## ICANN Transcription – Abu Dhabi GNSO New gTLD Subsequent Procedures PDP WG Face-to-Face Part 1 Saturday, 28 October 2017 12:15 GST

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Jeff Neuman:

Welcome to the new gTLD Subsequent Procedures PDP face to face, the first session we have at this meeting. We have a second session on Wednesday but the second session will be devoted exclusively to Work Track 5. And I'll explain what that means as we go through a couple slides.

Most of the time during this meeting it's going to be reserved for discussion of particular topics within each work track that some areas that have been of interest lately, that have been discussed, or some issues for some work tracks that seem to generate the most interest.

So with that can we just go through start with some of the slides there? One of the things that I also want to say is that we are working towards a timeline of getting a preliminary report out by the end of the first quarter next year, 2018, putting that out for public comment and then hopefully delivering a final report within Q3 of 2018. So it sounds like that's pretty far away but there's a lot of work to be done between now and then. And the more participation we have from the community the better and the - our ability to meet those timelines are helped with more participation.

So wow, that yellow color doesn't ready appear very well on the screen there, it's hard to read the white writing. But essentially what we're going to do, I'm switching the order around a little bit, so what we're going to do is we're going to skip over the overarching issues and go through the work tracks because it always seems in the past face to face meetings we get a lot of discussion on some of the overarching issues and then seem to rush some of the work tracks. I kind of want to do it the opposite way this time to make sure that we have ample time for the work track issues and then get into some of the overarching issues towards the end.

So we can go to the next slide. Okay, so just as a reminder, we have divided this PDP into now five official work tracks. The first work track dealing with the issues of things like - basically overall process issues, applicant support, RSP program, things like that, that's within Work Track 1. Sara Bockey and Christa Taylor, who are both here, if you want to raise your hands, they're the leaders of Work Track 1.

I actually skipped over something extremely important. So, many of you may know that Avri Doria was the other cochair of this working group. She has now moved on to bigger and better things, is now officially - or will be actually at the end of this meeting - officially a member of the ICANN Board, so we sought a candidate for the other - the other working group overall chair - cochair, and we've got a very qualified willing and exceptional person to help cochair and that's Cheryl Langdon-Orr. She's over there. Just over there because she needs to have her foot up. But otherwise, she would be right next to me. Thank you. There in spirit. Thank you.

Just a reminder that when anyone wants to talk use the mic so we can get all this for transcription purposes. Okay, Work Track 2, which deals with the legal and regulatory issues, Michael Flemming who's to my left, is one of the is the leader at this point, the second coleader, Phil Buckingham has unfortunately had to resign from the committee so we are in search of

another coleader, if anyone's interested, please some up and see Michael either after this session or during this meeting, or myself or Cheryl if you're interested.

Work Track 3 which deals with the issues of contention sets and - or how to resolve contention, community prioritization, disputes and objections, that's Karen Day, who's over there. There you go. And Robin, who's over here. Thank you. Sorry. And then Work Track 4 which is dealing with the technical issues, evaluation questions, financial criteria, things like that we have the coleaders are Cheryl Langdon-Orr and Rubens, do I see Rubens? Okay, Rubens will be here just a couple minutes late.

And now we have Work Track 5, Work Track 5 deals with geographic names at the top level. We are not going to be addressing that at this session because we have an entire session devoted to that on Wednesday. But we have four coleaders of that group, we have Annebeth Lange, who's here, she can raise her hand, from the ccNSO sitting in the back section there; Christopher Wilkinson, with the ALAC; we have Martin Sutton, there's Martin, from the GNSO; and Olga Cavalli, who's probably in a GAC session right now so she's the - one of the coleaders from the GAC.

If we want to move onto the next slide? Next one. Okay, so just a little update on the current status. We have now had two comment periods, one - the first one constituency comment Number 1 was on overarching issues. We had six overarching issues that we considered within the charter starting with the very basic of should we even have more new gTLDs. Wow, I hear myself in echo, which is pretty scary.

We had gotten comment back last year on that, and we still have some drafting teams established to deal with some of the issues left over from that session. We then had community comment Number 2, which was very much for - I'm sorry, more specific questions devoted to each of the four work tracks. We - that comment period was about 45 days, maybe a little bit

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longer, I think we extended it, and have now with each of the work tracks gone through each of the comments with at least one pass through to incorporate those comments into our initial recommendations which we hope to put into the preliminary report.

If we can go onto the next slide. So oh good we do have the timeline here, which this is the timeline I was talking about initially. We are now in the October November timeframe where we are completing, as we said, the comments of the CCT2 and we will spend the next - actually this timeline is outdated. This is not the current one. Thanks, Steve.

So what that should say is not January but March we will post - the Q1 we will publish our initial report for public comment and the summary will be posted shortly after that, so in the April timeframe and then still aiming for that Q3 for the final report. So that's - apologize for that slide, we'll put the right one in there and post that one up when it's - when we can do that.

Jim.

Jim Prendergast: Yes, good morning, Jeff. Jim Prendergast just for the record. Could you fill us in on what the next three or four bubbles might be to the right of next steps so after the complete final report, what happens next?

Jeff Neuman:

Well the next step after we complete the final report will be to deliver the report to the GNSO Council. GNSO Council would then have to approve that, send that to the Board. The Board would then have to put that out for comment, which is usually a 42-day public comment period. And then ultimately the Board would have to approve it.

So if we're trying to look at, you know, feasible timelines, you know, there's obviously we'd have to consider how long that would take. Hopefully the GNSO Council will take our report and not have to deliberate too much with that and hopefully we can move those through the process. But I'm sure there

will be some implementation questions after that. So my guess is as the - after the GNSO Council approves the report to send to the Board, most likely they would be talking about setting up an implementation team to start talking about any implementation issues that we have covered as part of this.

Any other questions? Okay, I don't know if there's any other slides on the background, I think that might be it. So why don't we then go over to Work Track 1. The way we're going to work on this - sorry the way we're going to do this is to give each of the work tracks 30 minutes, we'll keep track of the time up here and let the work track leaders know when their time is getting near towards the end, but again, this is really intended to solicit feedback from you all, give you kind of an update as to what we're thinking on some of these topics, or what's come out of the previous discussions and trying to see your thoughts on that.

So with that, why don't we go over to the Work Track 1? And I will turn it over to Sara - okay Christa is pointing at Sara, so Sara, why don't you take it over from here?

