

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

COMMENTS OF SBC COMMUNICATIONS INC.

Introduction

SBC Communications Inc. (SBC) strongly supports the Commission's efforts to streamline and reform its existing service quality monitoring program. Much of the service quality information that currently must be reported to the Commission is no longer relevant or useful to the Commission or consumers in today's marketplace. SBC believes that achieving a high level of service quality should be a primary goal of all carriers. However, SBC also believes that competition is the most effective driver of service quality, not a monitoring program.

While SBC applauds the Commission's goal of streamlining and reforming its service quality monitoring program, this goal cannot be realized without significant deregulatory action. First, any new service quality monitoring program must be simple. The biennial review is a mechanism by which the primary purpose of the Telecommunications Act of 1996¹—to replace regulation with competition—must be furthered. Replacing one form of regulation with another is contrary to this mandate. Second, the ARMIS reporting structure that currently exists must be eliminated. ARMIS

¹ Pub. L. No. 104-104, 110 Stat. 56, *codified at* 47 U.S.C. § 151 *et seq.* (Act).

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reports are outdated, track only a handful of service providers, and provide consumers with a vast array of highly-technical and essentially useless data. Consumers, conversely, make decisions based on only a few, basic categories of service quality. Finally, any new service quality reporting program must apply to all telecommunications providers in order to be meaningful. Even a vastly streamlined reporting program would not serve the Commission's goal of providing consumers with valuable service quality information if applied to less than the entire population of service providers.

A. Focus on End-User Customers

SBC agrees that the Commission's regulatory role in monitoring service quality should diminish, a process that should occur quickly given the burgeoning state of competition in all segments of the industry. To the extent service quality obligations remain, however, they should focus on information that is truly useful to end-user customers.

In order to be useful to end-user customers, information must be (i) readily accessible, (ii) easy to understand, and (iii) reported by a wide range of carriers. ARMIS data meets none of these criteria. The information in ARMIS reports is generally not available to the public in an easily accessible format. Even if it were, ARMIS Reports 43-05 and 43-06 contain over 30 categories of information, much of it highly technical, that is of little use or interest to the average consumer. Only a small class of carriers, moreover, reports ARMIS data. Requiring only a few carriers to report service quality information does not give consumers a true representation of the state of the marketplace.

At this critical juncture the Commission should see the ARMIS reporting scheme for what it is: an anachronism that imposes a severe and unnecessary burden on carriers

and is essentially useless to consumers. For these reasons, ARMIS Reports 43-05 and 43-06 should be eliminated.

B. Categories of Performance Data

SBC is wary of any attempt to replace one form of regulation with another under the guise of deregulation. While a reduction in the number of categories is a positive step toward simplifying the reporting process, the gains of such reduction are lost if—as the Commission proposes—new reporting requirements are added within those categories. SBC believes that any new reporting categories must be simple and direct. A complicated reporting scheme will neither serve consumers nor relieve service providers of the severe reporting burden that they currently bear.²

1. Missed Installations

While the number of missed installations is a meaningful measure for consumers to judge service quality, the NPRM suggests that time-of-day reporting should be *added* to this category. The elimination of reporting requirements, not the supplementation of them, is the purpose of this proceeding. Because time-of-day reporting adds a significant burden to the process of gathering and reporting information, SBC opposes it. Moreover, to the extent a carrier might be penalized for under-performing on a more rigorous measure, the carrier could be motivated to stop offering time-of-day appointments.

2. Installation Intervals

Price cap incumbent LECs currently report the average time to complete an

² A prime example of needless reporting involves appointments (whether for installation, repair or otherwise) that are missed because of the customer. No interest is served by tracking and reporting this data. Carriers should simply have the discretion to exclude this data from required reports. A reporting scheme that continues to require this type of superfluous data is burdensome and serves no overriding purpose.

installation. The NARUC service quality white paper (NARUC White Paper) requires carriers to report the number of orders completed within five working days.

