

Communications Daily

THE AUTHORITATIVE NEWS SERVICE OF ELECTRONIC COMMUNICATIONS

WEDNESDAY, OCTOBER 5, 2011

VOL. 31, NO. 193

TODAY'S NEWS

USF/ICC ORDER TO CIRCULATE

Thursday, FCC confirms. Genachowski's aide bristles at criticism from consumer groups. (P. 1)

PUBLIC KNOWLEDGE SEEKS

mechanism for appealing whether data filed in AT&T/T-Mobile and other dockets should be protected from public view. 'Embarrassing facts are not trade secrets,' group says. (P. 2)

SUPREMES SEEN BACKING BROADCASTERS in ABC/Fox, panelists say, citing Brown, IMS, Snyder and other recent rulings. (P. 6)

HOSTED PAYLOAD EFFORTS adjusting to new budget reality, say proponents. (P. 8)

COMCAST SUPPORTS HTML5 as it preps for boom in connected devices and readies hybrid IP-QAM set-top box deployments. (P. 9)

OUTBOUND-ONLY VoIP calls should be subject to 911 location-accuracy requirements, APCO says. VON disagrees. (P. 10)

CONSUMER INCENTIVE NEEDED to increase education, awareness of botnets, other malware, Schmidt says. (P. 11)

FCC Confirms USF/ICC Order Imminent, But Details Still Up in the Air

The FCC confirmed that Chairman Julius Genachowski will circulate a proposed order that he hopes will lead to reform the universal service and intercarrier compensation regimes. The FCC called a briefing with reporters where agency officials spoke on the condition they not be named and said Genachowski will deliver a speech Thursday laying out some of his proposals. FCC officials declined to discuss specifics in Tuesday's briefing, set for Thursday at 10:30 a.m. at FCC headquarters, instead reiterating their talking points about why reform was necessary.

FCC officials reacted to criticism from consumer groups that Genachowski has essentially outsourced Universal Service Fund reform to industry, allowing telcos to "reform" the system by jacking up fees for customers. An agency official said the commission wasn't going to "rubber stamp" any industry-backed proposal. As to concerns about the proposed subscriber line charge (SLC) increase, Genachowski and his staff are convinced that the other intercarrier compensation regime reforms will offset and outpace the increase, so that consumers will benefit in the long run, the FCC official said. When the commission last reformed intercarrier compensation — more than a decade ago — consumers profited, the official said.

Staff is continuing to work on the draft of Thursday's order, another FCC official told us. Industry executives are worried that the consumer groups' criticisms are getting traction, especially with the two Democratic commissioners, a telecom official said. Commissioners Michael Copps and Mignon Clyburn have each asked about the proposed line charge increases, telecom and FCC officials said.

While work on the order is evolving, it's possible the right of first refusal will be trimmed back from the incumbent-backed ABC

wondered whether they'll invoke the *Red Lion* decision on spectrum scarcity, arguing there's not a shortage of frequencies now and so the government can't treat broadcasting differently from other media. Corn-Revere noted that "the court doesn't have to go so far as *Pacifica* to strike down the FCC in this case — it doesn't even have to go so far as *Red Lion*." — **Jonathan Make**

Strengthened Pitch

Budget Woes Mean Changing World for Hosted Payloads

Recent efforts in Washington to reduce government spending have led to another barrier to a wide-scale use of hosting of government payloads on commercial satellites, panelists said Tuesday at the Hosted Payload Summit in Washington. While hosted payloads have long been touted as a cost-saving tool, some satellite operators have had trouble making that point because hosted payloads are considered "something separate" and extra, said Rich Pang, director of hosted payloads at SES Government Solutions. It's common to hear from the government that there's "no new money," he said.

Budget constraints also result in a strengthened sales pitch and a new opportunity, said Vice President Paul Bush of Telesat. During times of budget cuts, commercial operators can offer to put their own capital up for the short term to fund the hosted payload, he said. Operators can say to the government "use our balance sheets," he said.

Employment numbers are also a consideration as the government considers its satellite needs, said Andrew Ruskowski, Xtar vice president. The savings offered by the hosted payloads is countered by

Communications Daily

(ISSN 0277-0679)

PUBLISHED BY WARREN COMMUNICATIONS NEWS, INC.

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Warren Communications News, Inc. is publisher of Communications Daily, Warren's Washington Internet Daily, Consumer Electronics Daily, Green Electronics Daily, Washington Telecom Newswire, Telecom A.M., Television & Cable Factbook, Cable & Station Coverage Atlas, Public Broadcasting Report, Satellite Week and other special publications.

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cuts in employment needs, he said. "Efficient satellite operators don't fair well in terms of employment numbers" compared to separate government systems, he said. The jobs argument doesn't hold much water, said Don Brown, vice president of hosted payload programs at Intelsat General. Hosted payloads allow for the spread of the industrial base, he said.

The government acquisition process needs some new budgetary and contractual leadership, said Brown. The process for commercial acquisition greatly reduces the need for governmental oversight, he said. Commercial operators are beholden to shareholders and the whole objective is to get the satellite up and operational as quickly and effectively as possible, he said. "Use that leverage." The oversight processes that often can delay the addition of a hosted payload is a largely unnecessary taxpayer expense, he said.

While hosted payloads have gained much attention in recent years, getting the timing down has been a barrier to frequent successful pairings, said Ruszkowski. The addition of Defense Department payloads don't add much more risk to satellites from enemies than carrying DOD transmissions, said Bush. "We already carry a fair amount of military traffic today" so it isn't clear why a military payload would increase the risk to a satellite, he said. — *Tim Warren*

HTML5

Comcast Touts Affinity to Standards in Future Hybrid Set-Top Box Deployments

SAN JOSE, Calif. — Comcast's vision of delivering high-quality video services to multiple devices in the home, among them its new hybrid IP-QAM device in field trials, includes HTML5 as an application platform, said Senior Vice President Steve Reynolds. At the TVNext conference Tuesday, he said the emergence of idiosyncratic application platforms has been a step in the wrong direction.

"HTML really drove adoption of the Internet and made it as ubiquitous as it is," Reynolds said. "We've decided to focus our efforts around HTML," he said. "We're going to make a truly concerted effort to work through the standards bodies to create affordable and ubiquitous HTML5 that will include video as an intrinsic feature." Comcast's goal is to make HTML5 the principal platform it supports on IP devices connected to its network, Reynolds said. For now, the dynamics of the marketplace demand that the cable company support other application platforms. HTML5 is just one of the standards Comcast plans to use in its hybrid IP set-top box deployment, Reynolds said: Comcast is also looking at solutions that rely heavily on standards such as H.264 for video, DCTP/IP for content protection, MoCA for home networking and DLNA for the control plane.

Comcast projects its customers will connect 234 million IP devices to its network by the end of 2013, Reynolds said. Some will be leased by Comcast but most will be purchased and managed by the consumer, he said. To assure Comcast can deliver a high quality of service to each of them, it will need to continue deploying set-tops and use home networking such as MoCA, Reynolds said. Wi-Fi isn't a "carrier grade" connectivity option, he said. Set-tops will also ensure Comcast can continue delivering its services to all customers. "There is a need for the device we will call the IP set-top box," Reynolds said. "It's the equivalent of the DTA for the IPTV world."

Pay-TV customers demand consistency across all their devices, said Eric Freund, director of business innovation and development at SureWest Communications. "For the customers who are paying for