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

In the Matter of	)	
	)	
Local Telephone Competition and Broadband Reporting	)	**WC Docket No. 04-141**
	)	
	)	
Local Competition and Broadband Reporting	)	**CC Docket No. 99-301**
	)	

REPLY COMMENTS OF SPRINT CORPORATION

Sprint Corporation, on behalf of its local, long distance and wireless operations, submits the following Reply Comments in response to the Notice of Proposed Rulemaking and Order on Reconsideration issued in the above-captioned dockets.[1]

As discussed in its Comments, Sprint supports the extension of Form 477 reporting requirements for five years beyond the currently scheduled March 2005 sunset date so that the Commission will have information to evaluate the development of local telephone competition and the deployment of broadband services. Sprint opposes, however, any increase in the granularity of the data on the form, such as that proposed by the Commission, because the additional reporting requirements will impose a significant burden on the filers and because the proposed data are not needed either to meet the mandate of the section 706 of the Act to evaluate whether advanced services are being

[1] *In the Matter of Local Telephone Competition and Broadband Reporting, Local Competition and Broadband Reporting*, WC Docket No. 04-141 and CC Docket No. 99-301, FCC 04-81 (released April 16, 2004).

deployed "in a reasonable and timely fashion" or to evaluate the development of local competition. Sprint believes that the costs placed on the filers to develop software programs, analyze the additional information, and collect new information from customers far exceed the benefits to be derived the proposed level of detail. Sprint's concern that data collection and reporting costs will outweigh the public benefit and its opposition to the Commission's proposed changes to Form 477 are consistent with the views of all but one of the other commenting carriers that would be required to complete the new form. [2]

The three state regulatory agencies that filed comments -- the Vermont Public Service Department (VPSD), the staff of the Kansas Corporation Commission (KCC staff) and the California Public Utilities Commission and the People of the State of California (CPUC) – generally support the Commission's proposal to increase the detail in the report.[3] In addition, VPSD and KCC offer various suggestions for additional information, all of which Sprint opposes, as discussed below.

VPSD, for example, recommends reporting the price of service as well as the speed at the zip code level because it believes this information will enable the Commission "to identify those areas where residential and small business service are

[2]SBC Communications Inc. is the only filing carrier that supported the Commission's proposals for reporting by additional categories of speed and numbers of connections by technology and zip code. Comments at 6-7. Several commenting parties opposed lowering the reporting thresholds, which Sprint did not.

[3] As discussed below, the CPUC does not support the Commission's proposal to require carriers to report the transfer rate observed by end users. CPUC Comments at 4-5.

available… [and] to identify if there is a price gap between rural and non-rural areas."[4] VPSD claims that the Commission needs such information to meet the requirement of section 706. *Id.* Sprint disagrees. Congress did not mandate a detailed assessment of advanced services at the local level or a review of prices, and the Commission does not need such detail to evaluate whether advanced services are being deployed "in a reasonable and timely fashion." The information currently reported is entirely sufficient to make this evaluation.

VPSD states that "'[r]easonable' deployment of advanced services to all Americans does not mean that some communities are served consistently while others experience a swiss cheese pattern of deployment" and therefore recommends the Commission collect more detailed data about the availability of services within each zip code. *Id.* at 7. Sprint believes that the highly granular level of detail proposed by VPSD again far exceeds the directive of section 706.

VPSD also suggests (1) that an additional category of speed be added between 200 kpbs and 2.5 Mbps in Part I because mass market customers are more likely to use lower speeds, and (2) that carriers report on speeds separated into asymmetrical and symmetrical services because the technologies come in these forms. *Id.* at 8-10. Absent a demonstration that these additional categories are required for the Commission to meet its section 706 mandate, VPSD's suggestions should not be adopted because they will be

[4]Comments of VPSD at 5. Alternatively, the VPSD suggests reporting based on the three most commonly purchased broadband service offerings in each state based on price. This level of information is similarly excessive and would be extremely burdensome for reporting carriers to provide.

costly to implement, will further burden the filers, and will divert carriers' resources from deploying advanced services.

Recognizing that its suggestion might require collecting additional information from customers or a customer survey, the KCC suggests that Part III "be expanded to report the estimated percentage of wireless subscribers using their service as a replacement for traditional landline service."[5] KCC provides no rationale for requiring this additional information other than that it is "[a] dimension of local competition not captured by the present or proposed reporting." *Id.* This is insufficient justification for burdening carriers with an information requirement that will be extremely difficult to provide. Sprint does not have such information in its customer records, nor does it have any need for the information. Thus, if the Commission were to require the information, Sprint would have to develop new procedures to obtain it from customers. Clearly this would be extremely expensive for Sprint and other filing carriers. Absent a demonstration of the need for this information, the Commission should not adopt KCC's proposal.