Sara Bockey:

Great. Thank you, Jeff. This is Sara Bockey for the record. Next slide please. Okay, oh that's very small. All right so we were looking, as Jeff was saying, to get additional feedback regarding applicant support. Our first question that we were going to pose to the group was targeting recipients. And so in targeting the potential recipients are those who are more likely to be familiar with domain name space in developing regions. Let me open this where I can actually - oh - see it. Here we go. That's some help. I can't see that far. Could we set that more so it like fits in? Thank you.

All right so what I was saying, targeting potential recipients are those who are more likely to be familiar with the domain name space in developing regions. So looking at resources such as resellers or global university networks, aid organizations, or Internet Society chapters, so in looking at those, and considering who else might be a good resource what other groups do you

think may be interested? How much time should be anticipated for outreach those potential groups? And how other - or what other groups should be targeted and what would that outreach time be for those?

So that was a question that we thought would be good to pose to the group. I don't know if anyone has any thoughts, input, feedback. Jeff, I see your hand up.

Jeff Neuman:

Yes, thanks. So just to try to get some discussion started, we just got out of a meeting with the ALAC and there was certainly - this was considered a very important subject to them. They had brought up in terms of outreach to that some of the failures of ICANN in the last round were that ICANN did most of its outreach in the developed countries, which they felt was, you know, obviously not appropriate if you're targeting those from developing nations to get applicant support.

So they said certainly putting much more focus on those countries. They said that one of the issues was when they went to the developing countries all of the outreach was done online, and these are people that may not actually be online yet so that was one of the failures in their mind. And on outreach time on one of the other interesting things that was brought up was that they thought ICANN should have - generally ICANN the organization likes to remove itself from promoting the concept of new gTLDs. It tends to shy away from that, basically saying to the community or it believes the community will not look favorably upon ICANN Organization promoting top level domains because some in the community see that as promoting the commercial interests over others.

But there is clearly a difference, and this was talked about a little bit in the ALAC session, of promotion versus marketing. I think we all agree that ICANN's not in the business of marketing new TLDs, or marketing a particular new TLD, but creating awareness or promoting the concept of top level domains or use of top level domains is not considered by a number of people

to be outside of ICANN's remit. And so I don't know if that gives you some thoughts on outreach, but I thought I would throw that out there. I see Carlton, I don't know, you guys can't see Carlton in the back but if you want to come up and...?

Carlton Samuels: Thank you, Jeff. Carlton Samuels for the record. I'm following up on some of the issues that came out in the room next door. One of the interesting ideas is that you have development entities that are involved that would probably be helpful. I'm just going to connect that to an issue that's happening right now. Around the region, the Caribbean region, but definitely in Africa as well, is that there have been initiatives funded by the multilateral agencies, the World Bank, the Internet Development Bank, African Bank - Development Bank.

> And what the rye trying to boot is what they call a digital economy. And they are promoting access to the digital economy and they're running a lot of competitions to get innovation and most - entrepreneurial development in the digital economy. They are sometimes in the countries they're sometimes NGOs who are leading in this effort. And the idea that you could through the multilateral agencies, reach these NGOs, reach these entities that are in country trying to promote digital economy and inclusion in the digital economy. Those are good targets for sending the message about applicant support. I would suggest that you follow that through. Thanks.

Jeff Neuman:

Okay. Anyone else have comments on applicant support? Anyone have interest in that subject? Part of the issues, you know, we hear a lot that the applicant support program didn't work, it was a failure. Some say the criteria was - were too difficult, but we're not getting very specific feedback on what was so difficult about that criteria. And that's something that we are really in search of. We've talked to some of the applicants.

Just for recollection, there were four applicants - or three or four? Three - and only one of them had qualified for the applicant support, but then also put in for community prioritization and that's dotKids application. They're still in

some sort of appeals from one of the accountability mechanisms, but ultimately at the end of the day, you know, it's one thing to qualify for applicant support but then, you know, if they're not found to be a community, they're left with the notion of now going into an auction.

So there's no applicant support for auctions and so obviously if it's not found to be a community, that's probably the last we'll hear of that application simply because the mechanism in Round 1 for resolving contentions absent community prioritization, is through an auction. So that's - that's another interesting thing we may want to talk about. You know, what if we have someone who qualifies for applicant support but then is in a contention set? Do we give any prioritization based on that? Do we count their, you know, someone that floated an idea well let's say they do go to an auction but their bid counts as four times, what they are able to pay, so if they are able to bid - I'm making this up - let's say they're able to fund \$250,000 that that would count as a \$1 million auction bid. But, yes, that times four. So I mean, that's one idea that's been floated.

Another one, let's just say, and oh good we're getting some hands, but let me just throw out another one that the ALAC had just mentioned in the other room, they said it was unfair for people to apply for applicant support for them to fail applicant support and then their application just goes away, that it's dropped, there's no ability for that applicant to try to raise the funds or try to do anything to pay the application fee. It was really just some had said was punitive in nature, that you apply for applicant support, you didn't get it, therefore you're out completely.

So I'll throw that out there as a potential another subject that may get some comments here. But, Edmon, I saw your hand raised and Alan. Thanks.

Edmon Chung:

Edmon Chung here. So, on the particular topic, actually so we've been supporting the dotKids application and there - we can probably give very detailed feedback on what the challenges were. And I apologize if the team

received a note that - to give comments but didn't respond, but I think the dotKids team is more than willing to provide the feedback on what went wrong or what the problem was.

One of the key issues, Jeff, you were asking why is it so difficult? What is interesting with the applicant support process is that there are a bunch of questions that ask you that you need to be - you need to be poor enough basically, you need to have, you know, cash-strapped enough, but at the same time you need to be rich enough to continue to run the registry. So the balance is almost impossible. Basically the reason why dotKids went through is by getting an existing registry's unconditioned support to make sure that it continues to run. That's the only way to get it through.

We actually went through the process and we thought it very clearly because you have to be poor enough to get that support. And the support is only \$100,000 so, which then if you - which means that you can't also satisfy the other requirement which is the sustainability requirement, and the only way to do that is someone unconditionally supporting you going forward. And, you know, and that is not the right way to set up the requirements, I think.

So this is just one of those things. And there are a couple more that where you get one point here, you, you know, you definitely going to lose another point the other way unless some creative way to do it, which is not the right - which is not what was intended to be.

The applicant support actually that's interesting, I don't think the current applicant support program bars the remaining dollars to be used for auction, nothing in the policy says that. So I'm, you know, that's still to be considered. I don't think any specific paper says that that allocation of money cannot be spent on auction at this particular point. But I'll leave it there.

