

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 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))	WC Docket No. 07-204
)	
Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of ARMIS Reporting Requirements)	
)	
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
)	

**COMMENTS OF VERIZON¹
AND VERIZON WIRELESS**

¹ In addition to Verizon Wireless, the Verizon companies participating in this filing (“Verizon”) are the regulated, wholly owned subsidiaries of Verizon Communications, Inc.

I. INTRODUCTION AND SUMMARY.

In the *Recordkeeping and Reporting Forbearance Order*, the Commission eliminated outdated ARMIS infrastructure and service quality reporting requirements.² The Commission, in eliminating these reports, recognized the competitive nature of the modern communications marketplace and the need to remove unnecessary regulatory requirements that constrain the next-generation services consumers demand. The Commission now seeks comment on imposing ARMIS-type reporting obligations on all facilities-based providers of broadband and/or telecommunications. The reporting requirements that the Commission just eliminated are not necessary to any legitimate federal purpose for any provider. The Commission should not roll back the clock and extend those requirements to a larger class of providers.

The Commission's proposal would shift the data collections for the obsolete ARMIS infrastructure and service quality reports, filed by only a few providers, to the FCC Form 477, filed by most providers, based on the vague notion that such information may further the Commission's broadband and public safety objectives. The Commission is correct that any reporting obligations must apply to all competing providers, not just a few among many competitors. And if the Commission does establish new reporting obligations, the Form 477 is a logical venue. But the Commission must evaluate whether there is a need for this ARMIS data from anyone. There is no such need. ARMIS infrastructure and service quality data are outdated and meaningless, and the Commission already collects sufficient data to serve its broadband and

² *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; Petition of Verizon For Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's Recordkeeping and Reporting Requirements, et al.*, Memorandum Opinion and Order and Notice of Proposed Rulemaking, WC Docket Nos. 08-190, 07-139, 07-204, 07-273, 07-21, FCC 08-203 (Sept. 6, 2008) ("*Recordkeeping and Reporting Forbearance Order*"), *pet. for recon. pending*.

public safety objectives. Moreover, service quality information that is much more useful than the antiquated ARMIS data that consumers do not use is readily available to consumers from other sources.

At the very least, the Commission should wait until it has the opportunity to evaluate the need for additional data in light of the recent revisions to the Form 477. The Commission should also carefully consider the downstream costs of any new reporting requirements, which would be significant and ultimately paid for by consumers.

II. THERE IS NO NEED FOR EXPANDED REPORTING OBLIGATIONS.

In the *Recordkeeping and Reporting Forbearance Order*, the Commission tentatively concluded that the information contained in ARMIS Reports 43-07 and 43-08 (the network infrastructure reports) “would be useful to the Commission’s public safety and broadband policymaking.” *Recordkeeping and Reporting Forbearance Order*, ¶ 34. The Commission further hypothesized that the information in ARMIS Reports 43-05 and 43-06 (the service quality reports) “might be useful to consumers to help them make informed choices in a competitive market.” *Id.*, ¶ 35. The Commission should decline to expand these ARMIS reporting obligations for the same reason it eliminated the reports in the first place – they are not relevant in today’s vibrantly competitive communications market.

The idea that the ARMIS reports have perpetual relevance is wrong. Even if the reporting obligations were applicable to all providers, the ARMIS infrastructure and service quality reports would still be obsolete. For example, the meaningless metrics in the ARMIS infrastructure reports include traditional switches equipped with SS7 technology, total sheath kilometers of loop and interoffice cables, kilometers of aerial wire and outside plant cables, and

the length of traditional trenches and ducts.³ These metrics were designed to describe traditional telephony services plant, and would not describe the facilities of intermodal competitors. The ARMIS service quality reports are similarly byzantine⁴ and are not used by consumers. To even access the ARMIS service quality data, consumers must first know that it exists (which they do not) and resides with the Commission instead of their local regulator or a third-party service, determine that the Commission collects service quality 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. In any event, the service quality metrics do not necessarily reflect the concerns that consumers have in the current competitive telecommunications market.

At bottom, these ARMIS reports are useless. And the Commission recognized as much when it eliminated the reports in the *Recordkeeping and Reporting Forbearance Order* just a few months ago. The Commission found that the ARMIS infrastructure and service quality reports were outdated vestiges of a transition mechanism put in place when the Commission abandoned its rate-of-return regulatory regime more than 15 years ago in favor of price caps.

