rural Communities Act of 2019 (S 2430), to remove burdensome regulations in rural areas to allow more flexibility to implement efficient infrastructure projects.

FCC Deems 5G Phones Safe

Cellphones -- old and new -- are safe, including those that'll use new 5G technology. That's according to a new proposal that Federal Communications Commission Chairman Ajit Pai circulated Thursday. It would keep the agency's current safety limits for radio frequency exposure the same as they've been for 23 years.

Plan to Replace C-Band Bashed

A proposal by a group of satellite operators for freeing up spectrum in the C-Band for 5G terrestrial wireless services hasn't exactly been embraced by industry, but a plan put forth by the ACA Connects, Competitive Carriers Association (CCA) and Charter Communications is getting push-back from the C-Band Alliance (CBA) and the National Association of Broadcasters (NAB). Comments came due Wednesday in response to a public notice the Federal Communications Commission issued on several items related to the clearing of the C-Band...



Market Watch

[Great Plains Completes Purchase](#)

[Shentel Uses Technology Mix to Grow](#)

[CoBank Finds Telco, Electric Coop Synergies](#)

[WiFi Installed Base to Reach 17 Billion](#)



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Questions? Comments?
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Technology Trends

New and notable technology and services

Finding 5G Service

Self-driving cars. Robotic surgeries. Toothbrushes that detect when you're sick. This is the future 5G technology promises in less than a decade's time; internet connections so fast they'll support an entirely new way of life. But for now, I'm standing on an avenue in downtown Chicago waving my Samsung Galaxy 5G smartphone around to find coverage that's not blocked by the tree to my left.

Wi-Fi 6: Next Gen Connectivity

The smartphone revolution has triggered an insatiable appetite for mobile access to information. The GSM Association estimates there are more than 8.98 billion mobile connections worldwide, surpassing today's world population of 7.69 billion according to U.N. figures. Many devices rely on Wi-Fi connectivity, creating the need for a fast and secure wireless service that provides uninterrupted experiences for users.

IoT Devices Under Attack

Internet of Things devices are being targeted by cyber attacks within as little as five minutes of being powered up, and hackers are testing their ability to attack IoT devices behind firewalls, according to a new security report from Netscout. Netscout said that in the past six months, it has observed "cybercriminal activity evolve into a stunningly efficient machine" and that IoT devices "continue to look like an all-you-can eat buffet for malware operators."

Cloud Tech Changing Healthcare

Healthcare delivery organizations are still worried about security, but not so much that hospital CIOs and CTOs are avoiding cloud technology. In a recent research report on cloud services in the healthcare sector, Gartner analyst Gregg Pessin reports that, "Healthcare CIOs are becoming more comfortable with the public cloud as an option than in the past, and have begun to adopt cloud-based solutions where the benefits are clear and the risks are acceptable."

Warren's Plan for Digital Divide

If you live in rural America today, you're much less likely to have high-speed internet than if you live in an urban part of the country. Presidential hopeful Elizabeth Warren — who seems to have a plan for everything — released a new plan to fix that problem. Warren's broadband plan would grant \$85 billion in federal money to subsidize building out broadband networks in rural...



IN FOCUS

The Rural Digital Opportunity Fund

The FCC, after a not-inconsiderable amount of hype, adopted a [Notice of Proposed Rulemaking](#) at its August open meeting to implement a "new" federal high cost support mechanism—the Rural Digital Opportunity Fund (RDOF), and has subsequently released the item. The headline of the item is the FCC will commit \$20.4 billion over 10 years to expanding broadband access (at least 25/3 Mbps) to rural areas served by price cap regulated carriers.

The RDOF is in actuality the next step in the FCC's CAF Phase II regime for price cap carriers adopted in 2011. Price cap carriers were given the option of receiving model-based support on a state-level basis, in return for deploying 10/1 Mbps capable networks. While a number of price cap carriers did accept the support, the support for areas where the price cap carrier did not accept the offer was awarded via a competitive auction (auction 903). In fact, the FCC is still in the process of making final awards in the CAF Phase II auction.

Of the \$20.4 billion budget, \$16 billion will be redirected from (1) the price cap carrier statewide offers (\$1.5b per year), and (2) the \$100m per year originally earmarked by the FCC for the Remote Areas Fund (RAF). The FCC then proposes to add another \$4.4b (over 10 years) to further fund the program.

There will be two basic "phases" where RDOF support will be awarded via competitive, reverse auction. In Phase I, the FCC proposes to award support for census blocks wholly unserved by fixed 25/3 Mbps broadband service. Phase II will target partially served

census blocks, and will utilize the newly-adopted Digital Opportunity Data Collection (DODC) method for identifying unserved locations.

For the Phase I auction, eligible areas will include (1) census blocks for which price cap carriers currently receive CAF Phase II model-based support (2) census blocks that were eligible for, but did not receive, winning bids in the CAF Phase II auction, (3) census blocks where a CAF Phase II auction winning bidder has defaulted, (4) census blocks excluded from the offers of model-based support and the CAF Phase II auction because they were served with voice and broadband of at least 10/1 Mbps, (5) census blocks served by both price cap carriers and rate-of-return carriers to the extent that census block is in the price cap carrier's territory, (6) census blocks that are currently unserved outside of price cap carriers where there is no certified high-cost ETC providing service, such as the Hawaiian Homelands, and any other populated areas unserved by either a rate-of-return or price cap carrier, and (7) census blocks identified by rate-of-return carriers as ones where they do not expect to extend broadband (as was done with the CAF Phase II auction).

There will be a challenge process related to eligible areas that will work similarly to the CAF Phase II process. The FCC proposes the auction to work in a similar fashion to the CAF Phase II auction (903).



Alexicon at Work

Now that cost study season is essentially over for another year, Alexicon consultants are moving on to other projects. With the release of the RDOF and DODC NPRMs, Alexicon is in the process of drafting comments that will advocate for the best interests of our clients and the rural telecommunications industry in general. Also, broadband mapping continues to be a hot topic that will require continued vigilance.



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