

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

<b>In the Matter of</b>	)	
	)	
<b>Petition of Embarq Local Operating Companies</b>	)	
<b>for Forbearance Under 47 U.S.C. § 160(c) From</b>	)	<b>WC Docket No. 07-204</b>
<b>Enforcement of Certain ARMIS Reporting</b>	)	
<b>Requirements</b>	)	
	)	
<b>Petition of Frontier and Citizens</b>	)	
<b>Local Operating Companies</b>	)	
<b>for Forbearance Under 47 U.S.C. § 160(c) From</b>	)	
<b>Enforcement of Certain ARMIS Reporting</b>	)	
<b>Requirements</b>	)	

**OPPOSITION OF COMPTTEL**

COMPTTEL hereby submits its opposition to the Embarq Local Operating Companies (“Embarq”) and Frontier and Citizens Communications Incumbent Local Exchange Telephone Carriers (“Frontier”) Petitions for Forbearance from enforcement of certain ARMIS reporting requirements. Both petitioners seek relief from the obligation to file ARMIS reports 43-05 (“quality of service report”) and 43-08 (“operating data report”). As these reports are important tools to Federal and State regulators to monitor and police the ILEC’s behavior, their petitions must be denied.

The ARMIS reporting requirements from which the Petitioners seek forbearance are necessary to monitor and regulate price-cap carriers behavior in myriad ways. In particular, ARMIS report 43-05 helps states and the Commission monitor ILEC service quality to help detect service degradation and discrimination. The data from ARMIS report 43-08 is used by the states and Commission to, among other things, determine the

extent to which the Petitioners wire centers meet the impairment triggers of the *TRRO*,<sup>1</sup> monitor the Petitioners investment in facilities, and calculate the total number of local and interexchange calls and switch access minutes.<sup>2</sup>

Embarq's and Frontier's Petitions echo the arguments, and request relief, that was included in Qwest's September 13, 2007 Petition For Forbearance from the Enforcement of the Commission's ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. § 160(c) in this docket. Rather than repeat its counterarguments here, COMPTTEL incorporates by reference its December 21, 2007 Reply Comments of COMPTTEL, a copy of which is attached hereto.

COMPTTEL is also compelled to address a few additional points raised by Petitioners.

- Frontier states that the Commission and the state regulatory agencies obtain detailed industry network infrastructure and service quality data independently through other reporting requirements. But the only Commission service quality reports they cite to are the Service Quality Management Plans AT&T and Verizon are required to file as a condition of their recent mergers.<sup>3</sup> Frontier is not subject to these merger conditions so they cannot be relied upon to relieve Frontier of the obligation to file Report 43-05. As to the states, Verizon has argued that the states could no long impose these reporting requirements if the Commission were

---

<sup>1</sup> See *Unbundled Access to Network Elements*, WC Docket No. 04-313, *Review of the Section 271 Unbundling Obligations of Incumbent Local Exchange Carriers*, CC Docket No. 01-338, Order on Remand, FCC 04-290, ¶ 105 (2005) (“*TRRO*”).

<sup>2</sup> See Trends in Telephone Service Industry Analysis and Technology Division Wireline Competition Bureau February 2007 at 10-4.

<sup>3</sup> Frontier Petition at 8, n. 17.

to grant forbearance.<sup>4</sup> So, even if it were true that states currently collected this data independently – a claim states have refuted in other proceedings - the Commission cannot rely on data collected at the state level to fulfill their data collection needs. As discussed in the attached comments, the Commission, state commissions and consumer groups need the data provide in these ARMIS reports to perform their responsibilities.

- The 2008 *Quality of Service Report* belies the petitioners' statements that the service quality is high and rapidly improving.<sup>5</sup> The reports demonstrate that there were a number of significant downward trends in ILEC service quality.<sup>6</sup> Citizens has by far (by a factor of nearly two) the highest "Average Residential Installation Interval in Days" of any small price-cap carrier.<sup>7</sup> Embarq's residential out of service repair interval has increased over 25 percent since 2001.<sup>8</sup>
- Embarq does not provide its own estimate of the hours required for preparing the ARMIS reports 43-05 and 43-08. Rather it uses the 1999 estimate from the Office of Management and Budget ("OMB"). The OMB estimated 849 hours per

---

<sup>4</sup> See Petition of Verizon for Forbearance Under 47 U.S.C. §160(c) From Enforcement of Certain of the Commission's Recordkeeping and Reporting Requirements, WC Docket No. 07-273, p. 5 (filed Nov. 26, 2007). COMPTTEL does not agree with Verizon's position on this matter.

