



Key Broadband Topics – FCC’s August Open Meeting August 8, 2017

In a previous [Policy Brief](#), Connected Nation summarized the Federal Communications Commission (FCC) broadband-related topics and actions the Commission had taken during the first part of 2017. Connected Nation subsequently issued a follow-up [Policy Brief](#) that touched on the same topics but through the lens of White House and Congressional action. This policy brief aims to provide a further update on relevant broadband issues, particularly those addressed at the FCC’s recent August Open Meeting on August 3, 2017.

To begin, however, Connected Nation wants to congratulate FCC Commissioners Brendan Carr and Jessica Rosenworcel on the U.S. Senate’s votes to confirm their nominations to the Commission vacant positions. With Rosenworcel’s and Carr’s confirmations, the FCC is now at its full voting strength of five members.

USF Connect America Fund Phase II Reverse Auction

The first item on the August meeting’s docket was a [Public Notice](#) to initiate the pre-auction process for the long-awaited Connect America Fund Phase II “reverse auction,” also known as Auction 903. This reverse auction has been in development since the FCC began reforming the USF to allocate subsidies for broadband deployment. Phase II will provide \$198 million/year over 10 years in subsidies for service providers who will provide voice and broadband in unserved, high-cost areas.

In contrast to prior CAF phases, this \$2 billion tranche of funding will be the first allocated by auction, the purpose of which is to ensure that subsidies will be provided in the most efficient and cost-effective manner. The value of this approach is that the funds will be used to subsidize more unserved locations, thereby expanding rural broadband availability.

Also of note is that this phase of the CAF will be open to broadband providers that have traditionally been ineligible for USF High-Cost Fund subsidies or have never participated in any FCC auction. The FCC stated that there will be an extensive effort to educate potential bidders on the process before the auction begins.

The FCC’s Public Notice “seeks comment on the proposed application and bidding procedures for the auction, including how interested parties can qualify to participate in the auction, how bidders will submit their bids, and how the FCC will process bids to determine the winners and support amounts.”

The Public Notice states that the auction will use census block groups containing one or more eligible census blocks as the minimum geographic area for bids. The bid

process will include an initial short-form application stage to precede bidding that will assess a bidder's eligibility and capability to perform the work required, with a long-form application to follow. The Public Notice provides extensive information on the FCC's concepts for bidding processes, performance standards, geographic areas, auction reserve prices, and it seeks comment on all of these issues.

Comments in this proceeding are due by September 18, 2017, with reply comments due by October 18, 2017. The Public Notice provides information on how to comment, with the simplest option to file electronically at <http://apps.fcc.gov/ecfs>. Filers should use AU Docket No. 17-182 and WC Docket No. 10-90 when filing.

USF Mobility Fund Phase II's Challenge Process

Also at its August 3, 2017 meeting, the FCC adopted an order to design a challenge process for USF Mobility Fund Phase II. This order is billed as "the next step" to provide mobile broadband to rural areas that lack unsubsidized 4G LTE service. The FCC's [Order](#) states that it will be "administratively efficient, fiscally responsible, and will enable (the FCC) to resolve eligible area disputes quickly and expeditiously."

This challenge process follows on the heels of the Commission's adoption in February of a Report and Order that creates a framework for Phase II of the Mobility Fund, which will provide \$4.53 billion in mobile wireless subsidies over 10 years. This process will develop the final map of areas eligible for support and resolves issues raised in petitions for reconsideration for the Phase II process.

In response to a petition, the FCC will establish a one-time data collection for 4G LTE coverage, instead of using current Form 477 data which many communities, states, and policymakers have deemed inaccurate. This data collection process will establish a "final map" of areas eligible for subsidy. There will be a further round of challenges to this final map and an opportunity for broadband providers to respond to those challenges. The FCC also refuses in this Order to reverse its performance requirement of 5 Mbps download speeds as a benchmark to determine eligible areas.

The Public Notice describes at length the decision making process as it considered the petition for one-time mobile availability data collection, which was proposed by the wireless trade association, CTIA. This petition was based on concerns about the lack of standardization and reliability of Form 477 data. The next step for this Second Report and Order will be the one-time data collection, which will require providers to file propagation maps and model details with the FCC.

Anyone wishing to challenge this data will have 150 days to begin the challenge process, and may access confidential provider-specific information for challenged areas, identify any areas for challenge, submit supporting evidence, and certify the challenge by identifying the areas in each state it is challenging and submitting "actual outdoor speed test data collected using standardized parameters."

Effort to Improve FCC Broadband/Voice Data Collection

The FCC also issued a [Further Notice of Proposed Rulemaking](#) (FNPRM) in its ongoing proceeding to modernize the Form 477 Data Program. After the State Broadband Initiatives program that allowed states to direct the collection of broadband availability data concluded, the FCC began using Form 477 to provide national broadband deployment information.

However, prior to the decision to adopt Form 477 as the method for assessing broadband deployment, and since the FCC began using this data and stopped updates to National Broadband Map, there have been concerns from communities, states, and policymakers on the effectiveness of this tool. The FCC has been working to determine the proper way to improve the “quality, accuracy, and usefulness of the data it collects on fixed and mobile voice and broadband service.”

The FCC is seeking comments on ways it might change aspects of Form 477 to increase the quality and accuracy of collected data and comments on how Form 477 can be improved to reduce the regulatory burden on entities required to file.

There is a detailed description in the FNPRM of the different types of data currently collected, in which the Commission asks for comments on many facets of the collected information and its utility. The FNPRM contains sections dedicated to mobile, wireless, and fixed wireline service.

Importantly, the FCC is seeking comment on the granularity of the data collected, noting that when it last considered more granular data it “concluded at that time that the administrative and data-quality challenges to collecting data below the census-block level likely would make such an endeavor impractical.” Connected Nation has long-advocated granular broadband mapping with a deliberate certification process to ensure the most accurate picture of broadband availability.

The FCC also seeks comments on how it can make Form 477 data available to the public and other stakeholders, where it could then be used for broadband efforts at the non-federal level, and what should be done with the National Broadband Map.

The FNPRM provides information on how to comment, with the simplest option to file electronically at <http://apps.fcc.gov/ecfs>. Filers should use WC Docket No. 11-10 when filing.

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