

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
CenturyLink's Proposal for Service-Based)	GN Docket No. 12-353
Technology Transitions Experiments and)	GN Docket No. 13-5
Request for Declaratory Ruling)	

REPLY OF CENTURYLINK

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TABLE OF CONTENTS

	Page
I. INTRODUCTION AND SUMMARY.....	1
II. THE COMMISSION SHOULD GRANT CENTURYLINK’S REQUESTED DECLARATORY RULING TO PRESERVE THE REGULATORY STATUS QUO.....	3
III. THE COMMISSION SHOULD DISREGARD COX’S CONTENTIONS REGARDING THE PROPOSED SCOPE OF THE TRIAL.....	7
IV. CENTURYLINK’S PROPOSAL CONTAINS ADEQUATE MEASURES TO ENSURE TRANSPARENCY AND PRODUCTION OF MEANINGFUL DATA.	9
V. CONCLUSION.....	11

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CenturyLink, Inc. (CenturyLink) hereby files this Reply regarding its proposed service-based experiment, or trial, related to the ongoing transition from time-division multiplexed (TDM) to Internet Protocol (IP) services.

I. INTRODUCTION AND SUMMARY.

On November 12, 2014, CenturyLink submitted a proposal for a TDM-to-IP trial in an area encompassing twelve wire centers (Trial Area) in Las Vegas, Nevada.¹ As proposed, the trial would explore the impacts of the TDM-to-IP transition on business end users *and* providers exchanging Voice over Internet Protocol (VoIP) traffic through commercially-negotiated connectivity arrangements utilizing Session Initiation Protocol (SIP). CenturyLink would be joined in this trial by two CLECs, Bandwidth.com, CLEC, LLC, and its affiliates (Bandwidth) and Inteliquent. If approved, the trial would enable these three providers to work through operational, technical, and logistical issues associated with the transition, generating valuable information for the Commission and other interested parties to ensure that the “enduring values”

¹ See *In the Matter of Technology Transitions, AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition*, GN Docket Nos. 12-353, 13-5, CenturyLink Proposal for IP Service Trial and Request for Declaratory Ruling (Nov. 12, 2014) (CenturyLink Proposal); Public Notice, Commission Seeks Comment on CenturyLink’s Proposal for Service-Based Technology Transitions Experiments and Request for Declaratory Ruling, DA 14-1678 (Nov. 21, 2014).

identified in the *Technology Transitions Order* continue to be fulfilled. Given its focus on business users and VoIP interconnection, CenturyLink's proposed trial will complement AT&T's pending consumer-centered trial,² and will help facilitate this critical transition to next-generation IP networks and services.

CenturyLink's proposal also includes a request for declaratory ruling, seeking confirmation that CenturyLink's participation in this trial will not in any way affect its preexisting regulatory obligations—or create any new ones—related to the exchange of voice traffic with other providers.³ In particular, CenturyLink requests that the Commission clarify that CenturyLink's exchange of local voice traffic in IP format with Bandwidth and Inteliquent in this narrowly-circumscribed trial would not create an obligation for CenturyLink to enter into similar arrangements with other providers, either within or outside this trial, or impact any obligation CenturyLink has to negotiate in good faith in response to requests for IP-to-IP interconnection for the exchange of voice traffic.⁴ CenturyLink's participation in the trial is contingent on the Commission granting this requested clarification.⁵

Two comments were filed in response to CenturyLink's IP trial proposal. The first generally supports the proposed trial,⁶ while the second, filed by CenturyLink's primary

² See AT&T Proposal for Wire Center Trials, GN Docket Nos. 13-5, 12-353 (filed Feb. 27, 2014); Public Notice, Commission Seeks Comment on AT&T's Proposal for Service-Based Technology Transitions Experiments, 29 FCC Rcd 2102 (Feb. 28, 2014).

³ CenturyLink Proposal at 10.

⁴ *Id.* at 10-11.

⁵ *Id.* at 11.

⁶ See Comments of Communications Workers of America, GN Docket Nos. 12-353, 13-5 (Dec. 22, 2014). Like CWA, CenturyLink believes that a skilled, well-trained workforce is key to realizing the benefits of the IP transition and delivering a seamless, high-quality customer experience.

competitor in Las Vegas,⁷ seeks conditions that are flatly inconsistent with the parameters of the *Technology Transitions Order* and would dramatically alter the scope and character of the proposed trial.⁸ For example, Cox asks the Commission to apply certain Section 251/252 requirements to the trial, despite the Commission's clear intention not to make legal and policy determinations in the context of such trials; to expand the trial from the small volume of calls contemplated in CenturyLink's proposed trial to a much larger volume of IP-to-IP voice calls exchanged with Cox and potentially other providers; and to abandon an important portion of the trial examining the on-boarding process for new VoIP customers. None of these conditions proposed by Cox is warranted or necessary.

