Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of Rules and Regulations Implementing Minimum Customer Account Record Exchange Obligations on All Local and Interexchange Carriers	CG Docket No. 02-386

REPLY COMMENTS OF VERIZON[1]

I. Introduction and Summary.

Most commenters agree that the Commission should require all carriers, including local exchange carriers, interexchange carriers, and competitive local exchange carriers, to exchange subscriber information using the CARE process, but this does not mean that the solution is to freeze in place a "minimum" set of CARE codes proposed by the Joint Commenters. That list is far beyond what is needed to exchange basic presubscription information that the interexchange carriers need to determine if an end user is one of their customers, and prescription of a fixed list would interfere with the ongoing industry forum process that has worked very effectively since divestiture. The problem is not any shortcoming in the types of information that the local exchange carriers and the interexchange carriers currently are exchanging through CARE, but rather the fact that some competitive local exchange carriers do not support CARE at all and fail

[1] These comments are submitted on behalf of the affiliated local telephone companies of Verizon Communications Inc. listed in Attachment A ("Verizon local exchange carriers"), and the Verizon long distance companies (NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions, Verizon Select Services Inc., and Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance), (collectively, "Verizon").

to otherwise provide basic presubscription information to interexchange carriers. To address this problem directly, the Commission should simply require all carriers to exchange certain basic *types* of information using the CARE process. In addition, it should not require the incumbent local exchange carriers to identify the competitive local exchange carrier to whom a customer may have moved. The local exchange carrier often will not have this information, and it is not necessary in light of the fact that the local exchange carrier will always notify the interexchange carrier when the customer has disconnected.

II. The Commission Should Define The Types Of Information That All Carriers Must Exchange, But Not Prescribe Specific Care Codes.

There is a general consensus that all carriers, including local exchange carriers, competitive local exchange carriers, and interexchange carriers, should be required to exchange information using the industry-developed CARE standards, but many agree that the Commission should not prescribe specific codes or mandate the "minimum" proposed by AT&T, MCI and Sprint (the "Joint Commenters"). ***See, e.g.***, BellSouth, 3-5; SBC, 2-3; CBT, 3-4; Qwest, 6-7; Cox, 1-2. As it does for customer billing name and address information ("BNA"), the Commission should adopt rules specifying the basic types of information that carriers must exchange, and allow them to select from among the alternative CARE codes that they will use and can support to provide this information. For instance, BellSouth proposes (at 6-7) that carriers be required to exchange the following information;

- if a customer has presubscribed to an interexchange carrier or has removed or changed the presubscribed carrier
- if a customer has disconnected local exchange service
- if a PIC order from an interexchange carrier was rejected and the reason for the rejection
- if a local exchange number has been ported to another local exchange provider

- upon request from an interexchange carrier, the local exchange customer's BNA

Verizon agrees that this is the type of basic information that all carriers should be required to exchange. The problem is not any shortcoming in the types of information that the local exchange carriers and the interexchange carriers are exchanging through CARE, but rather the fact that some competitive local exchange carriers do not support CARE at all and fail to otherwise provide basic presubscription information to interexchange carriers, which leaves the interexchange carriers in the dark about whether a customer of theirs that has moved to another local exchange carrier is still presubscribing to the interexchange carrier's service. ***See, e.g.,*** USTA, 5-6. That problem could be solved easily by establishing a rule requiring all carriers to exchange basic information using the CARE standards, without a need to specify particular codes.

As noted by CBT, the list proposed by the Joint Commenters goes far beyond the codes needed to supply this information. CBT, 7-11; ***see also*** BellSouth, 8. For instance, CBT observes that only three of the nine 20XX codes proposed by the Joint Commenters are needed to identify a customer that the local exchange carrier has connected to the interexchange carrier's network. The 27XX codes provide information about end users who have been blocked or suspended from the local exchange carrier's network due to collection or fraud issues and have nothing to do with presubscription to the interexchange carrier's service. CBT, 10. In addition, many of the codes proposed by the Joint Commenters are alternatives or "preferred," meaning that no carrier should be expected to support them all. And, in fact, it appears that none do. ***See, e.g.,*** Qwest, 5. For instance, the 2201 code is a generic code that was created to provide notice to the interexchange carrier that a line has been disconnected. However, the industry later created the 2215 and 2216 codes to provide notice of partial and total line disconnects. Carriers

