



MiCTA Legislative & Regulatory Update April 2010

The News You REALLY Can Use!

By
Randal J. Hayes [bio](#)

Hey MiCTA members, welcome to Spring 2010!

If you're like me, you're preparing next year's budget, looking both at where you can save money and yet how you can maintain quality and actually move forward in the process. Sometimes it's looking at the big items, the big savings.....and other times it's adding-up a number of little items, the little savings....to balance that budget. That's also how we often have to look at forward progress....we can't always initiate major projects but we can certainly look for a number of smaller initiatives that together have a reasonable impact on our operations. As we slowly climb out of this recession, it's critical that we do whatever we can to keep the breath of life flowing in our operations.

This is shaping-up to be quite a year for legislative and regulatory changes for ICT. And in keeping with the statements above, it's also important to stay abreast of all the leg/reg changes, so we can use that knowledge to protect our budgets and advance our operations. As you'll be reading, not only are we looking at a National Broadband Plan (with an appeals court case pending that could negate the supposed FCC authority over broadband), we're looking at a potential revamp of the Universal Service Fund, potential changes to Intercarrier Compensation, Special Access, various aspects of wireless including cellular repeaters and Distributed Antenna Systems (DAS), and any number of other items that can have a substantial impact on our ICT environments.

So, read-on to see what's up for all of us.....and what we can do about it!

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FCC Introduces National Broadband Plan with Fanfare!

(Now the fun really begins, as the FCC, Congress and the Courts Wrangle Over it!) After leaking-out dribs-and-drabs in the weeks leading-up to their announcement, finally, on March 16th, the FCC introduced its highly anticipated National Broadband Plan, which promises to bring a lot of legislative and regulatory activity with it. If you, like me, are a leg/reg wonk, you accessed the FCC website early March 16th, and continually hit the "FCC Live" link to make sure you'd get access to the streaming video of the FCC Open Meeting which announced the BB plan.....and then listened to the entire presentation, including the press conference (although I was disappointed the streaming cut-off mid-press conference).....or was I the only one who did that?

The Plan was a direct mandate by Congress to the FCC in early 2009 to create a detailed strategy to ensure that every American has "access to broadband capability." In essence, the NBBP document is an excellent and necessary first-step in getting collective arms around this monster of an effort. Generally, the Plan indicates that a role for "Government" in this effort is to influence the broadband system by 1) establishing competition policies; 2) ensuring efficient allocation and use of government-owned and government-influenced assets; 3) creating incentives for universal availability and adoption of broadband; and 4) updating policies, setting standards, and aligning incentives to maximize use for national priorities. The FCC has stated that, of the government's role, the FCC will be called upon for about 50% of it and Congress as well as other federal, state, and local government agencies will be called upon for the other 50%. The courts will also be involved in various areas, and early-on specifically in determining the FCC's jurisdiction over Broadband. The FCC has noted they will initiate over 40 proceedings in the next 12-18 months specifically related to the NBBP (some are already planned and underway). These proceedings will involve the Universal Service Fund (USF), intercarrier compensation (ICC), special access, spectrum allocation, and a host of other issues.

The Plan includes a recommendation to adopt and track six goals, serving as a "compass" over the next 10 years:

- **Goal 1:** The "100 Squared Plan." This goal calls for at least 100 million U.S. homes should have affordable access to BB with download speeds of at least 100 Mbps and actual upload speeds of at least 50 Mbps.
- **Goal 2:** The U.S. should lead the world in mobile innovation, with the fastest and most extensive wireless networks of any nation.
- **Goal 3:** Every American should have affordable access to robust broadband service, as well as the means and skills to subscribe, if they so choose.
- **Goal 4:** Every American community should have affordable access to at least 1 Gbps broadband service to anchor institutions such as schools, hospitals, and government buildings.
- **Goal 5:** Emergency responders should have access to a nationwide, wireless, interoperable broadband public safety network.
- **Goal 6:** To further efforts for a clean energy economy, every American should be able to track and manage their real-time energy consumption.

In general, the initial reactions and responses to the National Broadband Plan have been very positive.....I believe everyone has been impressed with the amount of effort put into the creation of this Plan, its structure & organization, and its design as a starting-point and BHAG conceptually. As the Plan is being read and digested, we're also hearing and going to increasingly hear the great number of opinions on the myriad of issues and details that must be resolved in actually working through the Plan.