KCC also suggests compiling information by "cities or perhaps other social economic boundaries for which census or demographic data is available" rather than by zip code. *Id.* at 3. While providing information based on zip code would be burdensome, a proposal for different geographic or demographic measurements would be even more problematic, as the carriers do not have such information in their customer records and

[5] Comments of KCC at 2.

would have to develop programs to match zip codes with cities or other geographic areas. Thus, Sprint urges the Commission to reject this suggestion as well.

Sprint agrees with commenting parties that explain that it is not possible to provide the speed actually observed for services because the speed is affected by a number of different factors. For example, the speed experienced by DSL customers depends on the distance of the customer from the end office and the condition of the line.[6] BellSouth notes that it is beginning a trial which will allow customers to change the download speed with a click of a button.[7] For mobile wireless carriers, the speed varies depending on the distance from the cell site, the number of users, and the user's traveling speed.[8] Cable providers note that the actual speed experienced by customers depends on the number of customers on the cable. The CPUC concurs, stating (at 4-5) that "[i]t would be very difficult and costly for providers to obtain transfer rate information actually observed by each and every subscriber and there are many factors that could influence actual speeds delivered to end users." The CPUC further indicates that such information "would be necessary if the FCC or states were considering service quality or consumer protection monitoring or regulation to determine whether or not the provider is delivering the service it promised."[9] Because the FCC is not undertaking such tasks, "it appears that the potential burden that would be imposed on the filers seems to outweigh any potential benefit this categorization may have on the FCC or states." *Id.* Because the

[6] Comments of AT&T at 4-5 and Verizon at 13.
[7] Comments of BellSouth Corporation at 2.
[8] Comments of CTIA at 3.
[9] Comments of CPUC at 5.

reporting of actual speed is not possible or necessary to evaluating the deployment of advanced services, the Commission should not require it.

Sprint also supports two of AT&T's recommendations: (1) in Part I.A., carriers should report by two tiers: < 3 Mbps and ≥ 3 Mbps for wireline services,[10] and (2) the Commission should afford carriers 6 months for implementation of any new reporting requirements because filers require time to develop the necessary software programs and procedures to produce the additional data (*id.* at 6). Sprint also encourages the Commission to adopt BellSouth's recommendation to develop an interface to map the filer's data to the report.[11]

CTIA and Cingular Wireless discuss numerous difficulties with the reporting requirements for mobile wireless carriers. For example, they explain that these carriers do not distinguish between residential and business consumers in their customer records because the distinction is not relevant in their market.[12] According to CTIA, mobile wireless carriers should not be required to collect such information solely to complete the Form 477. *Id.* CTIA also discusses the difficulty mobile wireless carriers will have in identifying broadband speeds because customers' service packages bundle voice and data services, making it difficult to identify the customer's particular data speed.[13] Sprint agrees with these comments and therefore urges the Commission either to retain the

[10] Comments of AT&T at 3.
[11] Comments of BellSouth at 3.
[12] Comments of CTIA at 2; Cingular Wireless at 3.
[13] Comments of CTIA at 6.

current format applicable to mobile wireless services, or alternatively, to modify its proposed form to more properly accommodate mobile wireless services.

Finally, Sprint and other commenting parties urged the Commission to continue the confidential treatment of the data submitted on Form 477.[14] There was general agreement that the information provided to the Commission remains competitively sensitive for many years and that any additional granularity would serve to make the data even more competitively sensitive.

In sum, Sprint respectfully requests that the Commission not introduce new data requirements on the Form 477 because they would be extremely burdensome. In addition, the Commission should maintain strict confidentiality with respect to the data that is very competitively sensitive.

Respectfully submitted,

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[14] *See e.g.* Comments of AT&T at 6-7; BellSouth at 2; Cingular Wireless at 6; CTIA at 7; EchoStar Satellite at 4-5; NCTA at 5; OPATSCO at 7-8; and Verizon at 17.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Reply Comments of Sprint Corporation in WC Docket No. 04-141 and CC Docket No. 99-301 was delivered by electronic mail or U.S. First Class Mail, postage prepaid, on this 28th day of July 2004 to the parties listed below.

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