

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

In the Matter of)	
)	
2000 Biennial Regulatory Review)	
Review of Policies and Rules Concerning)	CC Docket No. 00-257
Unauthorized Changes of Consumers)	
Long Distance Carriers)	
)	
Implementation of the Subscriber Carrier)	
Selection Changes Provisions of the)	
Telecommunications Act of 1996)	
)	CC Docket No. 94-129
Policies and Rules Concerning Unauthorized)	
Changes of Consumers Long Distance Carriers)	

COMMENTS OF VERIZON

Verizon¹ is pleased that the Commission is proposing to modify its rules to make carrier change verification waivers unnecessary when one carrier transfers its subscriber base to another carrier. The experience with these proceedings has demonstrated that they are unnecessary to protect consumers or for any other purpose. The proposal contained in the *Notice*,² however, remains unnecessarily burdensome and regulatory.

Verification should not be required where the customers affected are given adequate notification — prior written notification by one or the other of the carriers

¹ The Verizon telephone companies are the local exchange carriers and interexchange carriers affiliated with Verizon Communications Inc., listed in Attachment A.

² *Third Further Notice of Proposed Rulemaking* (“*Notice*”).

involved³ and another written notice from the acquiring carrier after the transfer has occurred. It is not practical, however, for the notice to include all “the rates, terms, and conditions of the services offered by the purchasing carrier,” and that has not been typical of the notices previously approved by the Commission. The acquiring carrier should provide a toll-free customer service number to the affected subscriber in order to address any questions that the subscriber may have for the new carrier.⁴ Procedures like these have worked well in the past — at the rate of almost once a week last year⁵ — and they give consumers ample opportunity to exercise their options.

These streamlined procedures should apply to all bulk transfers of customers. They should not be limited to cases in which a carrier transfers all its customers to another carrier, but should apply to partial transfers as well. The procedures should not differ depending on the kind of telecommunications services involved.⁶

The Commission, should not “require the acquiring carrier to notify the Commission of a sale or transfer not later than 30 days before the closing of the transaction and to certify its compliance with the Commission’s rules and any outstanding Commission orders, including the provision of reasonable notice to the affected customers

³ The *Notice* proposes that the first notification come from the acquiring carrier. *Notice* ¶ 6. The Commission should let the carriers decide who should send the notification. They might reasonably conclude that customers are more likely to open and read mail from a carrier with which they have an existing relationship than from one they do not know.

⁴ *Notice* ¶ 7.

⁵ *Notice* ¶ 3 n.4.

⁶ *Notice* ¶ 7.

regarding the transaction and the customers' subsequent rights.”⁷ Such a requirement would be essentially the same as the waiver filing process that exists today and would not result in any “streamlining” for the carriers. The *Notice* does not suggest how this filing requirement would benefit consumers,⁸ and absent such an effect, it should not be adopted. A simple letter informing the Commission of the transfer would be sufficient.

The acquiring carrier should not be required to continue to charge subscribers the same rates as those charged by the original carrier for a specified period after the transfer.⁹ The new carrier may well have tariffs with rates that it must charge to all customers. It may not lawfully charge any other rates, and it may not give these newly acquired customers a different deal than its regular customers receive.

Moreover, such a requirement might actually harm consumers. The new carrier might have lower rates than the exiting carrier, and this rule would require customers to pay more than they would otherwise. Or there might not be any carrier willing to take on the exiting carrier's customers at the exiting carrier's rates. In that case, the failing carrier would just leave the market without ensuring that its customers continued to have service. For the same reason, the Commission should not require that the new carrier handle customer complaints regarding the service of the original carrier.¹⁰

⁷ *Notice* ¶ 6.

⁸ The filing cannot provide an opportunity for the Commission to step in and take some action — *e.g.*, to improve the quality of disclosure in the notification — because it is made after the notification has already been given.

⁹ *Notice* ¶ 7.

¹⁰ *Notice* ¶ 7.

In a number of states, incumbent LECs have been required by regulation or state commission order to serve a CLEC's customers when the CLEC has gone out of business.¹¹ The Commission's verification rules, of course, do not apply to these situations because the ILEC is required to "acquire" these such customers. The ILEC, of course, has no control over the timing of the CLEC's departure (or anything else the CLEC might do) and cannot provide the Commission with any notification or information in advance. It would be especially inappropriate to place additional burdens on a carrier that is required by law to take on the customers, rather than one that decided to do so as part of a voluntary commercial transaction. The ILEC, of course, is in no position to handle complaints about the CLEC's service, nor should it be required to charge the CLEC's rates.

Therefore, the Commission should quickly adopt its proposal to eliminate the need for waivers when one carrier transfers all of part of its customer base to another and should ensure that any requirements it adopts in place of the waiver process should be no more burdensome than is necessary to protect consumers.

¹¹ *E.g., Verizon Select Services, Inc.*, Order Granting Petition, Docket UT-001863 (WA UTC Dec. 13, 2000) (ordering petitioner to transfer to the ILECs all customers who had not chosen other carriers).

Respectfully submitted,

/S/

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THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies are the local exchange carriers and interexchange carriers affiliated with Verizon Communications Inc. These are:

Contel of Minnesota, Inc. d/b/a Verizon Minnesota
Contel of the South, Inc. d/b/a Verizon Mid-States
GTE Alaska Incorporated d/b/a Verizon Alaska
GTE Arkansas Incorporated d/b/a Verizon Arkansas
GTE Midwest Incorporated d/b/a Verizon Midwest
GTE Southwest Incorporated d/b/a Verizon Southwest
The Micronesian Telecommunications Corporation
Verizon California Inc.
Verizon Delaware Inc.
Verizon Florida Inc.
Verizon Hawaii Inc.
Verizon Maryland Inc.
Verizon New England Inc.
Verizon New Jersey Inc.
Verizon New York Inc.
Verizon North Inc.
Verizon Northwest Inc.
Verizon Pennsylvania Inc.
Verizon South Inc.
Verizon Virginia Inc.
Verizon Washington, DC Inc.
Verizon West Coast Inc.
Verizon West Virginia Inc.
Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance
NYNEX Long Distance d/b/a Verizon Enterprise Solutions