We agree with the petitioners that ARMIS Reports 43-05, 43-06, 43-07, and 43-08 were not originally designed to ensure that carriers' rates, terms, and conditions were just and reasonable or not unjustly or unreasonably discriminatory. These ARMIS reports were adopted to monitor the theoretical concern that price cap carriers might reduce service quality or network investment to increase short-term profits, rather than being designed to address the rates, terms, and conditions under which carriers offered their services. . . . Thus, we do not find these ARMIS reports necessary today to ensure that carriers' charges,

³ General Instructions for ARMIS Reports 43-07 and 43-08, <http://www.fcc.gov/wcb/armis/instructions/>. A description of all of the obsolete elements of the ARMIS infrastructure and service quality reports is compiled on the attached Matrix as Attachment A.

⁴ General Instructions for ARMIS Reports 43-05 and 43-06, <http://www.fcc.gov/wcb/armis/instructions/>.

practices, classifications or regulations are just and reasonable and are not unjustly or unreasonably discriminatory.

Recordkeeping and Reporting Forbearance Order, ¶ 8 (quotations and citations omitted).

Whether generated by a few providers that file ARMIS reports or by the many providers that file the Form 477, the ARMIS infrastructure and service quality data are irrelevant in today's competitive communications market. The reports should be allowed to sunset for all providers – permanently.

III. THE COMMISSION HAS SUFFICIENT INFORMATION AVAILABLE TO SATISFY ITS BROADBAND AND PUBLIC SAFETY OBJECTIVES.

The Commission already collects extensive information related to broadband policy and public safety objectives. The current Form 477 is one source of information on broadband infrastructure. The information on this form (*e.g.*, data regarding asymmetric XDSL, symmetric xDSL, and the number of lines provided at various speeds) is specifically geared toward describing broadband infrastructure on a very granular basis. In March 2008, the Commission adopted comprehensive changes to the Form 477, expanding the reporting obligations on broadband providers.⁵ The Commission first should monitor the effectiveness of the new reporting requirements before it even considers adopting additional requirements. Among other things, broadband providers now will be required to report for each census tract: (i) the number of broadband connections in service; (ii) the particular speed tiers – including multiple combinations of upload and download speed – into which those broadband connections fall; (iii) the technology type used for each connection; and (iv) estimates of the percentage of residential

⁵ *Development of Nationwide Broadband Data to Evaluate Reasonable and Timely Deployment of Advanced Services to All Americans, Improvement of Wireless Broadband Subscriberhip Data, and Development of Data on Interconnected Voice over Internet Protocol (VoIP) Subscriberhip*, Report and Order and Further Notice of Proposed Rulemaking, 23 FCC Rcd 9691 (2008) (“*Broadband Data Reporting Order*”).

subscribers. *Broadband Data Reporting Order*, ¶¶ 10-15. In addition, mobile wireless broadband providers will be subject to expanded reporting requirements – such as the number of subscribers to Internet access service plans and the census tracts with coverage – and providers of interconnected VoIP service will be required to report subscribership information. *Id.*, ¶¶ 16, 23-24.

In addition to these new FCC-imposed data collections, on October 10, 2008, after the Commission reached its tentative conclusions in this proceeding, the President signed the Broadband Data Improvement Act into law. Broadband Data Improvement Act, Pub. L. No. 110-385 (2008). The Broadband Data Improvement Act requires the Commission, pursuant to its section 706 Inquiry, to compile information on areas of the country “that are not served by any provider of advanced telecommunications capability.” *Id.* § 103(c).

All of these new requirements will increase exponentially the data reported to the Commission regarding the infrastructure underlying the competitive broadband marketplace. In light of these substantial and recent revisions, the Commission should not adopt any additional reporting requirements until it has the opportunity to evaluate the data that providers will now report. As the Commission recognized, broadband reporting requirements necessitate a balancing of “the benefits of [] additional data collections” against “any burdens such collections may impose.” *Id.*, ¶ 8. Only after evaluating the substantial new data that will flow from these reporting requirements can the Commission apply this balancing test to determine whether any additional broadband reporting requirements are reasonably necessary.

Beyond the Form 477, the Commission receives broadband-related information from carriers, trade associations, industry analysts, manufacturers, and states via its section 706

inquiries and other annual assessments.⁶ Finally, the Commission can access detailed data from reports developed by a variety of industry analysts.

