

December 4, 2020

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INFORMATION AND ADVOCACY FOR THE
RURAL TELECOMMUNICATIONS INDUSTRY

Regulatory Headlines

[Pai to Step Down January 20](#)

Federal Communications Commission Chairman Ajit Pai will step down from his post on Jan. 20, the day President-elect Joe Biden is inaugurated, he announced Monday.

[Senate to Vote on FCC Nominee](#)

The U.S. Senate is set to vote as early as next week to approve the nomination of a senior Trump administration official who has helped lead an effort seeking social media regulations to a seat on the Federal Communications Commission.

[Rosenworcel Leading Contender](#)

The Federal Communications Commission will soon shift to Democratic control, and speculation has already begun about who will assume the chairmanship under the Biden administration. Jessica Rosenworcel, the senior Democrat on the commission, is widely considered to be one of the leading candidates to succeed Ajit Pai in the powerful regulatory post.

[RDOF Auction Results Expected Soon](#)

The RDOF Phase One auction was expected to award up to \$16 billion in rural broadband funding, to be distributed over a period of 10 years, to cover some of the costs of deploying service to areas where it is not available today. Funding was to be awarded to the network operator that committed to bringing service to an area for the lowest level of support.

[COVID Relief Bill Includes Broadband](#)

The latest proposal for a COVID-19 relief plan to be introduced in Congress has a \$900 billion price tag, with billions allocated towards broadband. The bi-partisan and bi-cameral effort introduces a framework for stalled pandemic relief efforts in Congress. The COVID-19 relief plan outlines \$908 billion in funding to go to various efforts, including \$10 billion for broadband funding. A large portion of the funding, \$288 billion, would fund a second round of small business support...



Market Watch

[Broadband Access Gear Spending is Strong](#)

[ND Carrier Offers 5 Gbps](#)

[Verizon, AT&T Neck & Neck in 5G Speeds](#)

[VZ Fiber Build Ahead of Schedule](#)



Questions? Comments?
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Technology Trends

New and notable technology and services

Senators Press CISA on K-12 Ransomware

Senators asked the new head of the Cybersecurity and Infrastructure Security Agency on Wednesday what more the agency can do to help public school systems across the country to defend themselves from digital threats like ransomware, which has disrupted virtual learning environments, seized up educational IT resources and — in some places — even delayed or canceled classes.

2021 Security Threats - Predictions

What are the top endpoint security threats of 2021? How can next-generation endpoint protection platforms help prevent these threats and offer your business better security? 2021 looms ever closer, bringing to an end the chaotic and stressful year of 2020. In addition to the very human and psychological challenges posed by the COVID-19 pandemic, IT decision-makers faced numerous cybersecurity challenges. The sudden and necessary shift to full remote work/work-from-home mandated new InfoSec policies unlike any previously deployed.

Ransomware Ticks Up in 2020

Despite hopes that ransomware would buck a trend and become less pervasive, 2020 has offered no relief as multiple strains of extortion malware have continued to wreak havoc across IT organizations, particularly state and local governments trying to survive through the COVID-19 pandemic, speakers said Tuesday during a cybersecurity conference.

5G Has Better Efficiency Than 4G

5G networks are up to 90% more energy efficient per traffic unit than 4G networks, according to a new 5G energy efficiency study from Nokia and Telefonica. 5G technology is mostly known for being faster and having lower latency in comparison with previous generation wireless technology, but the new research shows it has other benefits as well. 5G radio access network (RAN) technology was found to be far more efficient than legacy technologies thanks to hardware and software designed specifically to be more energy efficient.

Ransomware is Still Successful

Over a quarter of organizations that fall victim to ransomware attacks opt to pay the ransom as they feel as if they have no other option than to give into the demands of cyber criminals – and the average ransom amount is now more than \$1 million. A CrowdStrike study based on responses from thousands of information security professionals and IT decision makers across the globe found that 27 percent said their organization had paid the ransom after their network got encrypted with ransomware.



IN FOCUS **STIR/SHAKEN Cost Recovery**

As discussed in the October 7, 2020 *Special Bulletin*, the FCC, pursuant to the TRACED Act and earlier actions, adopted STIR/SHAKEN as the protocol to be used to combat caller ID spoofing. For small carriers, this mandate does not take effect until June 20, 2023, but in the meantime, many carriers, especially those with IP-based networks (necessary for full STIR/SHAKEN implementation) may begin taking steps to incorporate the process.

The FCC prohibits the addition of an end user charge to recover costs related to caller ID authentication or robocall mitigation on residential and small business customer bills. This prohibition, required by the TRACED Act, covers the cost of upgrading network elements necessary to implement caller ID authentication, recurring costs associated with the authentication and verification of calls, or for any display of caller ID authentication information on subscriber devices. However, it is important to note that the FCC expressly did not prohibit cost recovery by other means (such as local rates, NECA pooling, etc).

NECA recently released some guidance on how this cost recovery would work in the context of NECA pooling. In short, NECA believes costs *directly* related to STIR/SHAKEN implementation (i.e., *not* including general IP-Network upgrades) are switched access costs. Recovery for those costs is currently handled via the FCC's ICC transition that froze rates and the revenue requirement for which is likewise frozen (as of 2011) and subject to annual phase down.

Here is NECA's bottom line:

"Costs related to STIR/SHAKEN are generally switched access costs.

Switched access revenue requirement is not recovered based on actual current switched access costs. Rather, switched access costs are recovered through a mechanism specified in the 2011 USF/ICC Transformation Order, which doesn't account for the newly incurred STIR/SHAKEN costs. In addition, the FCC has prohibited carriers from adding any additional line item charges to consumer or small business customer subscribers to recover these costs.

Unless and until the FCC provides for a distinct mechanism for carriers to recover the costs they incur for implementing STIR/SHAKEN, such costs can only be included more generally in carriers' cost accounting accounts."

In other words, as things stand now, STIR/SHAKEN implementation costs are relegated to a cost recovery black hole, with further FCC, state, or both regulatory action necessary to provide any chance of recovery.

Reminders

- ⇒ **988 Suicide Prevention Hotline.** Mandatory 10-digit dialing transition has started for certain area codes containing 988 NXXs. See the 8/19/20 *Special Bulletin*, 8/20/20 email distribution of the NANPA transition schedule, and 11/18/20 email distribution of NANPA's latest guidance.
- ⇒ Providers that block robocalls are required to establish a **single point of contact** for resolving unintended or inadvertent blocking.
- ⇒ **Reassigned numbers database** recordkeeping requirements for small providers begin 1/27/2021. (See 8/10/20 *Special Bulletin*)
- ⇒ **8YY Access Charge Reform**—All current intrastate originating access charge rate elements for toll free/8YY calls were frozen as of 11/27/2020.



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