With much of the Plan being a laundry list of regulatory items the FCC, Congress, and others already have on or will be added to their plates....much of which must be accomplished before a lot of the Plan can be implemented, I don't believe they have, as FCC Commissioner McDowell noted, "....plenty of time to engage in this debate....," unless they don't want much to happen until the latter years of the Plan. The basic "roadmap" for the Plan includes three stages, with Stage 1 including activities in 2010-2011, Stage 2 being from 2012-2016, and Stage 3 being from 2017-2020.....which does let everyone know this is a 10-year endeavor. As noted, it was good to hear

the FCC announce the great number of proceedings they will be initiating shortly, as it gives some hope that there will be a sense of urgency in completing these tasks, prompting decisive and timely action.

I found it also very interesting to note the **potential reality** of the plan in comparison with the initially-stated goals of the Plan. During the FCC press conference following the NBB Plan announcement, FCC Chair Genachowski, while enthusiastic about the Plan, acknowledged the "100 Squared" goal was indeed BHAG in nature; and like other areas of the Plan, may-or-may-not be fully achieved, due to their dependence on a number of variables. This example allows critical thinkers to, without being labeled as negative or obstructionist, be a bit skeptical that issues such as USF reform and the new Connect America Fund can be accomplished solely through cost savings/shifting, and elimination of waste, fraud, and abuse.....and without any increase in the overall size of the Fund. Just a quick history fact-check will prove that at least particular to the USF and peripheral funding mechanisms, there has not been reform based on this criteria where tax/surcharge/other costs to the end-user customer have not increased. On a bit less tangible note, the belief that the Plan will automatically raise the U.S. global broadband ranking to #1 is a notion some will have to give-up as well....we must remember that while the U.S. is executing this Plan, the rest of the world, including those now supposedly more advanced than we are regarding broadband, will not be standing still, nor will technology. Listed below is the link to Phoenix Center report on the ranking issue.....I hope you find it interesting and informative.

Ultimately, the recently-announced National Broadband Plan is in reality an excellent genesis to improving broadband accessibility and performance in the U.S.; and can only bring many positives to the table, as we as a nation attempt to not just move forward but leap forward in not only the technology, infrastructure, and accessibility surrounding broadband but in our use of this valued resource.

FCC Press Release:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296880A1.pdf

FCC National Broadband Plan:

<http://www.broadband.gov/plan/>

Overview of Universal Service Reform Act of 2009 (Rep. Boucher Proceeding on)

<http://www.boucher.house.gov/images/usf%20overview.pdf>

Phoenix Center Report on How the Plan Might Impact U.S. Global BB Ranking:

https://portal.neca.org/portal/server.pt/gateway/PTARGS_0_0_307_206_0_43/http%3B/prodnet.www.neca.org/publicationsdocs/wwwpdf/322phoenix.pdf

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FCC Introduces Broadband Tools

On March 11th, the FCC announced the launch of new digital tools to assist consumers in testing their broadband service and report areas where broadband is not available.

The first, called the Consumer Broadband Test, measures various broadband quality indicators, reporting it both to the consumer and to the FCC. The mobile version, which is the FCC's first mobile application, is available through the Apple and Android app stores. The fixed version is available at www.broadband.gov.

The second digital tool, the Broadband Deadzone Report, provides the ability to submit street addresses for areas where broadband is unavailable. The form for this Report is available at www.broadband.gov.

FCC Press Release:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296810A1.pdf

Universal Service in the News

Another Record Totally Smashed with USF Contribution Percentage

On March 12th, the FCC proposed an almost unbelievable contribution factor for the second quarter of 2010.....an astonishing **15.3%**!!!

With many in the industry predicting a proposed contribution factor just under 15%, I'm certain the proposed factor is taking everyone by surprise. However, as we've noted previously, the contribution factor is not just "pulled out of the hat" by the FCC. Rather, it is based on a specific formula using the ratio of the total projected USF support mechanism costs/needs to the projected net interstate and international revenue of the carriers/contributors to the USF. In the January issue, we discussed some of the reasons for the contribution factor increase; increases in the USF costs/needs and reductions in carrier interstate/international revenue. For the second quarter, the USF costs/needs are projected to increase by \$80 million from last quarter while the projected contributor revenue is projected to fall by \$616 million....if you plug those figures into the contribution factor formula, out pops the 15.3% contribution factor.