Significant amounts of information regarding quality of service also are available from sources beyond the Form 477. Providers are already required to report major service outages to the Commission.⁷ More important, myriad other more consumer-friendly sources provide publicly available information relevant to consumer choices. A variety of websites make customer satisfaction and quality of service information readily available. For example, J.D. Power and Associates conducted a detailed customer satisfaction survey of the communications industry that is published on the company's website.⁸ The survey covers a range of providers and rates overall satisfaction, customer service, performance and reliability, billing, image, cost of service, and offers and promotions.⁹

For the same reasons, extending ARMIS service quality reports to the wireless industry is unnecessary. The competition and explosive growth in the wireless industry have spawned a plethora of information sources for consumers about wireless services.¹⁰ Several organizations that conduct wireless customer satisfaction surveys maintain websites that provide information on the results of those surveys and recommendations, including J.D. Power and Consumers

⁶ *Recordkeeping and Reporting Forbearance Order*, ¶13.

⁷ *New Part 4 of the Commission's Rules Concerning Disruptions to Communications*, Report and Order and Further Notice of Proposed Rulemaking, 19 FCC Rcd 16830 (2004).

⁸ *See also* Letter from Linda S. Vandeloop, AT&T, to Scott Deutchman, FCC, WC Docket No. 07-139, et al. (Aug. 5, 2008).

⁹ 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>.

¹⁰ *See, e.g.*, www.wirelessadvisor.com.

Union.¹¹ These organizations update such information periodically because it can become stale rapidly.

In addition to the primary sources of information on wireless, other sources review, analyze, and rate those primary sources. One such entity is ConsumerSearch, which lists and ranks reviews of wireless service based on credibility in testing, evaluating, and identifying the best wireless plans.¹² Thus not only are reputable wireless customer satisfaction surveys available, but sources that summarize, assess, and rate those surveys are also available. These existing sources of wireless customer satisfaction are readily available to consumers at nominal or no cost and in a timely manner.

Information that is already publicly available to consumers more than adequately assists them in evaluating different providers and related services. And the Commission itself has questioned the utility of ARMIS service quality data for this purpose, acknowledging that “[a]ctual complaint information may be a better indicator of trends in service quality than” the data reported in ARMIS.¹³

Likewise, with respect to the Commission’s important public safety objectives, the Public Safety and Homeland Security Bureau already solicits relevant infrastructure information in times of disaster through its “Disaster Information Reporting System.” *See, e.g., The FCC’s Public Safety and Homeland Security Bureau Launches Disaster Information Reporting System (DIRS)*, Public Notice DA 07-3871 (Sept. 11, 2007). The ARMIS metrics are not necessary for public safety policymaking.

¹¹ *E.g.*, www.jpdpower.com; www.consumerreports.org.

¹² *See* www.consumersearch.com.

¹³ *Recordkeeping and Reporting Forbearance Order*, ¶ 13.

IV. THE BURDEN OF EXPANDED REPORTING REQUIREMENTS WOULD BE SIGNIFICANT.

Given the robust competition and plethora of competitive alternatives for both voice and broadband services that exist today, the Commission should further eliminate, not expand, federal reporting requirements consistent with the goals of the Act. *See, e.g.*, 47 U.S.C. § 160.¹⁴

To produce the ARMIS infrastructure and service quality reports Verizon alone dedicates the equivalent of six full-time employees to generating the reports annually; approximately 70 employees are directly involved in the data gathering process; and hundreds of other employees are involved in providing the relevant data. In addition, Verizon must train data owners, review previous reports, conduct extensive validation efforts to ensure accuracy, and complete an attestation process to verify the data.

The Commission has an obligation to balance the burdens of additional regulation with the purported benefits of any proposed rule. The Commission's proposal to expand the ARMIS infrastructure and service quality reporting would require providers to incur significant costs (ultimately paid for by consumers) for an activity that will produce no public interest benefits. Expanded reporting would actually harm the public interest by slowing innovation and roll-out of new services in the industry because many providers will be required to allocate scarce resources to regulatory compliance. These resources are better spent on activities that truly benefit consumers.

¹⁴ The Paperwork Reduction Act also requires the Commission to “minimize the paperwork burden to individuals, small businesses . . . and other persons resulting from the collection of information by or for the Federal Government” and “ensure the greatest possible public benefit from and maximize the utility of information created, collected, maintained, used, shared and disseminated by or for the Federal Government.” 44 U.S.C. §§ 3501(1), (2).

