

Pennsylvania Telephone Association

"The Communications Leader in Pennsylvania"

The Friday Report

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INDUSTRY NEWS

- No shortage of replies to the FCC's recent invitation soliciting perspectives on a potential Notice of Inquiry on issues regarding telco networks morphing from circuit-switched to Internet Protocol in nature. (See related story in Quotable section). A group of CLECs took the opportunity to advocate for the status quo regarding interconnection and traffic exchange agreements, saying that the relevant provisions of the Telecom Act of 1996 are not dependent upon any particular technology. The National Telecommunications Cooperative Association (NTCA) offered that there should be a transition of high-cost Universal Service Fund support to high-cost broadband support "over a reasonable period of time." The Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) supported an FCC NOI, saying that its own recently filed proposal calls for the public switched telephone network (PSTN) to be fully converted to an all-broadband network following a seven-year transition period."
- Shipments of wireless mobile devices are expected to double by 2015 according to a report released this week by ABI Research. The firm estimates that 1.2 billion devices will be shipped by manufacturers by the end of this year. Not surprisingly, cell phones currently make up the bulk of shipments although growth in that segment is only about 4 percent. ABI says that cellular modem shipments and ultra mobile device shipments could increase by 40 and 60 percent respectively.

THE DAILY NUMBER

- 27,500,000

The National Telecommunications and Information Administration (NTIA) announced on Tuesday that it had awarded an additional \$27.5 million for broadband mapping and planning to state-designated entities in 15 states (Pennsylvania was not among them). Thus far, federal stimulus money has been awarded to 36 grantees under the State Broadband Data and Development Grant Program.

QUOTABLE

- "The FCC should propose classifying facilities in an IP network to be "telecommunications" regardless of the nature of the IP service provided over those physical facilities. This approach is consistent with the Time Warner decision, retains the traditional "common carrier" authority needed to ensure interconnection, and provides a revenue base to support universal service above and beyond the additional costs for any broadband deployment program. This also relieves regulatory uncertainty about access to the physical facilities that IP service providers will need to deliver IP-based services."

“The PaPUC also suggests that the FCC seek comment on what preconditions must be required of areas or carriers that seek federal support for universal service or broadband deployment. Pennsylvania has significant experience on that issue. The United States Internet Industry Association has concluded that Pennsylvania has the most aggressive rural broadband deployment program in the nation. Universal Service and broadband deployment are possible in rural and urban areas. Pennsylvania is an urban and rural state that is completing a broadband availability program in a Commonwealth with the nation’s 3rd largest rural resident population and the 3rd largest elderly population.”

“Pennsylvania achieved broadband availability through local rate increases and intrastate access rate reform. Those efforts were part of a legislative initiative to provide carriers with the additional resources needed to finance broadband facilities and services throughout the Commonwealth, most particularly in rural areas. Pennsylvania also created a state universal service fund that assists in the maintenance of affordable local exchange telephone service rates for many end-users of rural ILECs.”

“Areas or carriers that have not undertaken reforms like Pennsylvania should be required to do so as a precondition to getting federal support. This will reduce costs and ensure a fair allocation of the costs to preserve universal service and promote broadband in all areas of the nation – including areas that are close to completing broadband availability while paying to support federal universal service.”

Excerpts from comments filed this week by the Pennsylvania Public Utility Commission in response to the FCC’s Notice of Inquiry on the issues surrounding the transition from a circuit-switched network to an Internet Protocol environment.

The PTA staff wishes all of our readers a wonderful holiday!!!