The Commission can also disregard Cox's incorrect contention that the proposed trial will affect the voice traffic of providers that are not participating in the trial. Finally, given the proposal's robust measures to ensure transparency and the production of meaningful data, the Commission should decline to adopt the burdensome and unnecessary conditions Cox suggests.

In light of this record, CenturyLink renews its request for expeditious approval of its proposed trial and associated petition for declaratory ruling, as proposed, so that CenturyLink may begin working with its CLEC trial partners to implement the trial in support of this critical transition.

II. THE COMMISSION SHOULD GRANT CENTURYLINK'S REQUESTED DECLARATORY RULING TO PRESERVE THE REGULATORY STATUS QUO.

As part of its proposal, CenturyLink requests confirmation that its participation in the proposed trial would not alter its existing regulatory obligations by, for example, compelling it to

⁷ Comments of Cox Communications, Inc., GN Docket Nos. 12-353, 13-5 (Dec. 22, 2014).

⁸ See *In the Matter of Technology Transitions; AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition*, GN Docket Nos. 13-5, 12-353, Order, 29 FCC Rcd 1433 (rel. Jan. 31, 2014) (*Technology Transitions Order*).

exchange local voice traffic in IP format outside the trial, which would be premature given that the vast majority of its voice customers are still served via TDM. Arguably such confirmation is unnecessary, in light of the Commission’s statement that, by exchanging VoIP traffic in a service trial without converting that traffic to TDM, “that provider shall not be deemed to have conceded – nor will the Commission have determined – that VoIP traffic is subject to interconnection obligations.”⁹ Nevertheless, given the highly-charged atmosphere surrounding IP interconnection issues, CenturyLink requests this straightforward clarification.

In light of Cox’s comments, CenturyLink’s concern in this regard appears to be well-founded. Cox not only opposes CenturyLink’s request for declaratory ruling, but also urges the Commission to adopt three conditions or findings that would conflict with the framework established in the *Technology Transitions Order* and undermine the intent of CenturyLink’s proposed trial.

First, Cox asks the Commission to require CenturyLink to treat its trial agreements with Bandwidth and Inteliquent as Section 252 interconnection agreements that must be filed with the relevant state commission for approval.¹⁰ As Cox well knows, however, the Commission has never imposed such a requirement.¹¹ Indeed, in 2011, the Commission sought detailed comment on the regulatory framework that should apply to IP-to-IP interconnection for voice traffic,

⁹ *Id.* at 1442 ¶ 25.

¹⁰ Comments of Cox Communications at 7.

¹¹ The *Technology Transitions Order* contains no requirement that a trial agreement be filed with a state commission as a Section 252 interconnection agreement, despite twelve pages of conditions, presumptions and relevant factors for evaluating service-based experiments. *Technology Transition Order*, 29 FCC Rcd at 1446-58 ¶¶ 37-72. Given the absence of such a requirement, there is also no need for CenturyLink to seek forbearance. *See* Comments of Cox Communications at 6 (asserting that CenturyLink should have sought forbearance or “temporary forbearance” from Section 251/252 requirements).

including the applicability of Sections 251 and 252.¹² In that and subsequent proceedings, Cox and other CLECs urged the Commission to apply the full scope of Section 251/252 obligations to such interconnection, while others argued for a more measured approach.¹³ That proceeding is still pending.

In the *Technology Transitions Order*, the Commission “disclaim[ed] any intent” to resolve such legal or policy questions in the context of service-based experiments, as Cox acknowledges.¹⁴ Instead the Commission sought to create “arenas of innovation” where trial participants can explore and resolve operational challenges that result from transitioning to new technology, free, “to the extent possible, from the necessity of calculating the rippling legal and policy ramifications of each new action.”¹⁵ In other words, the Commission sought to shield service-based trials from ongoing battles over the regulatory framework applicable to IP connection, so that trial participants can instead focus on operational challenges. Cox’s attempt to use the proposed trial to further its regulatory agenda should be rejected.¹⁶

¹² See *Connect America Fund, et al.*, WC Docket Nos. 10-90, et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 18129-32 ¶¶ 1351-58, 18139- 47 ¶¶ 1380-98 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*), (subsequent regulatory history omitted), *aff’d sub nom.*, *In re: FCC 11-161*, Nos. 11-9900, et al., 753 F.3d 1015 (10th Cir. 2014), *petitions for rehearing en banc denied* (Orders, Aug. 27, 2014), *petition for cert. filed by United States Cellular Corp.*, 2014 WL 6680501 (U.S. Nov. 25, 2014) (No. 14-610).