But some of the suggestion exactly, once it goes through then it gets in a contention set there needs to be some consideration I think for it if we are

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trying to actually support these applicants going to - you know, that this part is, dotKids aside, I think if we are putting out, you know, to support them through we should try to think through how we support them to actually go through the process and provide a little bit of a priority at that level too. But I understand that there is, you know, lots of other implications there. But it requires us to think through that particular part.

Jeff Neuman:

Yes, thanks, Edmon. We have Alan then Anne.

Alan Greenberg: Yes, two quick points. You said that the rule saying that if you don't meet the applicant support rules that you - that you cannot go through at all, and that's punitive. It is. But the larger issue is people would be reluctant to use the community - the applicant support request knowing that if they don't make it all - the whole thing disappears. So it's not only punitive if it happens, but it's a strong dis-inhibitor or inhibitor for people using the process at all.

> The other thing, and Edmon was talking about, you know, rules about the use of money, my understanding is the first round ICANN put up a pile of money to be used for applicant support. It is not intuitively obvious as I understand it where such a pile of money would come from this time around. Is it ICANN? Is it to be funded by the other applicants? That's not something I've heard talked about at all at least not at the meetings I've been at and clearly needs to be decided. Thank you.

Jeff Neuman:

Thanks, Alan, I have Anne then Maxim.

Maxim Alzoba:

Maxim Alzoba for the record.

Anne Aikman-Scalese:

Oh, thanks. Thank you, Jeff. It's Anne Aikman-Scalese, Lewis Roca Rothgerber Christie. I'm an IPC member. I agree with the comments previously made. And when we are reviewing a chart of categories of applications I remember making a lot of noise on that call about the potential for creating a separate category for applicant support, type applications. And it's because of the comments that were - have been made here that I was hoping that we would have that category, although I probably was the minority on that call, I just wonder again whether these questions that are being raised right now and the need to do better in Subsequent Procedures with the respect to applicant support, if we should not in fact designate that as a category for the purpose of addressing these questions and remedying them, hopefully. Thank you.

Jeff Neuman:

If I can ask a question? Maybe it's just I'm not following what designating it as a category means, if you could just go one step further to say if it's designated as a category, are you saying as a category that gets priority? Or what are the elements of...

Anne Aikman-Scalese:

lese: Well I think that would be a question, and then also you might have, you know, sub-sub team or some, you know, group of volunteers to work on these questions that have been raised. You might be getting, you know, something might belong in more than one category but if it's also applicant support how do you address the practical problems of not enough money so you can qualify for applicant support but on the other hand, you know, how do you sustain that if you don't know how to operate a backend registry?

You might get a group that could focus on these questions and bring them in under some sort of sub-sub team under Track 1.

Jeff Neuman:

Okay, thanks, Anne. We'll jot that down. I mean, I understand the point and I think maybe we didn't understand it the first time around. Yes, sorry, Maxim. Yes.

Maxim Alzoba:

Maxim Alzoba for the record. About the privileges of some particular category, from one point of view, if you look at the community applications which succeeded in this round, most probably you will find some not so poor communities behind it like financial community or oil industry backing up

some particular application. And in reality if you make rules too favorable for some to - for some particular category, we might face gaming where the company would choose like unaffiliated structure to apply for the TLD and ultimately I think we might come to station where we see something called ICANN-sponsored TLDs because if we say that the community doesn't have money to - for application, I simplify things, and they don't have money to run operations, someone has to pay.

It could be a good reason for some communities. I don't know. I think it's for ICANN community to decide in the total which TLDs are worthy of total support because if you are talking in supporting - and I think the supporting auctions is extremely - extreme case. Either give privileges or not, that's it. Because supporting auctions against some third party which can spend tons of money on the process is waste of funds. So I think it's about finding the balance between what community approves and the - to what station where it's gamed too hard. Any way you can do it. Thanks.

Jeff Neuman:

Thanks.

(Catherine):

(Catherine) (unintelligible) from dot(Zon). We had one applicant in a previous round where we thought this would be a good showcase for applicant support, and while we considered that most of the criteria the client met we still had this risk of losing the whole application. And finally the client decided to now follow this path anymore and rather to (unintelligible) and private investment and the TLD because this failure of losing the whole application and not being able to get back into the regular track of paying for everything and following the regular way. They considered being that too high.

So in my point of view, it would be better to have an option for applications filing an applicant support or going with the applicant support program to have an option to get back on the regular track and probably give them some more time to kind of get their financials coordinated.

Jeff Neuman:

Yes, thanks. Does anyone, you know, it's a good point and a lot of people have made that so far today. Does anyone disagree or take an opposite position? Does anyone support the current notion or what's currently in the Guidebook that if you don't qualify for applicant support your application should just be dropped? Alan.

Alan Greenberg: Yes. I don't disagree, but we come back to the fear of gaming. And I think if we're going to be fair to the people who do need support we are going to have to risk some level of people qualifying who don't really deserve it because otherwise we have no choice but to set impediments to make sure people don't want to use it, and this is one of them, and we were really successful in making sure people didn't want to use it, including a lot of people who probably should have.

> So I think there's a risk involved and we're going to have to be prepared to take the risk that yes some people will take advantage of us, you know, some funded travelers to ICANN go and be tourists for one day and you try not to fund them again, but that's a reality of life. It's going to happen and it's one of the costs of doing business. So I think we are going to have to swallow hard and be willing to accept a higher risk and know some people will take advantage of us, otherwise we're not going to reward the people we do want to reward.

Jeff Neuman:

Yes, thanks Alan. So is there anyone else on this particular - Cheryl. I see...

((Crosstalk))

Cheryl Langdon-Orr: Thanks, Jeff. Cheryl Langdon-Orr for the record. Just on gaming and I was part of the JAS Working Group and believe me, it was something we talked at, at length. It struck me at the time that there should be a way around this when we have the unusual circumstance of a deeply supported and facilitated applicant. And that is something that I just only now sort of remembered.

Is it possible to reduce those risks that Alan was just articulating by having a system where if one can be shown to have gamed, there is penalty, in other words, you pay back all your support and who knows what else. But it seems to me that rather than have something to secure that no one can ever possibly game it but they also found it almost impossible to qualify for it, is not the smartest way of going forward, where having a system where if you can have it demonstrated that you took advantage of ICANN support and therefore all of that comes back, has to be paid back, and perhaps other penalties. I don't know, it's just worthwhile us considering. Thank you.

Jeff Neuman:

Thanks, Cheryl. I'll turn it back over to Sara to go - oh, I'm sorry did I miss - oh, sorry, Christopher. Sorry, your - thanks, Michael. Christopher Wilkinson and then I'll it back to Sara to go over the next question. Thanks.