requested that the 2215 and 2216 be supported in lieu of the 2201 code. Accordingly, Verizon does not support 2201 code.[2] Similarly, the 2003 code is a generic code that was created to notify interexchange carriers of a new customer assigned via a request to the local exchange carrier's business office. This code was introduced prior to the "preferred" 2008, 2009, 2010 codes, which are more specific in definition. Verizon opted to support the preferred codes and does not support the 2003 code in all areas. Moreover, many carriers' current operating support systems cannot support certain codes, and in some cases the interexchange carriers do not support as many codes as the local exchange carriers do. ***See, e.g.,*** Qwest, 5; BellSouth, 7.

CBT also points out (at 9-10), that the Commission should not prescribe the 25XX codes, which provide BNA information, because it already has a rule requiring carriers to provide BNA information. ***See*** 47 C.F.R. § 54.201. Qwest complains that some competitive local exchange carriers do not provide BNA information because they interpret this rule narrowly to apply only to joint-use calling cards. ***See*** Qwest, fn. 6. However, as noted by Qwest, many carriers already observe this rule by providing BNA information to interexchange carriers pursuant to tariff, contracts or price lists. Rather than prescribing CARE codes for BNA information, the Commission should address this point directly by clarifying or revising this rule to make it clear that it applies to all 1+ and dial-around calls.

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[2] CBT argues (at 8) that the 2201 and 2202 codes are the only 22XX codes that need to be supported to allow accurate billing by the interexchange carriers. However, since Verizon supports the 2215 and 2216 codes to provide additional detail to the interexchange carriers, it should not be required to support the 2201 code. For this reason, although CBT is correct that the Joint Commenters' list goes far beyond minimum requirements, the Commission should not prescribe the codes listed by CBT, but simply adopt a rule that establishes general standards for the information that must be provided through the CARE process.

Several commenters observe that prescription of specific CARE codes by the Commission would interfere with the industry forum process, which has effectively developed CARE codes as needed to meet the evolving needs of the market and the capabilities of the industry. ***See, e.g.,*** TDS, 6. There are about 700 CARE codes that provide various types of information that carriers may desire for business reasons that go beyond basic information about presubscription. For instance, BellSouth supports a little more than a third of the 700 codes based on the information it has agreed to communicate with interconnecting carriers. BellSouth, 7-8. Verizon also supports about a third of the codes, but supports different codes in different parts of the country based on the needs of its customers and the development of its operating support systems. The Commission should allow carriers to continue to agree among themselves as to additional information that they want to exchange and are willing or able to support through the CARE process. However, the Commission should not, as suggested by Working Assets (at 12-14) prescribe "preferred outcomes" for these negotiations, which are freely undertaken and agreed to by carriers.

Prescribing specific CARE codes that the carriers do not currently support also raises the issues of cost and cost recovery. Frontier estimates (at 3) that it would cost $4.3 million to modify its systems to support all of the CARE codes in the Joint Commenters' list. This is approximately the amount of money that Verizon also would have to spend to perform the software and hardware changes to its operating support systems to support the codes in the Joint Commenters' list that they do not currently support. CBT correctly observes (at 14-15) that if the interexchange carriers want the Commission to require the local exchange carriers to support additional CARE codes to assist the interexchange carriers in billing their customers, then the

Commission must establish a mechanism by which the interexchange carriers would be required to pay the costs.

III. The Commission Should Not Require Incumbent Local Exchange Carriers To Provide Information About End Users Who Receive Local Exchange Service From Other Carriers.