While we all cringe at the thought of more-and-more dollars going out the door via USF pass-through fees, this just adds even more confirmation that the USF is in great need of reform.....and that the aspect of reforming it to also accommodate broadband makes the reformation task that much more complex!

FCC Announcement on 15.3% Contribution Factor:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-427A1.pdf

USAC USF Support Quarterly Contribution Base Summary:

<http://www.universalservice.org/about/governance/fcc-filings/2010/Q2/2Q2010%20Contribution%20Base%20Filing.pdf>

USAC USF Support Fund Size Projection Summary:

<http://www.universalservice.org/about/governance/fcc-filings/2010/Q2/2Q2010%20Quarterly%20Demand%20Filing.pdf>

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Wireless Issues

FCC Requests Comment on Wireless Repeater/Booster/DAS Issues

On January 6th, the FCC issued a Notice seeking comment on five petitions filed from 2005 to November 2009 regarding the use of wireless repeaters, boosters, and distributed antenna systems (DAS). The result of FCC action in this area could have a substantial impact on how consumers and businesses install and utilize this type of equipment.

In 2005, Bird Technologies filed a Petition for a Rulemaking to amend FCC regulations to outline specific technical/operational requirements for signal boosters, suggesting such equipment should only be used with the full knowledge of wireless licensees (carriers), and suggesting consumers be made aware of the requirement to obtain licensee permission. In 2007, the CTIA filed a Petition for a ruling regarding proper use of signal boosters, contending interference is being caused to wireless networks by boosters that are "unauthorized" and improperly installed. That organization called for the sale or use of signal boosters without prior carrier permission is unlawful. In 2008, Jack Daniel Company filed a Petition seeking clarification of FCC rules regarding signal boosters, as they believe there is misinterpretation/misconception of the rules and policies; the company also asked the FCC to declare they would not be regulating these boosters in a way that would hinder local governments/public safety agencies from installing them to improve wireless coverage. In 2009, the DAS Forum filed a Petition responding to the CTIA Petition, stating that a rulemaking proceeding is needed to address many aspects of signal boosters; but also believing best methods should be explored short of unduly restrictive regulations being initiated. The DAS Forum submitted an Industry Code of Conduct as a vehicle to address the issues. Also in 2009, Wilson Electronics filed a Petition for Rulemaking, to establish

certification standards for signal boosters, which would ensure such equipment would not cause interference to wireless carrier operations.

While the Petitions pertained primarily to signal boosters and repeaters, in its request for comment, the FCC used the term "signal booster" to include "all manner of amplifiers, repeaters, boosters, DAS systems, and in-building radiation systems" to amplify CMRS device signals or to extend coverage. With comments due by February 5th, the FCC received over 500 comments, with opinions both for and against more restrictive regulations. Interestingly, many comments shed light on the fact that the U.S. has far, far less-than ubiquitous cellular coverage, with consumers, businesses, and even law enforcement/emergency responders saying they have inadequate to no coverage without some type of signal enhancement or extension device. There were also a number of comments noting interference issues, documenting that boosters and repeater equipment was the cause. The FCC also received a number of reply comments, reiterating positions and expanding on both sides of the issue.

It is certainly hoped the FCC can provide clarification in this issue, but also to do so without creating regulation that is unduly restrictive. It's easily shown that such devices and systems are necessary and can be installed, operated, and maintained without causing interference, but also that there are instances where improper installation, operation or maintenance can cause problems. Establishing or clarifying rules/procedures that are not unduly restrictive to greatly minimize the potential for problems and doing so ultimately with consensus would be a real plus for the FCC.

If you currently operate signal boosters/repeaters/DAS systems or are contemplating doing so, this is an FCC action to watch, as it could have great implications on the initial and ongoing costs of such as well as on your choice of equipment and vendors.

