

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Service Quality, Customer Satisfaction, Infrastructure and Operating Data Gathering)	WC Docket No. 08-190
)	
Petition of AT&T Inc. for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's ARMIS Reporting Requirements)	WC Docket No. 07-139
)	
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))	
)	
Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of ARMIS Reporting Requirements)	WC Docket No. 07-204
)	
Petition of Frontier and Citizens ILECs for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's ARMIS Reporting Requirements)	
)	
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 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
)	

TO: The Commission and the Office
of Management and Budget

**COMMENTS OF THE RURAL VERMONT ITCs
ON THE INFORMATION COLLECTIONS**

Susan J. Bahr
Law Offices of Susan Bahr, PC

P.O. Box 2804
Montgomery Village, MD 20886-2804
Phone: (301) 926-4930
Sbahr@bahrlaw.com

Attorney for the Rural Vermont ITCs

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TABLE OF CONTENTS

	<u>Page</u>
SUMMARY	ii
COMMENTS OF THE RURAL VERMONT ITCs ON THE INFORMATION COLLECTIONS	1
BACKGROUND	3
I. THE COMMISSION GIVES NO JUSTIFICATION FOR THE PROPOSED REPORTING REQUIREMENTS	4
II. THE PROPOSED REPORTING REQUIREMENTS WOULD BE BURDENSOME	5
III. THE OMB NIXED A MORE LIMITED VERSION OF THE EXPANDED REPORTING REQUIREMENTS IN 2001 PURSUANT TO THE PRA	6
IV. THE SBPRA ALSO COMPELS AN EXEMPTION FOR SMALL ILECS	8
CONCLUSION	9

SUMMARY

Franklin Telephone Company, Ludlow Telephone Company, Northfield Telephone Company, Perkinsville Telephone Company, Shoreham Telephone Company, Inc., Topsham Telephone Company and Waitsfield-Fayston Telephone Company, Inc. (collectively, the Vermont ITCs), by their attorney, hereby submit these Paperwork Reduction Act (PRA) and Small Business Paperwork Relief Act of 2002 (SBPRA) comments on the information collections contained in the Memorandum Opinion and Order and Notice of Proposed Rulemaking, FCC 08-203, released September 6, 2008 (NPRM), in the captioned proceedings.

This is a case of *deja vu*. A group of small Vermont incumbent local exchange carriers (ILECs) opposed the imposition of service quality reporting in 2001. At that time, the Office of Management and Budget (OMB) agreed with their comments and rejected the proposed rules. Now, the Commission proposes to extend the same reports - and more - to small ILECs - and other carriers. Both times, the Commission failed to explain what the benefit would be for imposing reporting burdens on additional carriers. The Rural Vermont ITCs respectfully request the OMB to decline to approve these proposed reports, in accordance with the PRA, or request the Commission to exempt small ILECs in accordance with the SBPRA.

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¹ Service Quality, Customer Satisfaction, Infrastructure and Operating Data Gathering, Memorandum Opinion and Order and Notice of Proposed Rulemaking, WC Dockets No. 08-190, 07-139, 07-204, 07-273, 07-21, FCC 08-203 (rel. Sept. 6, 2008) [hereinafter NPRM].

² That group included including the Rural Vermont ITCs.

decline to approve these proposed reports, in accordance with the PRA, or request the Commission to exempt small ILECs in accordance with the SBPRA.³

These issues are discussed below.

BACKGROUND

The Rural Vermont ITCs are small ILECs serving rural areas of Vermont. In addition to providing local exchange service, the Rural Vermont ITCs and their affiliates provide broadband service and long distance service.

Several of them serve fewer than 2000 lines. They all have fewer than 1500 employees (the size threshold for small businesses under the Regulatory Flexibility Act).⁴ Indeed, they all have fewer than 100 employees, and most of the Rural Vermont ITCs have fewer than 25 employees (the size threshold for small businesses under the Small Business Paperwork Relief Act of 2002).⁵ Given their small size and correspondingly small staff,

³ The NPRM also does not comply with the Regulatory Flexibility Act and the Administrative Procedure Act. These issues are addressed in two separate comments filed today by the Rural Vermont ITCs. Comments of the Rural Vermont ITCs, WC Dockets No. 08-190, 07-139, 07-204, 07-273, 07-21, FCC 08-203 (filed Nov. 14, 2008); Comments of the Rural Vermont ITCs on the Initial Regulatory Flexibility Analysis, WC Dockets No. 08-190, 07-139, 07-204, 07-273, 07-21, FCC 08-203 (filed Nov. 14, 2008).

