

New Networks Institute

September 13th, 2010.

Bruce Kushnick, New Networks Institute
Teletruth
bruce@newnetworks.com

10-132, 10-131

We submit these comments as informational --- We have already filed complaints pertaining the quality of the FCC's wireline, wireless, broadband, and phone charges data.

Also, the FCC is in violation the OMB's requirements to respond to our Data Quality Act Complaints in 45 days. --- See our letter below.

Data Quality Act Complaints Filed:

- * Omnibus Data Quality Act Complaint Against All Phone, Broadband, Wireless, Cable and Internet Charges Since 2000.
* <http://www.teletruth.org/docs/DQAphonecharges.doc>
- * Data Quality Act Complaint: Against All Broadband Data Since 2000.
*REQUEST: Customer-Funding of Broadband; Follow the Money for All Revenues Collected in the Name of Broadband since 2000.
* <http://www.teletruth.org/docs/DQABroadband.doc>
- *Omnibus Data Quality Act Complaint Against All Data Since 2000 Used in the Regulatory Flexibility Act Analyses in All Current Dockets in 2010.
* <http://www.teletruth.org/docs/TeletruthDQARegflex.doc>
- * Case Study of Small Business Wireless Spectrum Auctions and Internet Provisioning
<http://www.teletruth.org/docs/DQACasestudy.doc>

Letter to the FCC over the violation of their failure to respond in a timely fashion to these complaints:

September 13th, 2010.

Dear FCC,

We filed 3 Data Quality Act complaints between June 29th, and July 1, 2010. We used the form as well as emailed them to the appropriate FCC staffers/recipients which we were told to do in the past. (See email below)

Here is a links to the complaints. <http://www.newnetworks.com/FCCDQA.htm>

No one from the FCC ever got back to us and it is past the deadline, as the FCC had 45 days to respond.

"The OMB Guidelines require that agencies set time limits for action on complaints. The FCC standard is that the relevant Bureau or Office will respond to initial complaints within 45 days. As provided in the OMB Guidelines, the Bureau or Office handling the initial complaint will respond in a manner appropriate to the nature and extent of the complaint.

New Networks Institute

Complaints deemed to be inconsequential, trivial, or frivolous may require no response at all. We may also reject complaints mad in bad faith or without justification."

Unless the FCC considers our complaints trivial, frivolous, in bad faith or without justification--then we expect immediate attention on these complaints as they are far from trivial.

In our first claim we found: "The FCC is using 8-13 year old data that is supposed to be reflecting the current markets' in every National Broadband proceeding, including all Notice of Proposed Rulemakings and Notice of Inquiries."

The point of these complaints is that the bad data has created harmful public policies and will continue to do so. In fact, the current Universal Service Order and Proposed Rulemaking dated September 3rd, 2010 is using data about the wireless market from 1997.

(In the Matter of High-Cost Universal Service Support, Federal-State Joint Board on Universal Service, Request for Review of Decision of Universal Service Administrator by Corr, WC Docket No. 05-337, CC Docket No. 96-45, ORDER AND NOTICE OF PROPOSED RULEMAKING, Released: September 3, 2010, Page 19.)

"11. 2.3 GHz Wireless Communications Services. This service can be used for fixed, mobile, radiolocation, and digital audio broadcasting satellite uses. The Commission defined "small business" for the wireless communications services ("WCS") auction as an entity with average gross revenues of \$40 million for each of the three preceding years, and a "very small business" as an entity with average gross revenues of \$15 million for each of the three preceding years. The SBA has approved these definitions. The Commission auctioned geographic area licenses in the WCS service. In the auction, which was conducted in 1997, there were seven bidders that won 31 licenses that qualified as very small business entities, and one bidder that won one license that qualified as a small business entity."

What happened to these companies since 1998? In our first complaint we pointed out that the FCC, as the controller of wireless spectrum and licenses, has more recent data. An analysis would show that the previous FCC administration's failure to have accurate data directly harmed competition by allowing AT&T, Verizon et al to pose as "very small Businesses" to get spectrum at wholesale prices and blocking real small businesses from bidding. This cost the American public \$8 billion dollars in 'small business spectrum' while it harmed customers by limiting competition and innovation.