FCC Request for Comment on signal boosters/repeaters/DAS systems:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-14A1.pdf

Read FCC Comment Filings:

http://fjallfoss.fcc.gov/ecfs/comment_search/execute?proceeding=10-4&applicant=&lawfirm=&author=&disseminated.minDate=&disseminated.maxDate=&recieved.minDate=3%2F15%2F09&recieved.maxDate=&address.city=&address.state.stateCd=&address.zip=&daNumber=&fileNumber=&submissionTypeId=&checkbox_exParte=true

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FCC Orders Clearing 700 Mhz Frequency; Includes Wireless Microphones

On January 15th, the FCC adopted an Order and Further Notice of Proposed Rulemaking prohibiting the further distribution and sale of devices that operate in the 700 MHz frequency. This action helps complete an important component of the DTV Transition by clearing the 700 MHz band to enable the rollout of communications services for public safety and the deployment of next generation 4G wireless devices for consumers.

The order may impact some ITUG members as it will primarily affect the use of **wireless microphone systems** that currently operate in the 700 MHz band. These unlicensed devices cannot continue to operate in this band because they may cause harmful interference to public safety entities and next generation consumers devices that will be utilizing the 700 MHz frequency. Thus, the Commission is making clear that no devices utilizing this frequency may be sold or distributed. The entertainment industry and others had been fighting the FCC's intent to clear this spectrum, as one can only imagine the number of wireless microphone systems which would require replacement. I know at our institution, one area which has several wireless mic systems in the 700 Mhz range stated it would cost at least \$20,000 to replace them.....and that's only one area.

In order to ensure that individuals and groups currently using unauthorized devices in this band have ample time to transition to appropriate frequencies, the FCC is providing a **sunset period until June 12, 2010**, one year from the DTV Transition.

The Commission is also unveiling an aggressive consumer outreach plan in order to assist consumers who have previously purchased wireless microphone systems and other related devices that utilized the 700 MHz band. Through the Commission's website, www.fcc.gov/cgb/wirelessmicrophones, consumers can learn whether their wireless device is currently operating in the prohibited band and whether their devices may be retuned to operate on another band. Consumers may also call 1-800-CALL-FCC to ask questions regarding this transition. I encourage any ITUG members who use wireless microphones to determine whether theirs are in the 700 Mhz range, and make plans to replace them prior to the June 12th deadline. (Edited from FCC Press Release)

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FCC Introduces "Beta" Version of Spectrum Dashboard

For those like me who have always had a difficult time reading and understanding aspects of spectrum issues, the FCC just came to our rescue! On March 17th, they introduced the beta version of their Spectrum Dashboard.

This tool allows users to learn about spectrum, more easily review how spectrum bands are allocated/used, to identify license holders, and use a number of other tools. The initial version covers frequencies between 225 MHz and 3.7 GHz. Again, if you're like me, when viewing the spectrum map and the frequency ranges, I could never remember what services were assigned to the various spectrum. With the dashboard, you can simply point at a frequency range, and the description and explanation appear.

In short, the dashboard allows users to:

- Browse spectrum bands;
- Search for spectrum licenses;
- Produce maps of spectrum licenses;
- Export Raw Data.

To Access the Spectrum Dashboard:

<http://reboot.fcc.gov/reform/systems/spectrum-dashboard>

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FCC Seeks Info on Wireless Early Termination Fees

On January 26th, the FCC Consumer Bureau Chief Joel Gurin and Wireless Bureau Chief Ruth Milkman sent letters (see below) to AT&T, Google, Sprint Nextel, TMobile, and Verizon Wireless to gather facts and data on the consumer experience with wireless early termination fees. This inquiry follows last week's launch of the FCC's Consumer Task Force, which was established to promote cross-agency collaboration on the Commission's consumer agenda.

"I commend the Commission staff for its ongoing and proactive examination of the consumer experience in the wireless marketplace," said FCC Chairman Julius Genachowski. "This inquiry is the first action by the FCC's Consumer Task Force, which was launched last week to tackle these kinds of issues. I look forward to reviewing the responses to the letters and the recommendations from staff regarding next steps."