⁴ NPRM app. C para. 5.

⁵ NPRM para. 44.

they are especially impacted by any increased regulatory reporting requirements.

I. THE COMMISSION GIVES NO JUSTIFICATION FOR THE PROPOSED REPORTING REQUIREMENTS

The gist of the NPRM appears to be that the Commission is looking for a use for its ARMIS reports. But that's putting the cart before the horse. The Commission has failed to provide a reason for collecting the data in the first place.

The Commission posits that it could use data to aid the Commission's public safety and broadband policymaking, and could make the data available to consumers to help them make informed choices.⁶ The Commission does not explain why it needs more data for public safety and broadband policymaking, and why the data it already has is not sufficient. Similarly, the Commission does not explain why consumers need data that is not already available elsewhere and why the data should be provided at the federal level. The Commission has not pointed to any complaints at the state or federal level that would justify placing additional reporting burdens on small ILECs.

It is clear that the main reason why the Commission released the NPRM is that it was required to respond to ARMIS forbearance requests filed by large ILECs. Surely, a decision to forbear

⁶ Id. paras. 34-35.

from ARMIS reports for large ILECs is no basis for extending ARMIS reports to all carriers.

In sum, the Commission has given no reason for collecting additional ARMIS-type data, especially from small ILECs. Yet, the Paperwork Reduction Act clearly requires the Commission to specify the need for the collection of information - so that, among other things, the public can comment on whether the collection of information is necessary for the proper performance of the functions of the Commission.⁷ The NPRM skipped this step.

II. THE PROPOSED REPORTING REQUIREMENTS WOULD BE BURDENSOME

The ARMIS reports at issue are massive in scope. The Commission estimates the staff hours involved in producing the ARMIS Reports 43-05, 43-06, 43-07 and 43-08 (i.e., the ARMIS Reports at issue in this NPRM) to be about 1500 hours per year per company.⁸ And those estimates applied to companies that already may have had sophisticated switches, back office systems

⁷ 44 U.S.C. § 3506.

⁸ Notice of Public Information Collection(s) Being Submitted for Review to the Office of Management and Budget, 73 Fed. Reg. 43,933 (FCC July 29, 2008) (319 hours for each of ARMIS Reports 43-05 and 43-07); Public Information Collection(s) Approved by Office of Management and Budget, 71 Fed. Reg. 29,961 (FCC May 16, 2006) (720 hours for ARMIS Report 43-06); Notice of Public Information Collection(s) Being Submitted for Review to the Office of Management and Budget, 72 Fed. Reg. 5715 (FCC Feb. 7, 2007) (139 hours for ARMIS Report 43-08).

and survey mechanisms in place and ready to generate ARMIS data and reports.

For small ILECs to begin to generate ARMIS-type data, they may need to upgrade switch software, invest in new back office systems, or perhaps hire new staff to manually generate the data for the proposed reports. To generate customer satisfaction data, the small ILECs would need to start surveying customers about whatever issues are determined by the Commission. The cost of modifying internal procedures, upgrading or replacing systems, surveying customers, and hiring staff could range from the tens of thousands of dollars to hundreds of thousands of dollars, depending on the size of the ILEC and the regulations that the Commission would adopt. These small ILECs would need to divert resources away from making system improvements that impact end users, such as broadband deployment - without providing any benefit to those end users.