V. THE COMMISSION HAS NO NECESSARY PREDICATE FOR IMPOSING ARMIS REPORTING ON WIRELESS CARRIERS.

In considering new regulation for CMRS, including extension of the ARMIS reporting requirements, the Commission must start with the overarching deregulatory approach to the wireless industry that both it and Congress have followed for more than a decade – an approach that the Commission has found has proven hugely successful for the American economy and for consumers. That approach is grounded in Congress’ enactment of the Omnibus Budget Reconciliation Act of 1993 (OBRA). The Commission has stated that the “overarching congressional goal” in OBRA was “promoting opportunities for economic forces – not regulation – to shape the development of the CMRS market.”¹⁵ In OBRA, Congress amended the Communications Act to implement its “general preference in favor of reliance on market forces rather than regulation,”¹⁶ and to permit the mobile wireless market to develop subject only to the degree of regulation “for which the Commission and the states could demonstrate a clear-cut need.”¹⁷ This means that any new regulatory mandate for CMRS must have a clear factual record justifying it, such as evidence of market failure. The brief NPRM in this docket contains no such justification with respect to extending ARMIS reports to CMRS. Indeed, the Commission found the opposite that ARMIS reports are not necessary to regulate carriers’ practices.¹⁸

The Commission has also recognized the critical importance of promoting investment in wireless networks in driving benefits to consumers and the harm that regulation can have on

¹⁵ *Implementation of Sections 3(n) and 332 of the Communications Act, Third Report and Order*, 9 FCC Rcd 7988, 8004 (1994).

¹⁶ *Petition of New York State Public Service Commission*, 10 FCC Rcd 8187, 8190 (1995).

¹⁷ *Petition of the State of Hawaii*, 10 FCC Rcd 7872, 7874 (1995).

¹⁸ *Recordkeeping and Reporting Forbearance Order*, ¶ 8.

investment. “The continued success of the mobile telecommunications industry is significantly linked to the ongoing flow of investment capital into the industry. It thus is essential that our policies promote robust investment in mobile services.”¹⁹ As noted above, the burden of preparing ARMIS reports is significant in both financial and personnel resources, and is one of the reasons why the Commission decided that they are no longer needed.²⁰ Resources directed toward meeting regulatory mandates and away from investment in wireless infrastructure means less value for consumers, exactly the opposite of the Commission’s stated policy for regulation of wireless. Accordingly, the Commission should reject extending the ARMIS reports to wireless providers for the same reasons that it found ARMIS reports are no longer necessary for wireline carriers.

¹⁹ *Implementation of Sections 3(n) and 332 of the Communications Act, Second Report and Order*, 9 FCC Rcd 1411, 1421 (1993).

²⁰ *Recordkeeping and Reporting Forbearance Order*, ¶ 17.

VI. CONCLUSION.

For these reasons, the Commission should not expand the ARMIS reporting requirements to the Form 477 or elsewhere.

Respectfully submitted,

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ARMIS Report 43-05 (Service Quality)

Report Component	Description	Data Meaningless To Consumers Because –
Table I	Installation and Repair Intervals for Interexchange Access (segregated between switched access and special access data) - includes average installation intervals, number of installations met and missed, and number of trouble reports.	<p>Traditional interexchange access, or standalone long distance service, is a rapidly evaporating market. Switched access services provide connections to local telephone company switches to originate and terminate traditional circuit switched long distance traffic. However, increasingly consumers use a variety of means other than standalone long distance services to place long distance calls. Next-generation services include wireless services, broadband connections using VoIP, and cable IP telephony services. Even for those consumers who do rely on traditional long distance services, those services are very often bundled with local voice, Internet access and other data services, and video offerings. Interexchange access services are also purchased by wholesale carrier customers, and thus installation and repair statistics regarding these services are of no meaningful use to retail service consumers.</p> <p>Special access customers have the option of selecting service level agreements offered in Verizon’s generally available tariffs or negotiating a customer tailored agreement in price flex contracts. <i>See Verizon Tariff FCC No. 1, Section 2.7; Verizon Tariff FCC No. 11, Section 2.8; Verizon Tariff FCC No. 14, Section 2.8, Verizon Tariff FCC No. 16, Section 2.7.</i></p>
Table II	Installation and Repair Intervals for Local Service - includes average installation intervals, number of installations met and missed, and number of trouble reports.	<p>Consumers who truly want to compare services offered by all competing providers rely on customer satisfaction information available in the popular media and from third-party services that is much more accessible than data metric reporting to the Commission.</p> <p>Isolated data measuring traditional “local” services is not relevant because providers (including intermodal providers) are competing in today’s communications markets by offering bundles of “all distance” services that make no distinction between local and long distance calling. In addition, these services may be further bundled with Internet access and other data services and video offerings.</p>