I'm certain a number of MiCTA members have bitten their lip as they had to work-through early-termination issues with cellular providers over early-termination fees when switching to another provider. All-too-often, the incumbent provider tries to justify the fee by saying a number of items make-up that fee (sales costs, other overhead, etc.), when in fact it should just be a prorated amount used to recoup the value of the telephone handset, originally offered at just a minor fraction of the real cost (however, the cellular provider should also only be able to recoup their

actual handset cost, when it often looks like they're trying to get back the retail cost of the handset, in essence padding even further the "profit" on the termination fee).

FCC Letter to AT&T:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-132A1.pdf

FCC Letter to Google:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-133A1.pdf

FCC Letter to Sprint Nextel:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-137A1.pdf

FCC Letter to T-Mobile:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-135A1.pdf

FCC Letter to Verizon Wireless:

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-10-136A1.pdf

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IRS Backs-Away from Changing "Listed Property"... Now Up to Congress

In early January, the CTIA reported that the IRS had announced it would not change (on its own) the listed property designation of cellular telephones, which has caused such a stir regarding tracking of personal vs. business calls for employer-provided devices/cell service.

In reality, rather than it being an official IRS announcement, the puff-up regarding this issue actually occurred as a result of IRS Commissioner Doug Shulman responding to a question on C-SPAN. During the January 8th *Newsmakers* show, Shulman stated the IRS was hopeful that Congress would take action on the cellphone/listed property issue, and that as such, the IRS was not going to "do anything special or move forward with any initiatives."

So, after the IRS spent a lot of time (and of many other people's time) floating trial balloon options for dealing with this issue, the IRS essentially punted. With the CTIA press release and other news reports of Commissioner Shulman's statement, many are believing now is the time to remind Congress again of the great interest in this pending legislation (languishing in the Senate Finance Committee at this point), in an attempt to finally get it passed. While there are so many huge issues before Congress right now, with just a bit of luck, it would be great if this one could just move right through!

BTW, MiCTA members, if this is an important issue for your company and if one of your U.S. Senators happens to be on the Senate Finance Committee, I'm sure they would appreciate hearing your concerns about getting this item changed.....

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NANPA Announces New Area Code For New York City

On January 22nd, the North American Numbering Plan Administrator (NANPA) announced an additional area code (**929**) has been assigned to the existing 718 and 347 area codes that serve the outer boroughs of New York City -- namely the Bronx, Brooklyn, Queens and Staten Island. The dialing pattern, which is already in effect in the New York City area, requires all local calls within and between the 718 and 347 area codes and the new 929 area code to be dialed by using 1+10 digit dialing. Existing 718 and 347 telephone numbers will not change.



Neustar, the NANPA Administrator, has forecasted that numbering resources in the 718 and 347 area codes will exhaust by 2012. The New York Public Service Commission has directed all local exchange service providers to activate the new 929 area code to ensure the availability of numbering resources in a manner that is most efficient and least confusing for consumers, while minimizing possible disruption to consumers and businesses. Telephone service providers will begin customer education in mid-year in preparation for the introduction of the new 929 area code.

A telecommunications industry group comprised of service providers from various industry segments collectively develops area code relief plans for New York. Relief activities for area codes in New York are overseen by Neustar.

Neustar was selected by the Federal Communications Commission (FCC) to serve as the NANPA, the neutral third-party administrator that works with the telecommunications industry in developing area code relief plans. NANPA also oversees the assignment of area codes, central office codes, carrier identification codes, and other numbering resources throughout the United States, Canada, Bermuda and 16 Caribbean countries. (Edited from Neustar Press Release)

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FCC Toughens-Up “Robocalls” Rules

New Rules Would Conform FCC/FTC Telemarketing Rules

On January 20th, the FCC proposed revisions to its rules under the Telephone Consumer Protection Act (TCPA) to further empower residential telephone subscribers to avoid unwanted telephone solicitations. The proposals would require sellers and telemarketers to obtain written consent from recipients before making prerecorded telemarketing calls, commonly referred to as “robocalls,” even when the caller has an established business relationship with the consumer. Additionally, the FCC proposes to make it easier to opt out of receiving robocalls.