Christopher Wilkinson:

son: Hello. Christopher Wilkinson for the record, representing one of the coleaders of the Work Team 5. But on this particular point I'd like to add my voice to what Cheryl has just said. Paul Twomey once told me when I was grilling him about the problems of the new gTLD program, he said, "Look, Christopher, whatever we do somebody will try and game the system." I took that in my pipe and smoked it and thought there was actually some ways of countervailing irresponsible gaming.

Partly - it's partly the evaluation process, the identification of where the money comes from, and a careful examination of the registry's proposed policies including PICs or whatever they're called nowadays. But yes, you have to have some countervailing measures to deal with gaming. You can't exclude gaming through - and I revert to Paul Twomey's wisdom - you can't exclude gaming just by writing more and more criteria. Thank you.

Jeff Neuman:

Okay thanks, Christopher. I'm going to turn it back to Sara and Christa to see whether you want to go through this other slide on applicant support or jump to fees? It's up to you guys.

Christa Taylor:

Thanks. It's Christa for the record. I think we're going to jump to fees in consideration of the time. If we could move to the next slide? So we've had some discussions on the application fees going forward and the costs. So in the first round we had \$185,000; the second round will obviously be different or we're guessing it's going to be significantly different. And so far the discussions have come up of should we set an application fee floor? And if so, what would be an acceptable application fee floor amount? Would it be \$50,000? \$100,000? \$200,000? Or some other amount?

And the discussions have kind of come around the - a variety of different pieces. So for instance the fee should be significant enough that it reflects that the TLD is a valuable piece of the Internet. It shows that the applicant is serious about the commitment. We also want to avoid abuse and we don't want to have it too low so that it's detrimental to the security, stability or competition between the rounds. And we also don't want it to become a no risk commodity type of item. It also needs to be reflective of the commitment and responsibility of having a TLD and we want to discourage speculation.

On the flip side, we also have that the fees are too high and or if they are too high we might impose unfair barriers to entry, we might bias towards other established players or would-be entrants. And also for the small applicants who might be deterred by a higher fee, and then additionally artificially increasing the application fee might discourage applications and reduces the barriers to entry for underserved regions. So any kind of feedback on what you would think the different fee floor if there is one, would be greatly appreciated.

Don't all speak at once.

Rubens Kuhl:

Rubens Kuhl. I would say that reasonable floor would be like one year of first year of operating expenses so it could be something here ICANN fees plus backend fees or like one year because this would be like paying for that one

year expenses beforehand so that could be an order of magnitude of how a floor should look like.

Michael Flemming: I can - Michael Flemming here. I can support Rubens's proposal but just don't want to wait five years in order to get started or two or three years before you can actually delegate in that sense.

Christa Taylor: Any other feedback? Please.

Roger Carney: Hi, this is Roger. I don't know and maybe I missed it, but did ICANN publish a

number that actually cost to process an application and take that into

consideration when we talk about a floor, so.

Christa Taylor: To date there hasn't been any published fee going forward. We're kind of

speculating at this point on what the amount - that amount would be. We're guessing it would be over \$100,000 but let's say what happens if it's \$50,000, are we okay saying we're a not for profit and we don't want to have any other fees above that, and \$50,000 is the application fee. And then what are the

implications to that? Please.

Anne Aikman-Scalese: Yes, it's Anne Aikman-Scalese for the record. On the question of

being a not for profit, I understand that ICANN is operating with only a six-

month reserve fund, is - if anybody can confirm that? And so...

Man: Close enough.

Anne Aikman-Scalese: Close enough. So it might be a question whether - I think the

normal standard would be to have one year of reserves and there might be some question about not only how it looks from the applicant's point of view but also how it looks organizationally, if the standard really is one year of reserves, we should be - the nonprofit should be working toward that.

Christa Taylor:

Thanks. We actually do have a comment on the next slide where we do what do we do with the excess? And that is actually one of the items that's there. Jonathan.

Jonathan Robinson: Yes, was Jim ahead of me? Okay thanks, Christa. It's Jonathan Robinson for the record. I guess I've got two points that are more like questions for the group and see if - it may be provocative. What about the fact that this - and this has come up a number of times, but what about the fact that this is potentially another round of the same program and therefore the possibility of keeping the fee at exactly the same level but at the same time, in conjunction with that possibility, is making a firm recommendation that any excess fees are refunded across the program.

> So one still looks at it holistically, still looks at a cost recovery but that there's a level playing field across the program, across multiple rounds of this program but that has to go hand in hand with a message that - to the extent that there are excess fees that ICANN retains excess fees, that those are returned to the applicants regardless of which round they're in. Thanks.

> I mean, so that's really a point and a question. I'd quite like to know how others feel about that; it's a kind of - whether anyone else has got any strong feelings around those. Thanks.

Christa Taylor:

Thanks. Jim.

Jim Prendergast: Yes, Jim Prendergast. And just real brief on the reserve fund, some, including myself, may argue that you can also cut spending to get down to the 100% reserve funding. Seriously, on the question that Roger raised about do we have any insight as to what the actual cost per application cost this round, I don't think we have it but have we asked for it from ICANN staff as well? I don't recall that we did and if we didn't maybe we can or should.

Christa Taylor:

I think we've asked but it's dependent on how many applications which then ties into what is the limit that we can delegate per year, which then ties into, which then ties into, etcetera, etcetera. So we don't have an actual amount that we can say today.

Jim Prendergast: We don't have an amount that it cost in this last round or going forward? Because I know the \$185,000 was broken out into categories, \$100,000 for evaluation, \$20,000 for historical and then I believe \$65,000 was the remainder for the ICANN Legal fund, so I'm wondering if they've got any analysis on how they did against those numbers at least?

Christa Taylor:

It's Christa again. Wish I had it, and I haven't seen an analysis, and I've tried to work backwards myself. And I don't have it. We know that we have significant amount left over and we can probably use a percentage of completion on that to figure it out, but we don't have real official numbers.

John Berard:

Okay, Christa. May I? Yes? John Berard. Has any consideration been given to whether the price change, either up or down, would have an effect on the competitive marketplace for new gTLDs? Is there any concern that by changing the price that ICANN would be putting its finger on the scale in terms of either favoring the old new gTLDs or the new, new gTLDs?