Reporting installation orders completed within a specified number of days should be considered as an alternative to reporting the average number of days to complete an installation. Carriers are more often subject to the former requirement at the state level. A difference in the type of reporting required at the federal and state levels would impose a regulatory burden on carriers. Moreover, by imposing a federal reporting requirement that is inconsistent with existing reporting at the state level, the Commission will create more confusion than clarity for consumers.

3. Trouble Reports

SBC agrees that multiple categories of repair information is confusing to consumers. If the Commission opts to require that trouble report information be reported, initial trouble reports would be useful to consumers without being overly burdensome on carriers. The Commission should allow industry participants to decide those aspects of the network to which these reporting requirements attach. The multiple reporting of access lines among various ARMIS reports, however, should be eliminated. A single set of access line counts is sufficient and should be clearly defined.

4. Out-of-Service Troubles

The Commission should collect information on average intervals for out-of-service troubles or percent cleared within twenty-four hours. The Commission should be clear, however, in defining when this reporting requirement applies. SBC proposes that this category apply when the customer has no dial tone. In addition, this reporting

requirement should apply only to initial, not subsequent, out-of-service reports to avoid misleading and duplicative reporting.

5. Missed Repair Appointments

This information would supplement, not reduce, that which is currently required in ARMIS and thus should be rejected. To the extent the Commission nevertheless adopts this reporting requirement, the term "missed repair" must be accurately defined to avoid excessive reporting as well as reporting that is inconsistent amongst carriers.

6. Repair Intervals

Price cap incumbent LECs currently report the average time for repairs. To the extent the Commission continues to require information on repair intervals, carriers should report this information on an average basis. Any reporting requirement should apply solely to instances where the customer is out of service, as this data is essentially all that is relevant for consumers.

7. Other Types of Information

SBC believes that the marketplace is the most effective mechanism for providing service quality information to consumers and that new reporting requirements are entirely inappropriate in this proceeding. To the extent that the categories suggested by the Commission in its NPRM reduce current reporting requirements, SBC embraces those changes. Imposing additional reporting requirements, as suggested in paragraph 23 of the NPRM, runs counter to this goal and to the Commission's obligations under the Act to take action that is truly deregulatory in nature.

8. Definitions

SBC believes that well-established definitions of operative terms should be

specified in any reporting requirement adopted by the Commission. Industry participants should be involved in—if not drive—the process for developing consistent and clear definitions in whatever service quality reporting scheme the Commission adopts.

C. Broadband Services

SBC strongly opposes any effort by the Commission to impose service quality reporting obligations on carriers with respect to the provision of broadband and other advanced services. The Commission already requires that carriers file Form 477-Local Competition and Broadband Reporting, which collects information on the deployment of broadband services, local telephone and mobile telephony services. This requirement, in and of itself, is unnecessary and contrary to the Act's explicit goal of replacing regulation with competition. Broadband and other advanced services are highly competitive. Any additional regulation by the Commission in these areas would serve only to burden carriers and slow the development of cutting-edge technology and new services.

D. Disaggregation of Information

SBC urges the Commission to discontinue any service quality obligations that require the disaggregation of information for metropolitan statistical areas (MSAs) and non-MSAs. The distinction between such data is meaningless to consumers. Conversely, gathering such information is extremely burdensome on carriers. Because no benefit can be obtained by requiring disaggregation, the Commission should not impose it.

The disaggregation of results for business and residential customers may, at first blush, seem useful and not a burden on reporting carriers. However, disaggregating this information often requires time-consuming analysis by carriers to determine what subcategory applies to the customer. For example, a work-at-home customer who has

service billed to a corporation or other business entity could be logically defined as a residence or a business customer. These types of problems suggest that disaggregation of this information should be eliminated or, if retained, that the subcategories be defined in such a way so that carriers can make the proper determinations for this reporting requirement in a quick and easy manner.

E. Types of Reporting Entities

SBC believes that carriers should be free to pursue their businesses with market forces as an effective gauge on service quality. No carrier should be burdened with time-consuming and cost-producing reporting requirements.

