Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

Application of Verizon New Jersey Inc. and Verizon New York Inc. to Discontinue Domestic Telecommunications Services	)	WC Docket No. 13-150 Comp. Pol. File No. 1115

COMMENTS OF CABLEVISION SYSTEMS CORPORATION

Cablevision Systems Corporation, with and on behalf of its subsidiary Cablevision Lightpath, Inc. ("Lightpath"), hereby submits comments on the Application of Verizon New Jersey Inc. and Verizon New York Inc. (collectively "Verizon") to discontinue domestic telecommunications services in storm damaged parts of New Jersey and New York.[1/] Lightpath is a facilities-based competitive local exchange carrier ("CLEC") that provides a broad range of telecommunications and broadband services to large enterprise customers in New York, New Jersey, and Connecticut.[2/]

The implications of Verizon's Application go far beyond its immediate request to discontinue wireline service in specified areas damaged by Superstorm Sandy.[3/] Verizon has

1/ *Comments Invited on Application of Verizon New Jersey Inc. and Verizon New York Inc. to Discontinue Domestic Telecommunications Services*, Public Notice, DA 13-1475 (WCB June 28, 2013). *See also Application of Verizon New Jersey Inc. and Verizon New York Inc. to Discontinue Domestic Telecommunications Services*, Section 63.71 Application of Verizon New York Inc. and Verizon New Jersey Inc., WC Docket No. 13-150 (June 7, 2013) ("Application").

2/ In addition to providing services over its own network, Lightpath often utilizes regulated wholesale services from Verizon, including interconnection, transit, and access to Public Safety Answering Points ("PSAPs") for 911 calling services.

3/ *See* Application at 3 (identifying areas subject to wireline service discontinuance as "western and central region of Fire Island [New York] starting at the far western section of Kismet and ending at the far eastern section of Point O' Woods, and portions of the Barrier Island [New Jersey] communities of Mantoloking, Brick, and Bay Head.").

already sought permission from the New York Public Service Commission ("PSC") to abandon the carrier's wireline plant for wireless service beyond storm-damaged areas in the State.[4/] In response, the PSC provided limited approval to Fire Island, suspended Verizon's broader request, and opened a proceeding to consider the broader issues raised by the potential of replacing wireline with wireless services, including whether Voice Link is an adequate substitute for landline service.[5/] AT&T has also suggested long range plans to substitute wireless for wireline networks in many areas.[6/] Such a shift requires careful and comprehensive scrutiny of competitive and consumer issues.

Even a cursory analysis yields a substantial list of concerns about the impact on competition that would stem from widespread ILEC abandonment of wireline plant:[7/]

- **Interconnection.** The Commission has long recognized that interconnection is key to creating and preserving competition in communications markets.[8/] While all

---

4/ *See* Letter from Keefe B. Clemons, General Counsel – Northeast Region, Verizon, to Jeffrey Cohen, Acting Secretary, New York Public Service Commission (May 3, 2013) (filed in NYPSC Case 13-C-0197) (transmitting proposed intrastate service tariff change that would allow Verizon to "offer service using wireless as its sole service offering in an area if the company . . . demonstrates that the use of wireless to serve specified customers, or groups of customers, is otherwise reasonable in light of the geographic location, the availability of competitive facilities to serve those customers or groups of customers, or in light of other criteria acceptable to the Commission").

5/ Case 13-C-0197, *Tariff Filing by Verizon New York Inc. to Introduce Use of Wireless Technology as an Alternative to Repairing Damaged Facilities*, Order Conditionally Approving Tariff Amendments in Part, Revising in Part, and Directing Further Comments (N.Y. Pub. Serv. Comm'n, May 16, 2013).

6/ *See* AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition, GN Docket No. 12-353, at 9 (filed Nov. 7, 2012); *see also Technology Transitions Policy Task Force Seeks Comment on Potential Trials*, Public Notice, DA 13-1016, at 8 (May 10, 2013) ("*Task Force Notice*") ("For its part, AT&T has indicated that it intends to seek authority to serve millions of current wireline customers, mostly in rural areas, with a wireless-only product.").