Christa Taylor:

Sorry, I left my mic on. Not overly in terms of the discussions in favoring the new versus the old today, it's mostly we just focused on what do we do with the excess and are we okay creating an excess, because this is supposed to be a program where we're breaking even and not to generate excess funds. And then we went down the path of ICANN's a not for profit and therefore what are the implications, etcetera, etcetera. So to date, no.

John Berard:

But is it - could I suggest that it's a reasonable subject for consideration?

Christa Taylor:

For sure. And we'll bring it up. Thank you. Jeff.

Jeff Neuman:

Yes, I'm going to take the contrary point, I'll take off my chair hat, so this is not made as the chair. I don't think actually looking at past rounds or fairness to people who applied before should weigh in at all into these discussions. Although there was a round in 2012, there actually was a round in 2005, and there was a round in 2000 so I don't think the costs were - in 2000 - for the 2012 round the cost that people paid in 2000 and 2005 were not taken into consideration.

I think we should apply - we're not going to determine the cost in this group; this group is not going to determine the actual fee. This group is going to help to determine a formula or a policy on how that fee is going to be set. In other words, we could say it'll be strictly cost recovery but if cost recovery is less than a certain amount then we think the floor should be X and this is how you determine what that floor is, not that it'll be a certain dollar figure necessarily.

So, our job is not going to be to determine the actual fee. So I just want to focus us away or focus us towards the principles. And I think if existing gTLD registries want to make a point about fairness, I think that's fair. But I think that is not necessarily something that this group will necessarily take into consideration.

Christa Taylor:

Thanks, Jeff. So we have...

Jeff Neuman:

Sorry, let me just add one more - sorry, one more because I've heard the why come out here. The reason why is because if we took into consideration that we'd also have to take into consideration what is the economic value of going five, six, seven years before someone else. I mean, there's a lot of factors other than the cost being paid that would have to be looked at from a competition standpoint and we're not really qualified to make that kind of analysis.

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You certainly can make that comment in response to the ICANN Board, but I

don't think this working group should take a look at competition factors when

that's really a whole specialty outside of our remit. Thanks.

Christa Taylor:

John, did you have your hand raised? Please go ahead.

Jon Nevett:

Thanks, Christa. Jon Nevett. A couple points, one, I guess we do have some data, right? We know that ICANN is projecting \$96 million in excess application fees. So you know that they collect the \$355 million, you could do the subtraction and divide by the number of applications. To me that comes out to a little over \$130,000 per. So that, you know, that's totally rough but obviously we could get better numbers from them if we want. But we could look at that at least and say this time, in this round, the 2012 round, we spent

to date \$130,000 some odd thousand dollars per application.

The estimate of \$96 million includes the projections going forward. If something unusual happens then that could change obviously. And I think Jonathan - I just wanted to agree with Jonathan's point, it makes sense to look at it that way as long as we have a clear path to what to do with excess application fees, which unfortunately we didn't have in this round. Thank you.

Jeff Neuman:

I'm going to just jump in because we're running out of time for this group. We have two comments from people that raised their hands in Adobe and sorry for missing that. We have Sara and then Donna, and then I think we need to go onto the second work track.

Christa Taylor:

Can I jump in? I have one other slide with just a poll question.

Jeff Neuman:

Sure.

Christa Taylor:

So hopefully it would tie in even though we'll be over time but we'll make it

quick.

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Jeff Neuman:

Okay let's go Sarah, then Donna and then we'll finish up with that poll.

Sarah Langstone: Thanks, Jeff. Sarah Langstone from VeriSign. I mean, I don't have a potential answer but I did want the group to consider that the application fee is really just only one small part of the cost of running a TLD. You've got to be able to staff it, you've got to be able to run it, you've got to hire somebody else to run it for you. You're got to have the funds to promote it; you've got to be able to work with the channel.

> And if you can't afford to do all of those things then I don't - I think it would be difficult to, you know, increase choice or competition. I mean, I don't see how you'd be able to do that. I just wanted the group to consider it.

Jeff Neuman:

Donna.

Donna Austin:

Yes, thanks Jeff. Donna Austin from Neustar. My question was related back to the question of the floor, and whether we were trying to actually identify a number and I think I heard Jeff say that we're not trying to identify a number so that's why the \$50,000, \$100,000, \$200,000K was a little bit misleading if what we're actually trying to come up with is some kind of policy principle or implementation recommendation or something. I just found the figures on the bottom a little bit misleading.

To Jon's point about - and Jim's point about the - how the application fees were spent, if you look at ICANN's budget over - well from 2010 through now, they actually do a pretty good representation of what they've spent the fees on. And to Jim's point, the amount that was set aside for the risk category is essentially what's still outstanding, that's the excess. And that's anyone who's been reading correspondence from the Registry Stakeholder Group back to ICANN, there's a, you know, a conversation about what to do with those excess fees.

So I think you know, if we were to look at an application fee now, it's roughly \$130,000, it's the risk component that's still sitting in that bucket and that's what's largely been untouched by ICANN so far. Now whether there's just happen to magically get the budget to work out that way I don't know, but I think, you know, if you have a look at the budget over time it does provide a pretty good breakdown of where all the fees are being spent.

Jeff Neuman:

Okay thanks. Back to Christa and Sara to wrap up this Work Track 1. Thanks.

Christa Taylor:

Thanks. On the next slide if we can see that, and I don't know if we have a way to do kind of a poll? No? Okay. So I guess to date we've had a variety of different discussions, and I'm not sure if we have any other additions that we would add to what to do with the excess fees.

So for instance, if we had a number and we said anything above that is going to - sorry - the gap between the floor amount and the actual cost, we're going to have that excess fee amount. And what would we like to do with that amount? So would that money be used to say for instance support general outreach? Would those fees be able to be used to support ongoing ICANN fees to the registries? ICANN Compliance to ensure registry and registrar fees don't rise? Do we return it to the applicants, as we just heard?

Or do we absorb it into ICANN's general operating budgets, rebate to applicants, or make a charitable donation? So those are the ideas that we've had to date on what to do with the excess funds. And I was hoping to do a bit of a poll on which everyone's kind of thoughts on it. But if there are any other ideas or suggestions on how that excess funds fee should be used it would be greatly appreciated. Thank you.

Jeff Neuman:

Yes, thanks, Christa. Are there any other thoughts on other things on there without doing the poll? Alan, please.

Alan Greenberg: In today's world I don't think you can avoid adding return to reserve.

Jeff Neuman:

Okay that makes a lot of sense. So another option would be the ICANN reserve fund. Anyone else? Okay, Michael, are you ready?

Michael Flemming:

Oh, I suppose I am.