III. THE OMB NIXED A MORE LIMITED VERSION OF THE EXPANDED REPORTING REQUIREMENTS IN 2001 PURSUANT TO THE PRA

Eight years ago, in the Biennial Review Service Quality Reporting Requirements Notice, the Commission proposed to extend ARMIS Report 43-05 Service Quality Reporting to all ILECs.⁹ The

⁹ 2000 Biennial Regulatory Review - Telecommunications Service Quality Reporting Requirements, Notice of Proposed Rulemaking, CC Docket. No. 00-229, 15 FCC Rcd. 22,113, 22,122

ARMIS Reports previously have been applied only to large ILECs. That Notice did not provide evidence of any complaints about the quality of service provided by small ILECs. A group of Vermont ILECs, including the Rural Vermont ITCs, filed comments in that proceeding, and showed that the proposed reporting requirements were unjustified and would be unduly burdensome.¹⁰ Among other things, the commenters showed that their existing state reporting requirements duplicated and conflicted with the proposed federal reporting requirements.¹¹ The comments also roughly estimated the amount of staff time for implementing the proposed service quality reports could exceed \$1 million if just half of the small ILECs - like some of the Vermont companies - had to manually record data and generate the reports by hand.¹²

In response, the OMB stated:

The comments we received show a considerable cost for the reporting requirement, but do not include discussion of benefits. Absent a significant benefit being shown, we do not approve the extension in this

(2000).

¹⁰ Comments of the Vermont ITCs on Proposed Information Collections (dated Jan. 3, 2001); see also Comments of the Vermont ITCs, CC Docket No. 00-229 (dated Jan. 12, 2001); Reply Comments of the Small Independent Telephone Companies, CC Docket No. 00-229 (dated Feb. 16, 2001).

¹¹ Comments of the Vermont ITCs on Proposed Information Collections 2-5 (dated Jan. 3, 2001)

¹² Id. at 6.

proposal pursuant to the Paperwork Reduction Act.¹³

The same is true here. But this time, in the NPRM, the Commission has proposed to extend the ARMIS Report 43-05 Service Quality Reports all carriers, not just ILECs. And this time, the Commission goes several steps further. It proposes to extend almost all ARMIS-type reporting to all carriers. Yet, the Commission provides no reason why it needs the data it proposes to collect.

Just as the OMB previously did not approve the extension of service quality reporting to small ILECs, the Rural Vermont ITCs submit that the OMB should not approve the extension of service quality reporting and other ARMIS-type reporting to small ILECs, under the Paperwork Reduction Act.

IV. THE SBPRA ALSO COMPELS AN EXEMPTION FOR SMALL ILECS

Even if the OMB would approve the expansion of the ARMIS Reports to include most carriers, the SBPRA compels an exemption for small ILECs. Many of the Rural Vermont ITCs, like many small ILECs, have fewer than 25 employees. The SBPRA requires an agency to further reduce any information burden for small businesses with such a small number of employees. The simplest way to reduce the information burden is to exempt these

¹³ Letter from Edward Springer, OMB, to Judy Boley, FCC, CC Docket No. 00-229 (Jan. 29, 2001).

companies. It is impossible to provide any other suggestions for reducing compliance burdens because the NPRM does not explain why the data is needed in the first place.

If small ILECs with fewer than 25 employees are exempted, it would make sense to similarly exempt all small ILECs, because they all would face similar burdens of compliance.

CONCLUSION

As shown above, the Commission has not explained why it needs to collect more data, but the generation of data and reports would clearly be burdensome. Just as the OMB did not approve the unjustified extension of ARMIS reports in 2001, the Rural Vermont ITCs respectfully request the OMB to do the same here, and reject the extension of ARMIS reports to small ILECs in this proceeding. However, if the OMB were to approve the extension of ARMIS Reports in this proceeding pursuant to the Paperwork Reduction Act, the Commission should exempt small ILECs pursuant to the SBPRA.

Respectfully submitted,
RURAL VERMONT ITCs

By [filed using ECFS]
Susan J. Bahr
Law Offices of Susan Bahr, PC
P.O. Box 2804
Montgomery Village, MD 20886-2804
Phone: (301) 926-4930

Sbahr@bahrlaw.com

Their Attorney

November 14, 2008

CERTIFICATE OF SERVICE

I, Susan J. Bahr, Law Offices of Susan Bahr, PC, certify that on this 14th day of November, 2008, I have sent a copy of the foregoing to the following:

FCC
PRA@fcc.gov

Judith B. Herman, FCC
Judith-B.Herman@fcc.gov

Kristy L. LaLonde, OMB Desk Officer
Kristy_L._LaLonde@omb.eop.gov

Nicholas Fraser, OMB
Nicholas_A._Fraser@omb.eop.gov

[filed using ECFS]
Susan J. Bahr