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

In the Matter of	)	
	)	
Petition of Intrado Communications of Virginia Inc. for Arbitration Pursuant to Section 252(b) of the Communications Act of 1934, as amended, to Establish an Interconnection Agreement with Verizon South Inc. and Verizon Virginia Inc.	)	WC Docket No. 08-185
	)	
Petition of Intrado Communications of Virginia Inc. for Arbitration Pursuant to Section 252(b) of the Communications Act of 1934, as amended, to Establish an Interconnection Agreement with Central Telephone Company of Virginia and United Telephone Southeast LLC (collectively, "Embarq")	)	WC Docket No. 08-33

REPLY COMMENTS OF VERIZON[1]

Verizon, like many of the other parties who filed comments, supports 911 competition that is fostered in a competitively neutral manner. But shifting entrants' network costs to other providers and their customers, as Intrado's interconnection proposals would do, is not competitively neutral and would discourage the continued innovation and investment in 911 technologies that will promote public safety. Intrado's proposed interconnection would require that Verizon and other carriers shoulder the costs of Intrado's network by mandating that Verizon interconnect at multiple points within Intrado's network (that Intrado has never identified), that Intrado be allowed to separately charge Verizon for the costs of interconnecting at those points, and that Intrado be permitted to dictate Verizon's network configuration on Verizon's side of the point of interconnection. But Intrado's proposed interconnection

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[1] The Verizon companies participating in this filing ("Verizon") are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

arrangements under Section 251(c) are not necessary for successful competition in the provision of 911 services, as demonstrated by Intrado's commercial interconnection agreement with Embarq. Fair competition does not require the Section 251(c) provisions contemplated here.

Further, Verizon agrees with the majority of the commenting parties that this arbitration is not the appropriate forum for discussion, let alone resolution, of 911 competition policy issues. That discussion should, instead, occur in a broader proceeding, like a rulemaking or inquiry, that would permit full participation by all interested entities and the development of a comprehensive record on clearly identified 911 policy issues.

I. Competition for the Provision of 911 Services Should Be Facilitated in a Competitively Neutral Manner

911 competition can occur – and is occurring – outside of the Section 251(c) context in a manner that is both commercially reasonable and that fosters a level playing field. For example, Embarq has successfully negotiated commercial terms with Intrado, once the Florida Public Service Commission made clear that Intrado was not entitled to Section 251(c) interconnection.[2] There is no reason Intrado cannot also sign a commercial agreement with Verizon – which has, in addition to trying to engage Intrado in commercial negotiations, offered Intrado the same kind of interconnection arrangements Verizon offers to CLECs providing telephone exchange services, including meet-point arrangements.

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[2] Comments of Central Telephone Company of Virginia d/b/a Embarq and United Telephone Southeast LLC d/b/a Embarq, ("Embarq") at 3-4; *see Petition of Intrado Comm., Inc. for Arbitration of Certain Rates, Terms, and Conditions for Interconnection and Related Arrangements with Embarq Florida, Inc. Pursuant to Section 252(b) of the Communications Act of 1934, as Amended*, Docket No. 070699-TP, Final Order (Dec. 3, 2008).

In its comments, Intrado states that the Commission should "use its mandate to fully endorse and frame the competitive provision of 911/E911 networks and services."[3] Verizon does not disagree with this general proposition, but Intrado's particular interconnection plan would not endorse or properly frame 911 competition. Instead, as Verizon has already explained,[4] Intrado's proposals would improperly tilt the playing field against incumbents and undermine ongoing development of robust 911/E911 architecture by permitting Intrado to unilaterally designate points of interconnection anywhere on its own network (instead of interconnecting to Verizon's), by dictating how Verizon gets its 911 traffic to that POI, and by requiring Verizon to develop, implement, and pay for some new kind of call sorting mechanism in place of the industry-standard selective routing used today. As several commenters point out, Intrado's interconnection approach would discourage the very innovation and investment necessary for development of competitive next-generation emergency services networks. AT&T, for example, commented that "[n]o [system service provider] rationally can be expected to devote the necessary resources into building tomorrow's infrastructure if other parties will be able to reap the benefits of that investment without sharing the risks."[5] And the Virginia Telecommunications Industry Association correctly observed, "[c]ompetition that merely redirects costs associated with new entrants from it to current service providers is not competition at all but rather a direct subsidy for some at the expense of others."[6] With particular regard to Intrado's proposed service arrangement, VTIA explained that Intrado "failed to consider the material trunking costs between Citizens' switch in Floyd, Virginia and a connection point to Intrado located in Raleigh, North Carolina that is more than 150 miles away.