Jeff Neuman:

Okay, we're going to go to Work Track 2, why don't you use the mic on your left side there?

Michael Flemming:

Thank you. My name is Michael Flemming. Normally I don't need a mic, if you get that pun then credit to you. First of all for Work Track 2, I'm currently a mono-chair, I guess. But as Jeff stated earlier, we are accepting volunteers for cochair position. Basically for Work Track 2 we go over the legal, regulatory issues. There is a lot of material in this work track and we have - and sometimes we'll have weekly meetings, sometimes we'll have - usually we'll have biweekly.

You'd be getting into some - you have probably the best leadership team here to work with. And the dental plan is the best. So with that, if you have any interest in that, please speak with me after this meeting.

Next slide please. So for Work Track 2, this time around, we decided to go over the topic of the global public interest. I'm going to go through a bit of background material and then kind of introduce some of the questions that have been raised with what - so far in what we've been talking about. But just bear with me for a few minutes please.

So first of all, we are not trying to answer what the global public interest is here. Our mission is basically to pick at the PICs or to analyze the PICs, the public interest commitments that are introduced in the Registry Agreement. And the goal of today's discussion will be to present our progress and then seek further input from the community.

Next slide please. So background information and where are we now? Next slide please. So basically what are the PICs? Well the PICs are introduced in Specification 11 in the Registry Agreement. They can be broken down into mandatory PICs and voluntary PICs. Within mandatory PICs you see things like having to use an ICANN-accredited registrar that has signed the 2013 RAA as well as requiring registrants to not engage in abuse infringement or other legal activities. And registries also need to monitor security threats and provide reports to ICANN of how they identified those threats and the actions they took.

Registry must also operate in a transparent manner. This is a very vague one but it has a lot of meaning to it. And then within the mandatory PICs there's also another session that - or another specification - sorry, specification - other section that is not the topic of today's discussion. This is the aspect that those who operate a generic string cannot operate it in an exclusive manner, meaning that it's limited to only the registry or their affiliates. And this has been closed or separated as closed generics. That's another fun topic we get to talk about but again, we're not talking about it today.

Next slide please. So there's also volunteer PICs. Volunteer PICs, what are they? Well basically they're voluntary. They originally came out of GAC early warning advice, or sorry, GAC early warnings that were raised when basically the public list of applications came out. And it was basically the attempt of many registries to kind of mandate the concerns that the community and the GAC had before it was tied to them directly.

And the result of that was that voluntary PICs were basically tied into the Registry Agreement so that they're now contracted to do it. Again, many of them deal with anti-abuse, additional RPMs, as well as geographic protections, but the interesting part about these is that many of them reserve a right to not continue those or even eliminate them at some time, the sole discretion right.

Next slide please. So how have we spoken about this so far? Well we had one meeting and that was before ICANN Joburg, June 6, 2017. And at the time of the call, what was interesting was the fact that there is actually a dispute resolution to deal with complaints that are filed in regard to PICs, basically registries that hadn't been following them, and that is the PIC DRP.

There has only been one PIC DRP case that I believe has been filed to date. The result of that fraudulent activity was found, but nothing validating a breach of the Registry Agreement. There's also been the point raised that possibly PICs have been grandfathered into the ICANN Bylaws, sections such as 1.1.D.2 and 1.1.D.4 are potentially tying ICANN to needing to follow the public interest, to protect the public interest, and therefore requiring public interest commitments.

There's also been the question raised whether or not if there hasn't been any potential abuse behavior, if there's no evidence of potential abuse behavior that has been prevented so far, what's the point of even having PICs? And from this meeting we also reached out to ICANN Compliance to have data so far in regards to what complaints have been filed in regards to PICs. I will be presenting those findings today as well.

Next slide please. Our second meeting, believe it or not, was just before this meeting. We seem to always have these last minute before ICANN meetings. But it was two weeks ago. And at that time we went over the CC2 or the Community Comment 2 feedback that we received from one question we asked in regards to the public interest commitments.

Basically our question broken down very simply is whether or not the PICs have served their initial - their intended purpose up until now and whether or not there should be other mechanisms that could be employed to serve the public interest. Next slide please.

We received a number of responses and I've taken my personal liberty to kind of provide a very broad summary here. So if you feel that I haven't grasped the full nature of your comment and it's not intended that I have, please feel free to voice that.

What we received from the GAC was basically reiterated advice, or sorry, not advice, comments about their previous advice about how the current process that has been introduced to deal with Category 1 and Category 2 (unintelligible) advice should be enhanced. The vTLD - sorry, the Verified TLD Consortium and the NABP recommended that TLDs linked to regulated and professional sectors such as health and medical should also be operated as verified TLDs, so meaning that if there are similar words in there that they should also operate as verified TLDs if they are within a sector that is of the public interest.

The ALAC reiterated concerns about PICs and stated that trust can be increased through restrictions or for - on those who can become a registrant in how the new name is used. (John Poole), I believe, I'm pronouncing his name correctly, recommended additional mechanisms. The Registry Stakeholder Group, BRG and Afilias said that the PICs have served their purpose and none are no further PICs should be required or additional mechanisms. And then (Janek), whose name I always mispronounce, stated that there should be no mandatory safeguards at all. Next slide please.

So what about the data we've gotten back from ICANN? I just want to take a few minutes to go over this one. So next slide please. So from ICANN Compliance we've been told that ICANN has processed a very small number of complaints about registries that have not been using ICANN-accredited registrars, or sorry, 2013 RAA ICANN-accredited registrars.

In 2014 ICANN also went over a proactive monitoring effort in order to analyze registry's compliance with security threat monitoring, operating in the transparent manner and limiting of registration periods. The results are shown

in this link and I think the slides will be provided afterwards if they haven't already so you can view that for yourself.

Next slide please. Sorry. So between 2014, 278 complaints in regards to Spec 11 were filed with ICANN - were processed, sorry. Which is - what's interesting though is that 249 of those were out - came out of the proactive efforts that was done in 2014. Other than that there really haven't been a lot that have been filed. But as ICANN said during that time, it's still early days.

One complaint out of the 278 was from a third party processed under the PIC DRP and then 29 were closed being found invalid. All registries have demonstrated compliance after ICANN Compliance worked with them. And ICANN Compliance still continues to audit registries proactively.

Next slide please. What about the nature of these complaints? Well, two of them were from external reports, in scope with Spec 11 and they were in regards to Spec 11 3a and 3c. These were addressed using the PIC DRP. Now within that one of them actually did go to the PIC DRP. And the other one was resolved before that. I'm sorry, I'm skipping a bulletin.