<sup>5</sup> See Frontier Petition at 11 and Embarq Petition at 9.

<sup>6</sup> "Trouble reports per thousand lines is increasing on average 2.1% annually for the industry overall and 6.9% annually for the smaller companies. Repair intervals are increasing on average 5.5 % annually for the industry overall, 6.7% annually for larger companies, and 4.7 % annually for the smaller companies." *Quality of Service Of Incumbent Local Exchange Carriers*, Industry Analysis and Technology Division Wireline Competition Bureau February 2008 at 2. ("*2008 Quality of Service Report*").

<sup>7</sup> *Id.* at 19.

<sup>8</sup> *Id.* at 21.

response. Embarq claims it must multiply OMB's number for the ARMIS Form 43-05 by 22 because of its multiple study areas and operating companies, coming up with an estimated 19,778 manhours.<sup>9</sup> Even if this were an accurate estimate, it is not significant given the importance of the reports. Nonetheless, it is likely a gross overestimation given that the OMB states that the report only has 12 respondents *total* and estimated 10,197.4 total annual hours for *all* respondents combined.<sup>10</sup> Thus, Embarq is claiming its responses and manhours are nearly twice what the OMB had estimated for *all impacted carriers combined*. Furthermore, whereas Frontier provides an estimate of 400 hours annually for both reports,<sup>11</sup> Embarq is alleging it takes it over 21,000 manhours – over *50 times* Frontier's estimated manhours - to complete the same reports.

For the reasons stated herein and in the attached Reply Comments of COMPTTEL, COMPTTEL respectfully requests that the Commission deny Embarq's and Frontier's Petition For Forbearance from any ARMIS reports, including ARMIS Reports 43-05 and 43-08.

Respectfully submitted,

/s/ Karen Reidy  
COMPTTEL  
900 17<sup>th</sup> Street, NW, Suite 400  
Washington, DC 20006  
(202) 296-6650

February 1, 2008

---

<sup>9</sup> Embarq Petition at 9.

<sup>10</sup> Public Information Collections Approved by Office of Management and Budget, 64 Fed. Reg. 15754 (Apr. 1, 1999).

<sup>11</sup> Frontier Petition at 8.

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of )  
 )  
Petition of Qwest Corporation for ) WC Docket No. 07-204  
Forbearance From Enforcement of the )  
Commission's ARMIS and 492A Reporting )  
Requirements Pursuant to 47 U.S.C. §160(c))

**REPLY COMMENTS OF COMPTTEL**

COMPTTEL respectfully submits these reply comments, pursuant to the Federal Communications Commission's Order released on October 18, 2007 (DA 07-4329).<sup>1</sup> Qwest Corporation filed a petition requesting forbearance under 47 U.S.C. § 160(c) from enforcement of certain Automated Reporting Management Information System (ARMIS) and 492A Reporting Requirements. In particular, Qwest seeks forbearance from Commission rules requiring the submission of the following ARMIS Reports: 43-01 (Annual Summary), 43-02 (USOA Report), 43-03 (Joint Cost Report), 43-04 (Separations and Access Report), 43-05 (Service Quality Report), 43-06 (Customer Satisfaction Report), 43-07 (Infrastructure Report), 43-08 (Operating Data Report)(in part), 495A (Forecast of Investment Usage), and 495B (Actual Usage of Investment), and 492A (Rate-of-Return Monitoring Report). *All parties* that submitted comments in the initial round *opposed*, for good reason, Qwest's petition.

---

<sup>1</sup> *Petition of Qwest Corporation for Forbearance from Enforcement of the Commission's ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. § 160(c)*, Order, WC Docket No. 07-204, DA 07-4329 (2007)("Petition").

