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August 29, 2008

EX PARTE

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement Of Certain of the Commission's Cost Assignment Rules, WC Docket No. 07-21; Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission's ARMIS Reporting Requirements, WC Docket No. 07-139; 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; Petition of Qwest Corporation for Forbearance from Enforcement of the Commission's ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. § 160, WC Docket No. 07-204; *et al.*

Dear Ms. Dortch:

Recent ex parte filings in one or more of these forbearance proceedings reinforce the point that the ARMIS reports are not necessary to any Commission function and should be eliminated for all carriers in a single order issued by the statutory deadline for AT&T's ARMIS petition. That order should also extend the earlier cost assignment forbearance relief granted to AT&T to Verizon and others in the industry.

The California Public Utilities Commission ("CPUC") now indicates that in the event the Commission eliminates ARMIS it will likely require continued reporting of California specific elements from certain reports, pending review as to the future need for that information.[1] If the Commission eliminates ARMIS, as it should, both AT&T and Verizon have committed to work with their state commissions to ensure state needs are met.

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[1] *See Order Instituting Rulemaking on the Commission's Own Motion to Assess and Revise the Regulation of Telecommunications Utilities*, Revised Proposed Decision of Commissioner Chong Regarding Monitoring Reports, Retail Special Access Pricing and Customer Disclosure Rules, Rulemaking R0504005, at 3, 38 (Aug. 21, 2008); s*ee also* Letter from Helen M. Mickiewicz, CPUC, to Marlene H. Dortch, FCC, WC Docket No. 07-273, *et al.* (Aug. 26, 2008).

In separate filings, New Jersey Citizen Action and the Communication Workers of America ("CWA") suggest that the ARMIS reports should be retained to meet state service quality monitoring needs.[2] As the Commission recognized in the *Cost Assignment Forbearance Order*, however, section 10 requires forbearance from regulations that are not necessary to an appropriate *federal* objective.[3] The Commission cannot retain the ARMIS reports for state-specific monitoring purposes. Moreover, many states – including New Jersey – already have their own service quality reporting requirements that include minimum service level benchmarks. N.J. Admin. Code §§ 14:10-1A.10-11. Verizon New Jersey Inc., which operates under a plan of alternative regulation, is subject to even more detailed carrier-specific service quality reporting in New Jersey that includes performance metrics that are at distinct and more rigorous than the ARMIS requirements.

New Jersey Citizen Action and the CWA also suggest that the ARMIS reports should be retained because consumers need the ARMIS service quality data to make informed decisions. New Jersey Citizen Action Ex Parte at 4; CWA Ex Parte at 2. Neither offers any evidence to dispute that ARMIS is an arcane regulatory process that consumers do not use. The ARMIS reports are available on the Commission's website, but few, if any, consumers have likely ever heard of ARMIS much less actually have seen the data. To get to this information consumers would have to first know that the information exists and resides with the Commission instead of their local regulator or a third-party service, determine that the Commission collects data through the ARMIS process, locate the ARMIS section on the Commission's website, and then download preset reports or run complicated database queries to get more localized information. Consumers simply do not consult the largely byzantine ARMIS reports to any meaningful extent. And to what end? Even if consumers could access and understand the ARMIS service quality information, this data is useless. The ARMIS service quality reports are filed by only a few of the largest incumbent local exchange carriers. Most competitors, including all competitive LECs, cable companies, wireless carriers, and independent VoIP providers, do not file *any* ARMIS reports. No consumer could possibly make an informed choice by analyzing narrow categories of data from only a limited number of providers.

Finally, New Jersey Citizen Action and the CWA suggest that there are no alternatives to ARMIS data for states or consumers. New Jersey Citizen Action Ex Parte at 2; CWA Ex Parte at 2. This is not accurate. As discussed above, many states have their own reporting requirements.

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[2] Comments of Atif Malik, New Jersey Citizen Action, WC Docket No. 07-139, at 2-3 (Aug. 26, 2008) ("New Jersey Citizen Action Ex Parte"); Letter from Kenneth R. Peres, Communications Workers of America, to Marlene H. Dortch, FCC, WC Docket No. 07-139, at 2-3 (Aug. 27, 2008) ("CWA Ex Parte").

[3] *Petition of AT&T Inc. for Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission's Cost Assignment Rules*, Memorandum Opinion and Order, 23 FCC Rcd 7302, ¶ 32 (2008) ("*Cost Assignment Forbearance Order*"), *pet. for recon. pending*.

And much more consumer-friendly information is also available for free from other sources. For example, J.D. Power and Associates conducted a detailed customer satisfaction survey that is published on the company's website, http://www.jdpower.com/telecom.[4] The J.D. Power study "measures customer satisfaction with both local and long distance telephone service in six regions across the United States."[5] The survey covers a range of providers and rates overall satisfaction, customer service, performance and reliability, billing, image, cost of service, and offerings and promotions.[6] Surveys such as this are far more accessible and relevant to consumers than the ARMIS reports.

For these reasons, the Commission should eliminate the ARMIS reports for all carriers and extend the earlier cost assignment forbearance relief granted to AT&T to Verizon and others in the industry in a single order issued by the statutory deadline for AT&T's ARMIS petition.

Sincerely,

cc: Amy Bender
Dana Shaffer
Darryl Cooper
James Eisner
Alan Feldman
Michael Goldstein
Marcus Maher
Jeremy Miller
Alex Minard
Christi Shewman
Cathy Zima

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[4] *See also* Letter from Linda S. Vandeloop, AT&T, to Scott Deutchman, FCC, WC Docket No. 07-139, *et al.* (Aug. 5, 2008).

[5] J.D. Power and Associates, Press Release, *Bundling Video with Voice and Data Services Gives Cable Companies A Competitive Edge Over Telephone Providers*, http://www.jdpower.com/corporate/news/releases/pressrelease.aspx?ID=2007108 (July 11, 2007).

[6] J.D. Power and Associates, Telephone Service Provider Ratings, 2007 Residential Telephone Customer Satisfaction Study, http://www.jdpower.com/Telecom/ratings/telephone-service-provider-ratings.