Many commenters agree with Verizon that the Commission should not adopt rules requiring the local exchange carriers to identify the competitive local exchange carrier to whom a customer has moved. ***See, e.g.,*** Frontier, 4-5. BellSouth explains (at 9-10) that this would violate the restrictions in section 222 of the Act regarding disclosure of customer proprietary network information, since such disclosure would not be "in its provision of . . . the telecommunications service from which such information is derived." 47 U.S.C. § 222(c)(1). Specifically, disclosure of this information is not necessary for the local exchange carriers to perform the presubscription process and to meet the end user's request to terminate service. In addition, as noted by several commenters, the request of the interexchange carriers for disclosure of this information is more related to their desire to gain marketing information, potentially unavailable to other competitors, that they can use to "win back" the customer when it moves to another local exchange carrier and no longer wants to use the interexchange carrier's service, such as when it uses the competitive local exchange carrier's long distance service. ***See, e.g.,*** California PUC, 11-12; Frontier, 15; TDS, 19. Disclosure of this information is not necessary to administer the presubscription process, since a local exchange carrier's provision of CARE codes indicating that the customer has been disconnected alerts the interexchange carrier that the customer is no longer presubscribed to that carrier.

The Joint Commenters argue (at 5) that they are faced with a "Hobson's choice" when a customer moves from a local exchange carrier to a competitive local exchange carrier that does not support CARE – either continue to bill the customer even though the customer may have changed to another primary interexchange carrier, resulting in double billing, or discontinue the customer's service plan and then bill higher " basic" rates if the customer continues to use the interexchange carriers service on the new local exchange carrier's network. This is incorrect. The notification from the original local exchange carrier that the customer's line has been disconnected provides all the information that the interexchange carrier needs to contact the customer and determine whether the customer intends to use the interexchange carrier's service in the future. If the interexchange carrier does not receive information from the customer or the competitive local exchange carrier that the customer wants to use that interexchange carrier as its 1+ carrier on the new network, it should conclude that it has lost the customer and discontinue billing.

The interexchange carriers simply do not want to do the work of determining the customer's choice, preferring to shift the burden to the local exchange carrier. For example, Frontier observes (at 5-6) that MCI will not take a call from their customer to state that the customer has changed carriers or disconnected local service, requiring instead a CARE record from Frontier. The New York State Attorney General observes (at 2-4) that AT&T and other interexchange carriers have continued to bill customers long after a customer has discontinued a local exchange carrier's service and is no longer presubscribed to the interexchange carrier. ***See also*** NASUCA, 5. These are problems with the interexchange carriers' billing practices, not with the CARE process.

The interexchange carriers try to shift the blame to the local exchange carriers for not providing them information about disconnects, but the interexchange carriers have an obligation to deal directly with their own customers. For instance, when a customer calls the interexchange carrier to cancel service, the interexchange carrier often does not do so unless the local exchange carrier transmits a notice of a PIC change to the interexchange carrier. ***See*** New York State Attorney General, at 2. In addition, the interexchange carrier often does not notify the customer that it must contact the local exchange carrier to initiate the PIC change. ***See*** NASUCA, at 3. Both NASUCA (at 3) and New York State Attorney General (at 2) suggest that interexchange carriers should be required to notify the local service provider when informed by the customers that they want to cancel service.

As noted by the Oklahoma Rural Telcos (at 10-11), rather than impose additional regulatory requirements on the local exchange carriers, the Commission should require the interexchange carriers to focus on customer service. The Commission should not absolve the interexchange carriers from communicating with their customers or shift that burden to the local exchange carriers (who no longer serve the customer in question).[3] In any event, the local exchange carriers simply cannot be made to plug this hole in the interexchange carriers' customer

[3] The Joint Commenters argue that when a local exchange carrier ports a number to a new carrier, the interexchange carrier can obtain the identity of the new local exchange carrier from the Commission-approved Number Portability Administration Center ("NPAC") database, but that there is no industry process for identifying a carrier that is reselling the local exchange carrier's service. ***See*** Joint Commenters, 12. However, regardless of whether a number is ported or resold, the disconnect information from the local exchange carrier is sufficient to inform the interexchange carrier that it needs to contact the end user to determine if the customer intends to continue using the interexchange carrier's service.

care procedures, since the local exchange carriers often will have no idea where the customer has gone.

Conclusion

The Commission should not prescribe a minimum set of CARE codes. Rather, it should require all carriers, including local exchange carriers, interexchange carriers, and competitive local exchange carriers, to exchange basic information about presubscription through the CARE process.

Respectfully submitted,

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ATTACHMENT A

THE VERIZON TELEPHONE COMPANIES

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

Contel of the South, Inc. d/b/a Verizon Mid-States
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.