¹³ See *Technology Transitions Order*, 29 FCC Rcd at 1454 ¶ 61.

¹⁴ Comments of Cox Communications at 2.

¹⁵ *Technology Transitions Order*, 29 FCC Rcd at 1442 ¶ 25.

¹⁶ The Commission should also ignore Cox’s contention that CenturyLink’s characterization of its trial agreements as “commercial” agreements reflects some type of nefarious intent. This characterization simply reflects CenturyLink’s understanding of the current state of the Commission’s rules, which do not require such agreements to be treated as Section 252 interconnection agreements. Regardless of how they are characterized, CenturyLink has committed to file those agreements with the Commission once they are finalized. Operating Plan at 8.

Second, Cox asserts that CenturyLink’s willingness to exchange IP traffic with Bandwidth and Inteliquent in the trial would imply an obligation to do the same with other carriers under similar terms and conditions, in accordance with Sections 251 and 252.¹⁷ As CenturyLink explained in its request for declaratory ruling, but for the proposed trial, it would not, at this time, be offering to exchange any type of local voice traffic in IP format, because virtually all its residential voice customers are still served via TDM services, and the vast majority of its business customers are as well. It is thus premature for CenturyLink to exchange local voice traffic in SIP format outside of the context of a trial. It can do so in the proposed trial only because the trial is of manageable scale and scope—limited to two exchanging providers, a single state, and a relatively small amount of voice traffic that is already in IP format on an end-to-end basis.¹⁸

To avoid any misconceptions, CenturyLink requests the Commission clarify that CenturyLink’s exchange of local voice traffic in IP format with Bandwidth and Inteliquent in the trial would not create an obligation for the Company to enter into similar arrangements with other providers, either within or outside this trial, or impact any obligation CenturyLink has to negotiate in good faith in response to requests for IP-to-IP interconnection for the exchange of voice traffic.¹⁹ Such clarification is fully consistent with the Commission’s intent of enabling providers to explore technical, logistical and operational issues free from concerns about the regulatory impacts of doing so.²⁰

¹⁷ Comments of Cox Communications at 5, n.14.

¹⁸ CenturyLink Proposal at 11.

¹⁹ *Id.* at 10-11.

²⁰ See *Technology Transitions Order*, 29 FCC Rcd at 1442 ¶ 25.

Third, Cox asks the Commission (at 7-8) to force CenturyLink to exchange IP-to-IP voice traffic with Cox and other providers in the trial, in clear conflict with the Commission’s finding that the service-based experiments it solicits are “voluntary.”²¹ Expanding the trial, particularly to include providers demanding the application of 251/252 requirements, would shift the focus away from the technical, logistical and operational issues intended to be addressed in the proposed trial.²² It would also require significantly more resources than CenturyLink can afford to devote to this initiative. If the Commission insists on this condition, CenturyLink regretfully will be compelled to withdraw its proposal. Of course, Cox (as well as any other provider) is free to design and conduct its own service-based experiment.

In short, for the reasons noted, the Commission should reject each of these conditions and grant CenturyLink’s requested declaratory ruling.

III. THE COMMISSION SHOULD DISREGARD COX’S CONTENTIONS REGARDING THE PROPOSED SCOPE OF THE TRIAL.

Cox also makes certain contentions regarding the scope of CenturyLink’s proposed trial that should be disregarded. First, Cox disputes CenturyLink’s statement at page 9 of its proposal that the trial will have no impact on retail and wholesale customers not participating in the trial.²³ Cox argues that the proposed trial “necessarily *will* have a substantial impact on non-participants and their customers (as such customers inevitably will place calls to and/or receive calls from business customers that use CenturyLink’s IP-based services).”²⁴ Cox also contends that

²¹ See *Technology Transitions Order*, 29 FCC Rcd at 1444 ¶ 32 (“These experiments are voluntary on the part of the providers.”)

²² As required by the *Technology Transitions Order*, CenturyLink will preserve the status quo with regard to its interconnection arrangements with Cox and other voice providers. Operating Plan at 27.

²³ CenturyLink Proposal at 9.

²⁴ Comments of Cox Communications at 6 (emphasis in original).

