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**THE WIRELINE COMPETITION BUREAU ISSUED AN ORDER ESTABLISHING A UNIFORM FRAMEWORK FOR MEASURING THE SPEED AND LATENCY PERFORMANCE FOR RECIPIENTS OF HIGH-COST UNIVERSAL SUPPORT TO SERVE SET FIXED LOCATIONS.**

The Wireline Competition Bureau (“WCB”) along with the Wireless Competition Bureau and the Office of Engineering and Technology recently adopted a uniform framework for measuring the speed and latency performance to set fixed locations for carriers receiving high-cost universal support to service fixed locations. The Order can be viewed online using the following link: <https://docs.fcc.gov/public/attachments/DA-18-710A1.pdf> and Appendix A of the Order contains a summary of the testing requirements.

**Carriers Required to Perform the Testing**

This framework applies to all providers with fixed location obligation including CAF Phase II recipients, A-CAM carriers, Rate-of-Return carriers with mandatory buildout obligations, Rural Broadband Experiment (“RBE”) recipients, and Alaska Plan participants with obligations.

**Non Compliance Support Reductions**

The following is an overview of potential penalties and corresponding support reductions that could occur based on a carrier’s inability to meet the testing guidelines or its failure to conduct the testing timely and properly for speed and latency. GVNW will provide a more detailed discussion of the testing and compliance process soon.

**Compliance Levels and Support Reductions**

	<b>Qualifying Compliance Percentage <math>x</math></b>	<b>Required Quarterly Reporting</b>	<b>Monthly Support Withheld</b>
<b>Full Compliance</b>	$x \geq 100\%$	No	N/A
<b>Level 1</b>	$85\% \leq x < 100\%$	Yes	5%
<b>Level 2</b>	$70\% \leq x < 85\%$	Yes	10%
<b>Level 3</b>	$55\% \leq x < 70\%$	Yes	15%
<b>Level 4</b>	$x < 55\%$	Yes	25%

## **When the Testing Begins**

The first performance measures data and certification will be due by July 1, 2020 and shall include data for the third and fourth quarters of 2019. Thereafter, data and certification will be due July 1 each year for all four quarters of the prior calendar year.

## **Testing Methodologies That Are Permitted**

Three testing options will be permitted as defined in the Order:

“First, a high-cost support recipient may use Measuring Broadband America (“MBA”) program testing by arranging with entities that manage and perform testing for the MBA program to implement performance testing, as required, for Connect America Fund “CAF”. The provider is responsible for all costs required to implement testing of its network, including any costs associated with obtaining and maintaining Whiteboxes, to the extent that any additional Whiteboxes are employed as part of the MBA testing. We note that the MBA testing must occur in areas and for the locations supported by CAF, e.g., in CAF Phase II eligible areas for price cap carriers and for specific built-out locations for RBE, Alternative Connect America Cost Model (A-CAM), and legacy rate-of-return support recipients.

2. Second, a high-cost support recipient may elect to use existing network management systems and tools, ping tests, and other commonly available performance measurement and network management tools – off-the-shelf testing – to implement performance testing.

3. Third, a high-cost support recipient may implement a provider-developed self-testing configuration using software installed on residential gateways or in equipment attached to residential gateways to regularly initiate speed and latency tests. Providers that implement self-testing of their own networks may make network performance testing services available to other providers. We continue to consider whether USAC may have a role in offering server capacity at FCC-designated IXPs, without any oversight role in conducting tests, to mitigate smaller providers’ costs.”

## **The Number of Locations Required to be Tested**

The number of locations to be tested will be based on the number of subscribers at CAF supported locations, with a maximum of 50 randomly-selected subscribers per state per speed tier for speed testing and 50 randomly-selected subscribers per state for latency.

## **Duration and Timing of Testing**

Testing must be conducted for one week during each quarter of the year. In those weeks, testing must be performed between the hours of 6:00 pm to 12:00 am local time each day, including weekends (testing hours).

GVNW will be providing additional information about the performance measures data testing obligation and compliance requirements and certification in the future so that carriers can be ready for the mandatory testing well in advance of the third quarter of 2019.

Please contact your GVNW Consultant or Steve Gatto (830.895.7226), [sgatto@gvnw.com](mailto:sgatto@gvnw.com) with any additional questions you may have about the new performance testing requirements.