The PIC DRP itself defines the steps required to resolve PIC complaints and it can be raised by ICANN and a PIC DRP panel can be invoked or no action can be taken at all. And then like I just said, the ICANN - ICANN invoked the standing panel for one of the two PIC DRP valid complaints, and it was found that the registry was noncompliant; the other was not necessary. And that is the end of the ICANN findings. Next slide please.

And so these are just some of the questions that we're going to ask. Next slide please, sorry. These are some of the questions that have been asked already. We're asking again to kind of get further feedback today. Are further PICs necessary to address the public interest? Should voluntary PICs be time limited? Without evidence of a potential abusive behavior being prevented thanks to PICs, should they be enforced at all? In the event PICs are made

after communities and governments comment on an already-submitted application, can it be agreed that PICs are a way to change an application?

It has been raised that TLDs which are linked to a professional sector should be regulated. Do you foresee this as a way forward for applied-for strings that may raise public interest concerns? Are PICs a good way to go about resolving this?

So I'm just going to open the floor if anyone has any comments or questions any feedback that we can receive. I think I did a good job. No?

Jeff Neuman:

Thanks. This is Jeff Neuman. I know that some snacks have been brought in so if you can - if you want some just quietly go up there, grab some but I'd like to continue the discussion going on.

So as Michael said, these questions are really important because this PIC process was created kind of out of the then CEO's, you know, mind that was his way to address these early warnings. Is this a system we should keep? Is this the way to go about it? What does everyone think? I mean, this is an important subject. So PICs are perfect. This is - we're going to go forward and recommend no changes?

Michael Flemming: Well I kind of picked this one because it was the topic that we haven't really had a lot of time on so far. But we can talk about closed generics. I told Jeff I'd be happy to open the floor for any of the topics that we are addressing in Work Track 2 to receive feedback. And, Alan, please go ahead.

Alan Greenberg: I'll be gutsy enough to speak. No, I don't think PICs are particularly perfect.

And - but I think they are a mechanism that may have more utility going forward than they did going back. Given that if we say they are there they will be there from Day 1; given that we're talking about community TLDs and various other classifications of TLDs there will need to be a vehicle to make sure that if a TLD says they're going to do X and Y, that they actually

continue to do it and meet those qualifications especially if we're going to end up giving them special privileges, special price or whatever the other things are in exchange for the - that differ from category to category.

So I think that may - they may well be a very good vehicle. Like many things in ICANN whether the term "public interest" is the right term or not, maybe we change the term just so we don't have people asking, "But is that issue in public interest?" But I think we'll need a place in the contracts to get commitments, and I believe irrevocable commitments without at least going through an RSEP so I think we'll need something, whether that is the best name, I can easily think that maybe it's not the best name. But I think we need that kind of thing going forward. Thank you.

Michael Flemming: Thank you, Alan. Rubens wanted to go. And just raise your hand if you would also like to go after that.

Rubens Kuhl:

Rubens Kuhl. I just think we should get rid of the mandatory PICs because they are not public interest at all; they are ICANN-interest, that is an ICANN interest for asking for ICANN accredited registrars. So they should move to somewhere else in the contract, not that we should exclude those commitments, and shouldn't be called commitments, is just rules of the system, is rules of the game.

But we could keep the voluntary PICs, even if they are usually not that voluntary, like you are volun-told to do something or else you'll lose your TLD, but I think voluntary PICs have a place there, just not the mandatory ones.

Michael Flemming: Thank you. Jon, go ahead.

Jon Nevett:

Thanks, Michael. I actually agree with Alan. You know, if a TLD gets community, gets special privileges, special pricing, anything else that you mentioned, it's a special provision that makes sense. And whether we call it PIC or something else doesn't matter, those should be mandatory. I disagree

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with Rubens in that we should have mandatory PICs and it should be in - it

makes sense to have it in a special spot. Here we have it in Spec 11. If you

put it in the base and it applies to some TLDs, and not others, it's confusing

but that's why it's in a special specification.

For example, the highly regulated TLDs have mandatory PICs in this round.

And the almost-highly regulated or the medium regulatory regulated TLDs

have requirements there as well. And those are mandatory PICs, those make sense. The voluntary PICs are ones that certain registries agreed to do

without being volun-told to do it, though some of us were encouraged to do it.

There's about less - the last set I saw was about 28% of registries actually

have these voluntary PICs, some of them have sunsets. We did sunsets,

some others did sunsets.

We only did it if there's a compelling and substantial business need to change

them. We've had the right to change them since January 2016, we haven't

because we haven't had that need. But those were all voluntary; those were

saying hey, these are our principles, this is what we're going to do. And we'll

agree to sign up to that. But the mandatory ones, those are the important

ones, those are the ones that we say as a community, you must do because you got some kind of special privilege or because you're in a highly regulated

area or the things that we're worried about.

So I think it's the mandatory ones we really need to follow through on; the

voluntary ones, that's a nice to have and it was a feature of this round that

probably makes sense to continue but it's really the mandatory ones we need

to focus on. Thanks.

Michael Flemming:

Okay, I saw - did you see him before me? Okay.

((Crosstalk))

Michael Flemming:

Anne was first - okay, Anne, you've been - go ahead.

Anne Aikman-Scalese:

lese: Yes, thanks. It's Anne Aikman-Scalese for the transcript. And I have a question and the question is based on the assumption that there's a relationship between consumer trust and confidence and the public interest. And the question is about whether the results of the review on consumer trust and confidence are somehow being factored in here to the question of PICs and whether there were questions in that review that bear in this consideration.

Michael Flemming: So yes, thank you. So we received a number of recommendations from the CCTRT. I'm assuming this is...

Jeff Neuman: Preliminary.

Michael Flemming: ...yes, the preliminary ones. We are taking that into consideration just not at the current time I believe. I think Jeff can answer better on the timing of that.

Jeff Neuman:

Yes, so obviously we haven't seen a final report because they haven't posted one yet. But in the preliminary report when this subject came up they really didn't make any recommendations other than they didn't really have the data and didn't really understand what was behind the PICs. They didn't understand the - if I remember correctly it was, you know, what is the intent of the public interest commitments? And they wanted for the next round to get more data from the registries as to when they propose a voluntary PIC what are they actually trying to get at?

So there were no real recommendations from the CCTRT, at least in the preliminary report, that could completely change I guess in the final report. But ultimately at the end of the day our group is going to take the CCT recommendations and then figure out how to incorporate that advice into our work.