“[c]ustomers outside of the Las Vegas market also could be impacted—particularly given that Inteliquent operates as a transit provider.”²⁵ Cox is wrong. As the CenturyLink Operating Plan makes clear, the VoIP connectivity portion of the trial will impact only traffic for IP-to-IP calls between a CenturyLink retail VoIP customer and Bandwidth/Inteliquent retail VoIP customers that originate and terminate in Nevada.²⁶ Thus, this aspect of the trial will have no impact on retail customers or other providers, even to the extent they place calls to and/or receive calls from CenturyLink VoIP customers and even to the extent a retail customer’s underlying provider may use Inteliquent as a transit provider. And, it follows that the trial will have no impact on wholesale customers not participating in the trial. For this reason alone (*i.e.*, in addition to the other reasons discussed above and below), Cox’s four demands on pages 7 and 8 of its comments (*e.g.*, proposed requirements of filing and approval under Section 252, allowing other providers to participate in the trial, greater transparency, and limitations on participating customers)²⁷ should be rejected.

Second, the Commission should also reject Cox’s request that the Commission limit the proposed trial to CenturyLink’s existing TDM business customers, which apparently is based on concerns that Cox might lose potential business to CenturyLink. As CenturyLink’s Proposal and Operating Plan make clear, the proposed experiment has two parts: (1) to transition business users in the Trial Area from TDM-based services to VoIP services; and (2) to allow CenturyLink and its two CLEC partners to experiment with exchanging certain traffic using certain VoIP connectivity.²⁸ And, CenturyLink will be collecting data and submitting reports regarding both

²⁵ *Id.*

²⁶ Operating Plan at 10.

²⁷ Comments of Cox Communications at 7-8.

²⁸ CenturyLink Proposal at 13-14; Operating Plan at 6-11.

aspects of the trial. Regarding the first component, CenturyLink will be collecting data regarding the quality of its performance in transitioning business customers to wireline IP-based voice service.²⁹

Limiting participation in the trial to CenturyLink's existing TDM business customers would undercut the effectiveness of the first component of the trial and arbitrarily dilute its potential value. Nothing in the way the trial is proposed would bring about, as Cox suggests, "confusion as to whether the Commission is endorsing CenturyLink as a favored service provider by placing an official imprimatur on the company's experimental service offering."³⁰ As CenturyLink's filing also makes clear, the trial is very limited in scope, will last only six months and will not replace any services. And, of course, Cox remains free to compete for the same customers.

IV. CENTURLINK'S PROPOSAL CONTAINS ADEQUATE MEASURES TO ENSURE TRANSPARENCY AND PRODUCTION OF MEANINGFUL DATA.

Cox also contends that "all data produced as part of the proposed experiment" be made available to the public, that CenturyLink file periodic reports and make its "raw" data available to requesting parties, and that CenturyLink be required to utilize an independent, third-party expert in connection with its data collection "to ensure a data-driven analysis without bias."³¹ CenturyLink's Operating Plan details the proposed data collection and reporting for this trial. That plan includes proposals to collect and report to the Commission on a variety of subjects, including data regarding the progress of the trial, customer complaints, network performance,

²⁹ Operating Plan at 31-32.

³⁰ Comments of Cox Communications at 8.

³¹ *Id.* at 8.

service quality, and issues relating to access by persons with disabilities.³² The Operating Plan already proposes “periodic reports.” It anticipates interim and final transition progress reports (for a trial lasting only six months) on the number of customer migrations, trial-specific issues between CenturyLink and its CLEC partners, the quality of CenturyLink’s performance in transitioning business customers to wireline IP-based voice service, the performance of the limited VoIP connectivity aspect of the trial, and complaints regarding persons with disabilities.³³ CenturyLink anticipates that the reports themselves will be submitted to the Commission, subject to appropriate confidentiality protection as may be applicable. However, it would be overly burdensome and, among other potential problems, encroach on potential confidential and proprietary information to require that “all data produced as part of the proposed experiment be made available to the public” and that CenturyLink and its CLEC trial partners make its “raw” data available to requesting parties. Similarly, CenturyLink and its CLEC partners should not be required to retain a third-party expert. The AT&T trial proposal is far more expansive and ambitious than the CenturyLink trial proposal. Whatever its merits in the context of that trial, a third-party expert would be costly and unnecessary in the context of this limited trial. The data collection and reporting proposed in the Operating Plan is tailored appropriately for a trial that will be of limited scope and limited duration.

³² Operating Plan at 31-33.

³³ *Id.*

V. CONCLUSION.

For all the foregoing reasons, the Commission should expeditiously approve CenturyLink's proposed trial and associated request for declaratory ruling as proposed.

Respectfully submitted,

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