It is not surprising that all parties aside from Qwest oppose Qwest's petition. Qwest's main argument for being entitled to forbearance from the rules at issue is that the rules are "burdensome and asymmetrical."<sup>2</sup> Aside from the fact that Qwest provides no evidence of the costs or time associated with the reporting requirements, and ignores its dominant status, these claims, even if valid, are not justifications for forbearance. As Ad Hoc notes, Qwest seems to have confused the "public interest" with Qwest's interest.<sup>3</sup>

Qwest's repeated assertions that the information provided in the reports is not used in the establishment of its regulated interstate rates are likewise not sufficient grounds. As the comments demonstrate, the information provided by these reports is used by this Commission, state commissions, and consumer groups in evaluating the just and reasonableness of Qwest's rates and the quality of the service provided. The information is also needed for customers (wholesale, enterprise and residential) in order to take enforcement action against Qwest. Thus, the reporting requirements are clearly necessary in ensuring just and reasonable rates, the protection of consumers, and forbearance is indisputably not consistent with the public interest.

As Integra Telecommunications indicates in its comments, the burden is on Qwest to demonstrate that forbearance is in the public interest. The burden is not on those that oppose the grant of forbearance to justify the need for the various reports.<sup>4</sup> Nonetheless, not only has Qwest failed to meet its burden of proof, the comments have overwhelmingly demonstrated the value of the reporting requirements and, consequently, that it is *not* in the public interest to grant the forbearance Qwest seeks. For example, the reporting

---

<sup>2</sup> Petition at 2.

<sup>3</sup> See Opposition of Ad Hoc Telecommunications Users Committee ("Ad Hoc") at 5.

<sup>4</sup> Opposition of Integra Telecommunications, Inc. ("Integra") at 2.

requirements Qwest seeks to have eliminated are needed by the Commission to perform the following functions:

- Fulfillment of the Commission's statutory responsibility to ensure just and reasonable rates,<sup>5</sup> *e.g.*, determination of whether special access service rates are at just and reasonable levels;<sup>6</sup>
- Discernment of improper subsidization of unregulated services by regulated services, such as cross-subsidization of competitive services by services supported by the Universal Service Fund;<sup>7</sup>
- Protection against anticompetitive discrimination and improper cost shifting in connection with Qwest's provision of in-region, long distance services;<sup>8</sup>
- Evaluation and potential adjustment to elements of the price cap plan going forward, *i.e.*, the split of costs and revenues between regulated and non-regulated operations is a key element of the formulation of exogenous cost changes under the existing price caps plan;<sup>9</sup>

---

<sup>5</sup> See Ad Hoc 2; Sprint Nextel Corporation's Comments in Opposition ("Sprint Nextel") at 18.

<sup>6</sup> See Ad Hoc at 8; Sprint Nextel at 13.

<sup>7</sup> See Ad Hoc at 2; Sprint Nextel at 13-14 & 20; Joint Comments and Opposition of the New Jersey Division of Rate Counsel, Public Counsel Section of the Washington State Attorney General's Office and the National Association of State Utilities Consumer Advocate ("Joint Opposition") at 2.

<sup>8</sup> See Ad Hoc at 6; Joint Comments at 2.

<sup>9</sup> See Ad Hoc at 3-4; Sprint Nextel at 13; Petition at 23.

- Review of critical issues under consideration in broader rulemaking proceedings, e.g. the special access and intercarrier compensation rulemaking proceedings;<sup>10</sup>
- Enhancement of the Commission's oversight functions and quantification of the effects of its policies,<sup>11</sup> e.g. evaluation the effects of price flexibility, the sunset of section 272 affiliate requirements, etc; and
- Compiling studies such as *Statistics of Communications Common Carriers*, *Quality of Service Incumbent Local Exchange Carriers*, *Trend in Telephone Service*, and *Universal Service Monitoring* reports.<sup>12</sup>

In addition, the reports are needed for the following:

- State Commissions to assess quality of service,<sup>13</sup> monitor the market, evaluate competitive conditions,<sup>14</sup> establish current policies and regulatory reform, administration of state programs and universal service subsidy mechanisms, and ensure customers receive good quality at just and reasonable-priced services;<sup>15</sup>
- Qwest customers for formulating and filing complaints;<sup>16</sup> and

---

<sup>10</sup> See Sprint Nextel at 7-8; Comments of the Colorado Public Utilities Commission ("CPUC") at 4.