Table III	Common Trunk Blockage - the number of common trunk groups exceeding interstate call blocking thresholds.	<i>See</i> Table I and II entries.
Table IV	Total Switch Downtime.	Providers, in many cases including ILECs, CLECs, wireless, and cable VoIP, already report major service outage information to the Commission through the Commission's Disaster Information Reporting System and the Network Outage Reporting System, both administered by the Public Safety and Homeland Security Bureau. More important, this data by definition is not helpful to consumers comparing competing services because next generation services such as VoIP and wireless do not rely on traditional switching technology. <i>See also</i> Table I and II entries.
Table IV-A	Occurrences of Two Minutes or More Duration Downtime.	<i>See</i> Table I, II, and IV entries.
Table V	Service Quality Complaints.	The Commission has an separate, extensive consumer complaint process to collect and summarize information regarding service quality complaint issues that is administered by the Consumer and Government Affairs Bureau. The Bureau already collects and prepares quarterly summaries that reflect compliant information applicable to all classes of providers. <i>See also</i> Table I entries.

ARMIS Report 43-06 (Customer Satisfaction)

Report Component	Description	Data Meaningless To Consumers Because –
Table I	Customer Satisfaction Survey.	This report requires certain ILECs to design and conduct their own customer satisfaction surveys related to voice telephone service and report the results. However, increasingly consumers consider many factors when purchasing communications services, only one facet of which is voice capability. Many providers (including intermodal providers) are competing in today's communications markets by offering bundles of "all distance" services that make no distinction between local and long distance calling. In addition, these services may be further bundled with Internet access and other data services

		and video offerings. Consumers who truly want to compare services offered by all competing providers also rely on customer satisfaction information available in the popular media and from third-party services that is much more accessible than data metric reporting to the Commission. In addition, data in this report is in many ways duplicative of the complaint information the Consumer and Government Affairs Bureau collects and summarizes quarterly.
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ARMIS Report 43-07 (Infrastructure)

Report Component	Description	Data Useless For Broadband And Public Safety Purposes Because –
Table I	Switching Equipment - the number of non-digital and digital stored program switches, number of access lines by switch type, and switches equipped with SS7 and ISDN technologies.	The switching categories for which data is collected in this table are outdated and do not reflect modern technologies being deployed in networks today. Newer switching technologies, such as IP-based packet switches, are being widely deployed across the country by a number of different carriers, including incumbent cable VoIP providers that typically rely on IP technology to provide telephone services to their video customers. In addition, information regarding switching equipment deployment is available through other industry sources, including switching facility information maintained by all carriers in the industry's Local Exchange Routing Guide (LERG).
Table II	Transmission Facilities - total kilometers and links of interoffice facilities and central office loop plant terminations based on technology (i.e., analog, digital, copper, fiber) and the number of other terminations such as DSL, DS1 and DS3, hybrid loops and ISDN capable lines.	Today, interoffice transmission facilities are almost always fiber-based, meaning reporting any data regarding transmission facilities by type of technology is pointless. And the bottom line number of kilometers and links of interoffice fiber facilities provides little or no meaningful information regarding the types of broadband and other services provided to consumers. The existing FCC Form 477 provides much more useful information regarding broadband capabilities being offered by providers in specific areas, such as the number of broadband connections using copper, fiber or coaxial cable in addition to the number of DS1 and DS3 connections.

ARMIS Report 43-08 (Operating Data)

Report Component	Description	Data Useless For Broadband And Public Safety Purposes Because –
Table I.A	Outside Plant Statistics - Cable & Wire Facilities - the number of kilometers of various cable and wire facilities (i.e., aerial, underground, buried, intra-building), conduit, and the number of utility poles.	Bottom line reporting of numbers regarding wire and conduit lengths, utility poles, and the manner of deployment of these facilities does not serve any policy objective. For example, Verizon’s advanced fiber network may be deployed in some areas using aerial facilities, and in other areas those facilities may be buried for any number of reasons – such as geographic impediments and local zoning restrictions – that have no connection to the types of services deployed over the facilities. It is the later that is of interest to the Commission and to consumers, and that type of information is already being reported on the existing FCC Form 477.
Table I.B	Outside Plant Statistics - Other.	The reporting of data in this table reflects older traditional circuit-switched technologies, such as terrestrial relay radio systems, analog and digital equipped loop circuits, and interoffice cable and microwave systems. This information was not designed for, and, on its face is irrelevant to the Commission’s broadband and public safety goals.
Table II	Switched Access Lines In Service - number of access lines including Centrex, PBX and ISDN lines.	<i>See</i> Table I.B entry.
Table III	Access Lines In Service By Customer.	The Commission has already determined that it will continue to require carriers to report summary information currently reflected in this table.
Table IV	Telephone Calls - telephone call statistics by state.	<i>See</i> Table I.B. entry.