Yet, the FCC is creating rulings about spectrum without doing what is supposed to have been done - a full small business impact study as required under the Regulatory Flexibility Act. Instead the FCC will through the small competitors under the bus because the data it is using is from 1997, 2001, etc.

Data Quality Act complaint 2 focused on how the FCC's previous and current data on broadband funding and investment has continually failed to include the state-alternative regulation-plans, that were created to rewire schools,

New Networks Institute

libraries, hospitals as well as all of America by 2010. It has cost customers over \$320 billion dollars -- about \$3000.00 per home, because state regulations were changed to give Verizon, AT&T, Qwest et al billions of dollars per state to upgrade the Public Switched Telephone Networks, replacing the old copper wiring with fiber optic, 45mbps services. We have been filing with the FCC about this fact since 1998.

And let me be very clear. Customers are funding the broadband deployments-- they are the 'investors'. For example, in June 2009, the New York State Department of Public Service gave Verizon, New York rate increases to pay for funding fiber optic-based FIOS -- which is a cable service and is cross-subsidizing the rate-payer-intra-state funding.

"We are always concerned about the impacts on ratepayers of any rate increase, especially in times of economic stress," said Commission Chairman Garry Brown. "Nevertheless, there are certain increases in Verizon's costs that have to be recognized. This is especially important given the magnitude of the company's capital investment program, including its massive deployment of fiber optics in New York. We encourage Verizon to make appropriate investments in New York, and these minor rate increases will allow those investments to continue."

There has, in fact, been a 90% increase to local service in New York since 2004... How does this benefit, say rural customers who will never get these services but are being charged for them? Or boosting local rates of low income families?

Yet, the FCC has never investigated this money-flow but instead has decided to add 'broadband' to the USF --- increasing an already massive 13-15% tax on everyone ---including low-income families, Lifeline customers (who use Long distance or wireless), etc. This is on top of a new proposed broadband tax, raising local rates as well as the FCC Line Charge, which is on every local bill. (And yes, it is called the "FCC Line Charge" on Verizon bills and other telcos, not "Subscriber Line charge" (SLC) --- a violation of the Truth-in-billing laws.)

Instead the FCC will now continue to give the same companies who failed to fulfill their previous obligations and commitments more customer money for services they already paid for - in rural, urban and suburban areas. Worse, it won't even examine whether the companies actually need the money as their other businesses are getting a free ride - paid for by USF.

The 3rd complaint outlines the fact that the FCC's wireless and wireline phone charges data is atrocious. It is not based on actual phone bills. Teletruth's surveys and audits of companies (including class actions based on phone bill overcharging) reveal massive customer overcharging and the actual usage, including cost-per-minute has nothing to with any reality the FCC reports would like to push for obvious political reasons.

Instead, the FCC will allow AT&T, Verizon et al to overcharge customers as there is not enough competition to actually lower rates or fix the problems. And let me repeat---- The FCC is obligated to have gotten back to us by August 15th, 2010.

New Networks Institute

"The OMB Guidelines require that agencies set time limits for action on complaints.11 he FCC standard is that the relevant Bureau or Office will respond to initial complaints within 45 days. As provided in the OMB Guidelines, the Bureau or Office handling the initial complaint will respond in a manner appropriate to the nature and extent of the complaint."

We expect immediate action by the FCC. One of our original complaint letters as sent is below.

Bruce Kushnick 718-238-7191

Original Message

From: Bruce Kushnick [mailto:bruce@newnetworks.com]

Sent: Tuesday, June 29, 2010 11:53 PM

To: 'Karen Wheelless'; 'Betty Morris'

Cc: 'dataqualityform@fcc.gov'

Subject: new data quality act complaint.

Karen, (Betty)

We filled out the form for our first of 3 Data Quality Act Complaints.

OMNIBUS DATA QUALITY ACT COMPLAINT: AGAINST ALL DATA SINCE 2000 USED IN THE REGULATORY FLEXIBILITY ACT ANALYSES IN ALL CURRENT DOCKETS IN 2010.

Attached is the first complaint as well as the 'case study'.

I'm surprised there is still no way to attach the actual complaints, nor any email on the page to send stuff to ... please bring this up head office...