<sup>11</sup> See Sprint Nextel at 4 & 21; Comments of the Washington Utilities and Transportation Commission ("WUTC") at 9-10.

<sup>12</sup> See CPUC at 4; WUTC at 9.

<sup>13</sup> See Joint Opposition at 8.

<sup>14</sup> See Joint Opposition at 2.

<sup>15</sup> CPUC at 9.

- Qwest customers in making informed decisions concerning their choice of local service provider based on such criteria such as service quality and customer satisfaction.<sup>17</sup>

The Commission itself found the reporting requirements still necessary in serving the public interest. In particular, as recently as August 2007, the Commission found the reporting requirements under ARMIS an “important component of the regulatory framework [the Commission] finds appropriate for the BOCs and their independent incumbent LEC affiliates.”<sup>18</sup> It found the public disclosure aspect important since it provides interested parties with the information needed to determine whether the BOCs are properly imputing costs associated with access.<sup>19</sup> Indeed, the Commission expanded the ARMIS obligations as necessary safeguards to the sunset of the BOC’s 272 obligations. It would be disingenuous of the Commission to grant forbearance based, in part, on the existence of certain reporting requirements and then immediately eliminate those requirements.

Moreover, the rules are not outdated as Qwest claims. As the Joint Opposition by the New Jersey Rate Counsel, Washington State Attorney General’s Office and the National Association of State Utility Consumer Advocates (“Joint Opposition”) points

---

<sup>16</sup> See Ad Hoc at 2.

<sup>17</sup> See Sprint Nextel at 20-21.

<sup>18</sup> *Section 272(f) (1) Sunset of the BOC Separate Affiliate and Related Requirements*, WC Docket No. 02-112, *2000 Biennial Regulatory Review Separate Affiliate Requirements of Section 64.1903 of the Commission’s Rules*, CC Docket No. 00-175, *Petition of AT&T for Forbearance Under 47 U.S.C. § 160(c) with Regard for In-Region, Interexchange Services*, WC Docket No. 06-120, Report and Order and Memorandum Opinion and Order, FCC 07-159, ¶¶90 and n. 260 (2007)(“Section 272 Sunset Order”).

<sup>19</sup> *Section 272 Sunset Order* at ¶ 94.

out, incumbent local exchange carriers (“ILEC”) still dominate the vast majority of the local market, owning or controlling 94% of the end-user switched access lines nationally as of June 30 2006.<sup>20</sup> ARMIS data which can be used to detect declining service quality for basic local service and improper subsidizing of unregulated services through regulated services is more vital than ever given the ILECs’ continued dominance over bottleneck facilities combined with ILECs’ entry into the high-revenue triple-play and video business, as well as the Commission’s recent decisions to forbear from other competitive safeguards.<sup>21</sup> “[I]n the wake of substantial industry consolidation and the FCC’s *UNE TRRO* decision, there are fewer prospects than ever for affordable alternatives to basic local telephone service. Therefore the connection [of these rules with the public interest] is as strong, if not stronger, than when the FCC adopted the rules for ARMIS reporting.”<sup>22</sup> Indeed, according to the Joint Opposition, Qwest service quality is already deteriorating.<sup>23</sup>

For the foregoing reasons, the Commission should deny Qwest’s petition for forbearance.

---

<sup>20</sup> Joint Comments at 31, citing Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division, *Local Telephone Competition: Status as of June 30, 2006*, (January 2007)(“Competition Report”), at Tables 10 and 11.

<sup>21</sup> See Joint Opposition at 23-30; Sprint Nextel at 3.

<sup>22</sup> Joint Opposition at 31.

<sup>23</sup> Joint Opposition at 24.

Respectfully submitted,

/s/ Karen Reidy

Karen Reidy  
COMPTEL  
900 17th Street, NW, Suite 400  
Washington, DC 20036  
(202) 296-6650

Dated: December 21, 2007