

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
2000 Biennial Regulatory Review -) CC Docket No. 00-229
Telecommunications Service Quality)
Reporting Requirements)

**COMMENTS OF BLUESTEM TELEPHONE COMPANY, CHAUTAUQUA & ERIE
TELEPHONE CORPORATION, GT INC DBA GT COM INC, SUNFLOWER
TELEPHONE COMPANY, INC. AND TACONIC TELEPHONE CORPORATION
ON THE INITIAL REGULATORY FLEXIBILITY ANALYSIS**

Bluestem Telephone Company, Chautauqua & Erie Telephone Corporation, GT Inc dba GT Com Inc, Sunflower Telephone Company, Inc. and Taconic Telephone Corporation (collectively, the "Rural Reporting LECs"), by their attorney, respectfully submit these comments concerning the Initial Regulatory Flexibility Analysis (IRFA) contained in Appendix D to the Notice of Proposed Rulemaking (NPRM), FCC 00-399, released November 9, 2000, in the captioned proceeding.¹ In their Comments filed today, the Rural Reporting LECs request the Commission to refrain from imposing service quality reporting requirements on small local exchange carriers (LECs). The Rural Reporting LECs submit these IRFA comments to emphasize how burdensome it would be for small LECs

¹ 2000 Biennial Regulatory Review - Telecommunications Service Quality Reporting Requirements, CC Docket No. 00-229, Notice of Proposed Rulemaking, FCC 00-399 (rel. Nov. 9, 2000) [hereinafter NPRM].

to file service quality reports. Many small LECs would need to collect the necessary data and generate the reports by hand. Any reporting requirement, no matter how streamlined, would place a disproportionate burden on small LECs.

Background

The Rural Reporting LECs are small LECs serving rural areas of Florida, Kansas, New York and Ohio. Each of these states currently requires the Rural Reporting LECs to file service quality reports. Federal reporting requirements would be duplicative, at best, and an unnecessary burden, at worst.

The Initial Regulatory Flexibility Analysis

In the IRFA, the Commission asks about: (1) the costs of compliance; (2) whether all LECs should file reports; and (3) whether certain carriers should be exempt. The Rural Reporting LECs respond to each of these issues in their Comments, which are incorporated by reference. Their responses are summarized below.

1. The increased cost, if any, to smaller LECs to file service quality reports

As discussed in the Rural Reporting LECs' Comments, many small LECs need to collect service quality data by hand and

manually generate the requisite reports. Any report filing requirements that include data not already collected by the Rural Reporting LECs, or that require different measurements, would result in increased work for these LECs. In other words, any work they currently do to file service quality reports at the state level may not significantly reduce the burden associated with filing federal service quality reports.

2. The benefit of giving consumers access to service quality data from all carriers providing local exchange service in their area, including small entities

The Rural Reporting LECs oppose service quality reporting requirements for small LECs. As noted above, such requirements would be burdensome. In addition, the Commission has not noted any performance problems involving small LECs that would warrant the monitoring of their performance via service quality reports. In other words, the burden of producing service quality reports would outweigh any benefit to consumers.

Nevertheless, if the Commission were to require small LECs to file service quality reports, all competing wireline and wireless carriers should also be required to file service quality reports. And in particular, if competing wireless carriers are required to file service quality reports, the performance measurements should include data that is of particular interest to wireless consumers, such as transmission

quality. Measurements of installation intervals, for example, would likely be less important to a wireless consumer than information about sound quality, calls being dropped and holes in the wireless carrier's service area.

3. Whether certain entities should be exempt from service quality reporting requirements

The current service quality reporting requirements do not apply to small LECs. If the Commission were to simply streamline the current service quality reporting requirements, they would still not apply to small LECs, so there would be no need to exempt them.

However, if the Commission were to extend the service quality reporting requirements to include small LECs, the Rural Reporting LECs would support exempting LECs in either of two ways. First, a LEC could be exempted if it is not subject to a threshold number of performance complaints at the relevant state commissions. The reporting threshold could be set at a percentage of the number of customers served by a particular LEC. For example, a LEC that is subject to service quality complaints filed at the relevant state commission by no more than 10% of its customers in any calendar year could be exempted from the FCC's reporting requirements. This exemption would be consistent with the Commission's goal of ensuring quality

service,² because the Commission would still have the opportunity to monitor the service quality of those LECs for which it is an issue. Second, LECs that have fewer than 1,500 employees - corresponding to the SBA's definition of "small business"³ - could be exempt from reporting requirements. This exemption would be consistent with the Commission's goal to "not increase" its reporting requirements,⁴ and to minimize the costs imposed on small LECs.⁵

Conclusion

As shown above and in the Rural Reporting LECs' Comments, the proposed service quality reporting requirements would be unduly burdensome on small LECs. The Commission should therefore refrain from imposing the requirements on small LECs. However, if the Commission were to require all LECs to file service quality reports, it should also: (a) require competing wireline and wireless carriers to file service quality reports; and (b) provide exemptions for LECs that are not subject to a

² NPRM para. 11.

³ See id. app. D, sec. III.

⁴ Id. para. 15.

⁵ Id. para. 29.