So assuming that that comes out hopefully, I mean, it was supposed to - the final report was supposed to be a number of months ago; it's been delayed, now they're working on a couple interim subjects that were not in the preliminary report but are - but have come in since then. I think one of them was the INTA survey and some other - there was one other item that they just published or asked questions about.

Oh DNS abuse and parking were two other. So I don't know when the final report is coming out. I'm not sure they've made that timeline public. Obviously to the extent that when it does come out we'll have to consider it, whether that's before our preliminary report or not, we'll have to just see how the timing works out. But at the end of the day, yes, we are charged with considering the findings of that final report.

Michael Flemming: All right, I still had Alan and - I'm sorry, (Catherine), (Catherine), I'm sorry and Jim.

Alan Greenberg: Thank you very much. A couple of small points, the title "public interest" has always been interesting. If I remember correctly, the commitment to use accredited registrars is a public interest commitment. I've always had trouble with that particular fit. But as we go forward if we're looking at things like closed generics where we again use the term "public interest" that we might allow a closed generic if it is in the public interest because you have committed to run the registry in a certain way, I think those are voluntary public interest commitments whether we call them something else or not, that

quite well fit.

And again, that's one of the reasons that I say they have to be irrevocable other than going through a due process because if we're allowing the use of a particular string because of the merits of what you say you're going to do with it, that's not something you want to be able to change unilaterally. Thank you.

Michael Flemming: Thank you, Alan. So I have (Catherine), Jim, a remote comment and then Maxim. And I'm going to close the queue after (Catherine) goes, so.

(Catherine):

(Catherine) (unintelligible) from dot(Zon). Just one point about predictability I think we all agree that this kind of late introduction of the PICs weren't - not perfect. And I would really like to see that this kind of introducing new mechanisms will not happen in the next round. So no matter whether the PICs keep and are voluntary and mandatory or whether we just decide to have one of them, but to not have this process again that mechanisms are introduced after people filed the applications.

Michael Flemming: Thank you, (Catherine). Jim, please go ahead.

Jim Prendergast: Yes, Jim Prendergast. Jon, thanks for your explanation of it because it actually helped me look at PICs in a completely different light. And it's tying back into - and I can't remember which work track it is, but the topic of specialization and personalization of registry contracts. The fact that there are 27% of new gTLD applicants that have PICs means there's 27% of new gTLDs operating with a contract that's different from the base Registry Agreement.

So whether it's a public interest commitment or what, I'm starting to look at it based upon what you said as maybe it's a vehicle for specialization and personalization of Registry Agreements going forward where you could put additional things in there as we talked about with different considerations on how you operate or discounts you're given or, you know, things like that, applicant support, it becomes a pretty flexible vehicle to get a lot of that stuff into the contract without that after we've already gone through this process big surprise. Thanks.

Michael Flemming: Thank you, Jim. Jeff raised a good point in regards to that too as well as, you know, the aspect of PICs being able to change the application but, you know, wholeheartedly also being able to change the agreement in that itself.

And then I have a remote comment as well from John McCormick at hosterstats.com.

This is the comment. Yes, okay. "On Point 5, regulation generic," sorry, English. "Regulation generally means smaller registration volume. At least one professional sector gTLD has usage problems in that they are not generally used for the professional sector. This is due to discounting leading to Web spam and other low quality usage." Would anyone like to respond to that? Okay.

Maxim, you have your hand up. And did anyone else raise their hand? No? Okay, I'm like the closest on time then. Maxim, please go ahead.

Maxim Alzoba:

Maxim Alzoba for the record. I think we still have a small issue of no definition of public interest in legal framework because if you look at the documents we have to, yes, follow formally it's something like whatever ICANN needs basically if ICANN spends for example \$1 million on something important as some meeting, I don't know, then we might see a situation where registries and registrars see in the invoices, yes, for public interest, additional, yes, money. You know, we need that. So I recommend us to, yes, to put definition of public interest somewhere to avoid exploitation of the term.

Michael Flemming: Thank you, Maxim. I'm going to give it to Jeff in just a second, I'd like to comment on that really quick. And I'm going to say no to that and the reason why is because it's - there is - there have been a lot - there's been a lot of work at ICANN exploring what the public interest is but in none of those do we have one sole definition that's been agreed upon. There are mentions of the public interest within the ICANN Bylaws, but then again, sorry, but then again, it doesn't say what it means; it doesn't define the public interest in that regard.

We had this question when it came when closed generics came up as well. In fact these two topics are very much tied together but what is the public

interest? We can't answer that wholeheartedly in this aspect. Jeff, why don't you go ahead?

Jeff Neuman:

Yes, I mean, I think - sorry, this is Jeff Neuman. I think this all relates at the end of the day to the point that Alan made which is you know, perhaps the term "public interest commitments" is not the right term at all. Really what this amounted to is a means to address comments that were raised by the community and the governments, I mean, essentially that's - all the PICs came - all the voluntary ones came out of either the public comments when the applications were posted or the early warnings that the governments - the GAC had - or individual countries or their governments had issued.

So perhaps it's looking into a different term but at the end of the day, again, it's just a means to address the concerns that were raised by the community. And to that end, my question, which we don't have time today for, but one that we need to consider is there was definitely a reluctance by the ICANN organization to allow changes to be made to applications once the applications were filed. And this seemed to be kind of the only mechanism that enabled those changes without calling them changes.

Do we at the end of the day just allow applicants, registry applicants to make changes to the application to address concerns, not other types of changes, right, but not, you know, ones that would, you know, give them more favorability for community status or whatever it is, but specific changes to address concerns by the community, we could call it something very different and - but as Alan said, then those would be somehow documented in the contract whether you could change or not, that's a whole other issue but I think that's really what it is.

Michael Flemming: Thank you, Jeff. Is there anyone else? We do have two minutes. I'm just going to say that throughout all of our discussions on the public interest, I really have to say that that definition really is in the eyes of the beholder.

Everyone determines what it is and how to interpret it. And if we ever do get a definition on the public interest, I'd be happy to eat my watch. So...

Jeff Neuman: Eat your what?

Michael Flemming: My watch. My watch. I don't have a hat so I can't say that. But I think we're having server difficulties, so are we going to take a break then or no?

Jeff Neuman: Yes, okay, let's - since we're trying to get our system back online, why don't

we take - how much do we allow?

((Crosstalk))

Jeff Neuman: All right, so I'm going to say 10 minutes. So everyone back at - so it's 1:40 on

my watch so - yes, two o'clock - no everyone back by 1:50, 10 minutes until

2:00, we'll start right on time. Thanks.

**END**