To the extent the Commission insists on imposing service quality reporting requirements, however, it makes little sense to do so on some but not all carriers. If the data collected by the Commission is to have any value, it must be complete. While a voluntary program would be fair if applied to all carriers, it would be patently unfair and of little value if applied to only some. Accordingly, if reporting requirements exist they must be applied to all carriers, including ILECs, CLECs, cable companies, and whatever other entities provide local exchange service.

SBC believes that the logic of including all relevant carriers in any reporting scheme is inescapable. However, this naturally leads to another inescapable conclusion: any reporting scheme adopted by the Commission must be simple, succinct, non-burdensome, and truly deregulatory. The Commission must move forward in its obligation to further deregulation, not re-regulation.

F. Frequency of Reporting

As the Commission recognizes, the Act requires that ARMIS data be filed on an

annual basis only. The Commission has no authority to require more frequent reporting. Likewise, the Act provides no authority for the Commission to act as a federal clearinghouse for information gathered at the state level. Even if the Commission had authority to do so, differences in state requirements would make it difficult to integrate state information into a unified report at the federal level. Competition provides a natural means of consumer protection, and state reporting requirements also exist. The Commission should refrain from adding yet another level of regulation.

G. Public Disclosure of Service Quality Data

While SBC is not averse to posting its service quality data on its website, it does object to posting the number of complaints pending against it before the Commission and state commissions. As the Commission knows well, complaints are not a good indication of a carrier's service quality. Often they are the result of isolated incidents and personal, not global, issues. Often they are frivolous. Moreover, the number of *pending* complaints (as opposed to those actually completed) is meaningless. The Commission should refrain from requiring this data.

H. Record Retention

The period of time during which a carrier must retain the underlying data used to develop service quality reports should be reduced from four to two years. Likewise, the Commission should impose on itself a two-year limit regarding any request by the Commission to access a carrier's data or to seek revisions of its reports.

I. Elimination of Other Reporting Requirements

SBC believes that excessive service quality reporting requirements should be eliminated. To the extent the Commission's proposals in Section I of the NPRM satisfy

that goal, SBC welcomes those changes.

J. NARUC White Paper

Pursuant to the SBC/Ameritech Merger Conditions³ SBC has filed quarterly NARUC service quality reports. While SBC believes that the NARUC White Paper provides some meaningful revisions to the current service quality monitoring program, it does not significantly reduce the regulatory burden on carriers. While the stated objective of the NARUC White Paper is to reduce reporting burdens, it assumes that most of the data required therein is already gathered by carriers for internal business purposes or for reporting to the states. In reality, most carriers and states aggregate the information differently. As a result, compliance with these changes may result in significant programming efforts and costs for many carriers.

In addition, the NARUC White Paper does not provide a clear definition of its many operative terms. Industry participants should be involved in—if not drive—the process for developing consistent and clear definitions in whatever service quality reporting scheme the Commission adopts. It goes without saying that the NARUC White Paper describes the maximum amount of reporting that should be required of any carrier.

Conclusion

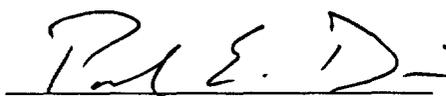
SBC believes that the marketplace is the most effective mechanism for providing service quality information to consumers. The Act recognized this fact and requires the Commission to eliminate regulation accordingly. In order to fulfill the Act's mandates,

³ Applications of Ameritech Corp. and SBC Communications Inc. for Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Section 214 and 310(d) of the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95, and 101 of the Commission's Rules, CC Docket No. 98-141, Memorandum Opinion and Order, 14 FCC Rcd 14712 (1999).

the Commission must step carefully in this proceeding to ensure that the actions it takes in reforming service quality reporting amount to real, meaningful deregulation. SBC believes that the Commission is obligated to streamline its service quality reporting program. To the extent that a new reporting scheme proposed by the Commission significantly reduces current requirements, SBC will embrace those changes. Imposing additional reporting requirements on carriers, however, runs counter to that goal and to the Commission's legal obligations.

Respectfully Submitted

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