These new restrictions would harmonize the FCC’s rules with the Federal Trade Commission’s (FTC’s) recent amendments to its Telemarketing Sales Rule. Because the majority of entities that use prerecorded telemarketing calls are subject to both agencies’ telemarketing regulations, most regulated entities must comply with the FTC’s current, more restrictive standards. However, entities outside the FTC’s jurisdiction, such as telephone companies, airlines, banks, and insurance companies, are currently subject to less restrictive standards.

Key revisions proposed by the FCC include:

1. Requiring sellers and telemarketers to obtain telephone subscribers’ express written consent (including electronic methods of consent) to receive prerecorded telemarketing calls, even when there exists an established business relationship between the caller and the consumer;
2. Requiring that prerecorded telemarketing calls include an automated, interactive mechanism by which a consumer may “opt out” of receiving future prerecorded messages from a seller or telemarketer; and,
3. Exempting certain federally regulated healthcare-related calls from the general prohibition on prerecorded telemarketing calls to residential telephone lines. (These calls are currently not specifically exempted from the prerecorded message rules.)

The FCC asked for comments on whether these proposed revisions would benefit consumers and industry by creating greater symmetry between the FCC and FTC regulations and by extending the FTC’s standards to regulated entities that are not currently subject to FTC rules.

The FCC noted that the proposed rule changes would not affect categories of prerecorded message calls that are not currently covered by its TCPA rules. Those categories include calls by or on behalf of tax-exempt non-profit organizations; calls for political purposes, such as those made by politicians or political campaigns; calls for other noncommercial purposes; and commercial calls that do not contain unsolicited advertisements, for example, calls that deliver purely “informational” messages notifying recipients of a flight cancellation. Furthermore, because the TCPA’s restrictions on prerecorded messages do not apply to calls initiated for emergency purposes, the proposed rule revisions would not affect messages sent to consumers to alert them to emergency situations.

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International News

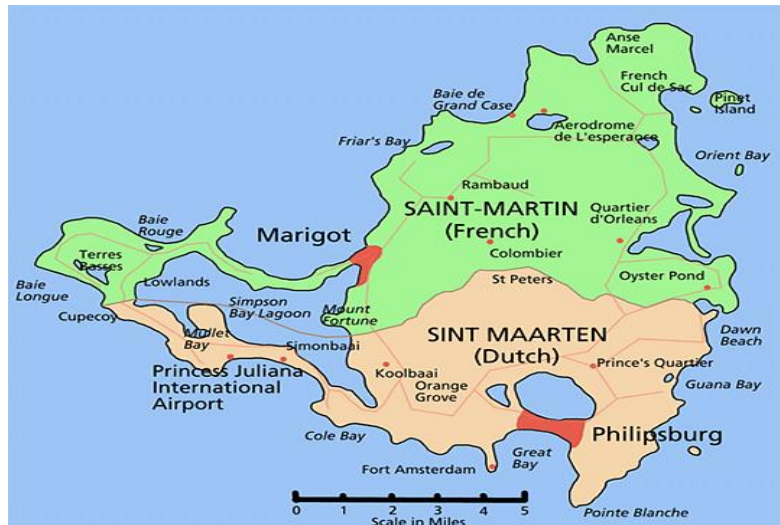
New Country Added to NANP

A bit of a geography lesson here as well, for all of us.....

The Administrator for the NANP (NANPA) recently announced a new member country will be joining the NANP in 2010.....but not long after they announced there would be a delay in implementation.....

Sint Maarten, the southern portion of the island of Saint Martin/St. Martin, will become part of the NANP. It was formerly part of the Netherlands Antilles; while its northern portion, called Saint Martin, is an overseas aggregate of France.

According to the NANP, Sint Maarten was an "island territory," a part of the Netherlands Antilles, similar to a municipality. However, the Netherlands Antilles will cease to exist as of October 10, 2010 (did you get the memo?.....I didn't!); instead we will see the countries of Curacao and Sint Maarten formed, and the rest of the islands making-



up the Antilles will become public property of The Netherlands.

The NANP has granted the Government of Sint Maarten entry into the NANP, and assigned it the NPA (area code) of **721** under the country code of **'1'**, joining the other 24 countries and territories in the NANP ; it had previously used the country code 599 (more about that below).