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3 Comments of Intrado, at 6.
4 Comments of Verizon, at 5-7.
5 Comments of AT&T, Inc., at 5.
6 Comments of the Virginia Telecommunications Industry Association ("VTIA"), at 2.

Citizens was requested to provide this connection without reimbursement … ."[7] Intrado's proposal in this arbitration would similarly seek to shift costs to incumbents.

The Commission should reject such tactics. Competition in the provision of 911 services can, and should, be competitively neutral, to best serve the public interest and continue to encourage investment therein.

II. There Is Consensus That This Arbitration Is Not the Appropriate Forum to Assess 911 Policy Issues

The commenters in this proceeding recognize that the most appropriate forum to address policy issues concerning competition in the provision of 911 services is a broader proceeding (either a rulemaking or a proceeding initiated under a notice of inquiry) than this necessarily limited arbitration.

First, although the Public Notice suggested that it sought comment on the effects of 911 competition on public safety services *in Virginia*, the commenters correctly understand that policy pronouncements here are likely to affect policy direction outside of Virginia – hence, the comments of entities from Ohio, Michigan, Texas, and Washington. Indeed, entities from other states are seeking policy guidance, but they correctly conclude that such guidance is best developed in a forum where their views, as well as the views of all other interested entities, can be fully developed and carefully considered.[8]

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[7] *Id.* at 1-2; *accord* Comments of AT&T, Inc., at 9 (noting that Intrado's proposed interconnection proposal "represents a significant, uncompensated increase in carriers' costs for routing the traffic" as well as "irrationally increas[ing] service interruption risks due to the potentially extreme distances involved in connecting Intrado's facilities to Verizon's (or other incumbents'), which is a risk to public safety.").

[8] *See, e.g.* Joint Comments of the Texas Commission on State Emergency Communications, The Texas 9-1-1 Alliance et al ("Joint Commenters"), at 5 ("The FCC's role in providing a forum for all stakeholders to participate is particularly important because public safety entities are generally not parties in these arbitration proceedings … ."); Comments of

Even Intrado recognizes that the issues of competition in the provision of 911 services requires the input of "[s]takeholders – including consumers, public safety agencies (state and local, whose interests and rights should not be overlooked in the analysis extending beyond interconnection between carriers, which includes broader issues of a competitive 911 marketplace)."[9] The Joint Commenters agree, explaining that the complexities of assessing competition and responsibilities of 911 network providers "counsel against authoritatively establishing major 9-1-1 network policy precedents in an arbitration proceeding or commercial agreement between two parties" and noting that the "inherent nature of such proceedings or agreements provides insufficient representation of public safety entity interests on all potential 9-1-1 issues."[10]

Second, as several commenters acknowledge, the threshold issue in this arbitration – whether Intrado is even entitled to Section 251(c) interconnection – necessarily forestalls any proper consideration of the 911 competition policy issue.[11] As Verizon explained in its initial comments and in its opposition to Intrado's Petition, Intrado is not entitled to 251(c) arbitration at all, and thus its petition should be dismissed. As such, this arbitration proceeding is particularly unsuited to the broad discussion that would be necessary to fairly evaluate any policy issues.

Washington State Enhanced 911 Program, at 1 ("This current request for comments points to the need for a thorough evaluation of the rules and expectations associated with 9-1-1 services.").

[9] Comments of Intrado, at 6.

[10] Joint Commenters, at 10. *See also* Comments of The Washington State Enhanced 911 Program, at 3 ("It may be appropriate for the FCC to take steps to review the entire set of rules and regulations that have defined the provisioning of 9-1-1 services to assure that 9-1-1 services can fully embrace the potentials presented by competition.").

[11] *See, e.g.* Comments of Embarq at 2-3; Comments of the Independent Telephone & Telecommunications Alliance, at 2-5.

Thus, should the Commission wish to examine 911 policy issues, the most appropriate venue is one that would permit the establishment of a comprehensive record, including participation from the multiple parties with interests bearing on the topic. Such a forum would better grant all interested parties the meaningful opportunity to play a role in development of policy than does this inherently constrained arbitration proceeding.

CONCLUSION

For the reasons stated above and in Verizon's initial Comments, the Commission should not conduct a general policy inquiry as part of this arbitration proceeding and should dismiss Intrado's petition.

Respectfully submitted,

By

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CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of July, 2009, a copy of the foregoing Reply Comments of Verizon was served on the following:

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