The **Permissive Dialing Period**, allowing dialing by either the country code or the new area code, **was to** begin May 31, 2010. The **Mandatory Dialing Period**, where the area code must be dialed and the country code cannot be used, **was to** begin December 1, 2010. Unfortunately, it appears there are some "bugs" in the process, and as such the Regulatory Authority of the Government of Sint Maarten, requested the introduction of the 721 NPA be delayed.....for an unannounced period of time.

To be clear: when the bugs do get worked-out, in calling Sint Maarten from within the NANP, the new dialing procedure will be 1 + 721 + local 7-digit telephone number. The NXXs (prefixes/exchanges) on Sint Maarten are 542, 543, 544, 545, 546, 547, and 548 (with 548 including the quaint areas of Cul de Sac/Ebenezer/South Reward/Betty's Estate, and Saunders).

When the revised dialing period dates are released, MiCTA members will want to program the new area code for Sint Maarten in to your telecom system in advance of the Permissive Dialing Period, but do not delete the country code 599, as it will continue to be used in the remainder of what will have been the Netherlands Antilles. Of course, from a security standpoint, if your company does not have any need to call Sint Maarten, while it's always good to have the information programmed, you might want to block access to it. **On a personal note**, I kind of hate to see the Netherlands Antilles cease to exist, because ever since I was just a wee little telecom manager, I recall having to program the dialing information for that entity into the PBXs I managed.....it just won't feel the same after this.....

We'll report here when this is all worked-out.....

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Int'l Skype Traffic Jumps; Other Int'l Traffic Growth Slows

Although international telephone traffic is still growing, statistics from *Telegeography* show that the growth slowed to about half the normal amount.....but Skype is grabbing a bigger piece of the pie.

According to *Telegeography*, overall international traffic has historically grown at a rate of about 15% annually. However, in studying traffic over the past two years, the company noted that growth is now at only about 8%.

And, of the 406 billion minutes of international telephone traffic for 2009, Skype was responsible for 54 billion minutes of it! *Telegeography* reports Skype's on-net international traffic grew 51% in 2008 and 63% in 2009.

While carriers are increasingly moving to IP as its transmission protocol and making international traffic less costly and more efficient, the traffic they are losing to Skype (on-net) is definitely putting a dent in their margins. This will further complicate the carriers' task of continuing to offer quality low-cost international service while making a profit.

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EU Rules on Wireless Internet Charges Now in Effect

As of March 1st, the new rules limiting wireless Internet fees in European Union (EU) countries went into effect.

As we've reported, the European Commission (EC) implemented rules to limit both wholesale and retail wireless Internet fees, as well as to create a customer-defined cap on how much their monthly wireless Internet bill can be. The plan provides a "warning" when the customer has used 80% of their monthly allocation, but when at the limit, their service is shut-off (there are ways for customers to change/extend their limit, but not necessarily in the middle of a necessary download.

As of March 1st, wireless networks can charge each other no more than 1 euro per Mb of data (remembering that the retail price had been jacked-up as high as five-times the wholesale price, thus the reason for the regulatory intervention). For customers, they have until July 1st to set their own monthly bill cap or a default of 58 euros will automatically be set (around \$70). This cap is the result of any number of accounts of customers receiving outrageously-high bills, due to the widely-varying rates that could be charged, and of course, in some cases, to the customers' lack of attention.

With the number of reforms the EU has introduced regarding wireless roaming, texting, and Internet, it may be that U.S. providers will have to be a bit more competitive on their wireless international rates as well. On March 19th AT&T announced it would be offering a new messaging service package (text, picture, video) for those traveling internationally. It's too soon to tell, but this may just be the first of several announcements by U.S. providers regarding wireless while traveling abroad.

We'll keep an eye on the EU changes, to see how it pans-out.....

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FCC Releases New Census Tract-Level Data on High-Speed Internet Services

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296234A1.pdf

FCC Releases New Telephone Subscribership Report

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296120A1.pdf

FCC Releases Telephone Numbering Utilization Report

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296479A1.pdf

FCC Survey—93 Million Americans Disconnected from Broadband Opportunities

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296443A1.pdf

FCC-SSRC Releases Report on BB Adoption in Low Income Communities

http://webarchive.ssrc.org/broadband_adoption.pdf