7/ In addition to the concerns about competitive impacts suggested here, concerns have been raised about the impact on consumers of the substitution of wireless for wireline service, including the loss of functionality such as the ability to transmit fax messages, make operator assisted calls, support home health monitoring systems or home alarm systems, and transmit credit card authorizations. *See, e.g.*, Case 13-C-0197, *Tariff Filing by Verizon New York Inc. to Introduce Use of Wireless Technology as an Alternative to Repairing Damaged Facilities*, Notice Inviting Comments, at 2-3 (N.Y. Pub. Serv. Comm'n, May 21, 2013); Case 13-C-0197, *Tariff Filing by Verizon New York Inc. to Introduce Use of Wireless Technology as an Alternative to Repairing Damaged Facilities*, Comments of Eric T. Schneiderman, Attorney General of the State of New York, at 6-9 (filed July 2, 2013).

telecommunications carriers have a duty under Section 251(a) of the Communications Act to "interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers," ILECs are uniquely subject to additional interconnection requirements under Section 251(c). These requirements include providing direct interconnection at any technically feasible point, notice of network changes, and collocation of equipment. In addition, ILECs are required to provide transit service. The Commission must ensure that ILECs are not able to use the proposed abandonment of their wireline networks to also abandon these important ILEC interconnection obligations and thereby negatively impact the competitive environment the ILEC obligations were created to produce.

- **Limit on Growth of Competition.** Facilities-based CLECs often depend on ILEC wireline networks to reach customers outside of their own network footprint. A key component of the Communications Act's competition policy is enabling CLECs' to gain access to customers through by leasing ILEC circuits, which supports the growth of additional service offerings and the expansion of competitive networks into new areas. An ILEC abandoning its wireline plant in an area could negatively affect competition by impeding rivals' ability to serve those customers.

- **Wholesale Services.** Competitors rely on ILECs for wholesale services that include, among other things, transit services to exchange traffic with other carriers because only ILECs interconnect with every other carrier in a state. To ensure continuing vibrant competition in telecommunications markets, competitors need to be assured that they will retain access to these wholesale services even in areas where an ILEC may retire its wireline network and transition to wireless service for end users.

- **Emergency Services.** CLECs rely on ILEC networks to access Public Safety Answering Points ("PSAPs"). To ensure the reliability required of PSAP access, the Commission must ensure that wireline access to PSAPs remains available.

- **Impact on Connect America Fund ("CAF") Support.** Where an ILEC voluntarily abandons its wireline network, it should not be able to use that voluntary network retirement to render an area unserved or higher cost and therefore eligible for additional CAF funding, imposing increased contribution burdens on consumers and competitive carriers.[9/]

In evaluating Verizon's proposal to abandon its wireline network in favor of a wireless substitute, the Commission must also consider the legal and historical background for Verizon's

---

8/ *See, e.g.*, *Connect America Fund*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, ¶ 42 (2011) ("We recognize the importance of interconnection to competition and the associated consumer benefits.").

9/ State regulators should also consider how wireline network abandonment may affect ILEC eligibility for state universal service programs.

status as an ILEC. With the approval of regulators, and in the absence of widespread competition, ILECs' predecessors-in-interest were able to set their rates for basic phone service at a level that enabled them to deploy wireline networks throughout widespread areas by spreading the costs of investment among all ratepayers (both wholesale and retail). These subscribers – who for decades had no choice other than an ILEC for voice service – contributed to funding the network through subscriber line charges, rates, access charges, and universal service contributions.

In return for this ratepayer support to build their networks, ILECs assumed substantial obligations to both consumers and competitors that use the ILEC's wireline network – obligations that are reflected in provisions of the Communications Act and longstanding rules and policies of the Commission and state commissions. An ILEC should not be permitted to unilaterally evade these obligations by deciding that it is in its own economic interest to abandon its wireline network.

Verizon's Application does not address adequately this crucial context and its attendant obligations, instead making vague and presumably voluntary assurances about the substitutability for consumers of its wireless service, without any reference to the impact of its strategy on competition. Despite these assurances, Voice Link is not a seamless substitute for a wireline network – particularly for wholesale services.

The implications of abandonment of an ILEC's wireline network are not, of course, limited to interstate services. It also raises intrastate competitive and consumer issues, including interconnection, that are normally considered by state regulatory commissions. As the Commission considers the matters presented by the proposed shift from wireline to wireless services, it should afford a significant role to state commissions in recommending appropriate policies and regulatory guidelines.

CONCLUSION

Verizon's request to replace landline service with wireless, in any context, would be a fundamental change in the provision of basic telephone services. Consideration of whether that change is consistent with applicable law and competition policy is a decision for regulators charged with applying that law, not for the ILECs who seek to cast off these legal obligations in favor of less expensive alternatives. For the foregoing reasons, the Commission should undertake a comprehensive review of the competitive and consumer implications of ILECs abandoning wireline networks in favor of wireless services.

Respectfully Submitted,

/s/ Howard J. Symons

Howard J. Symons
Ernest C. Cooper
MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.
701 Pennsylvania Avenue, N.W.
Suite 900
Washington, D.C. 20004
(202) 434-7300

Peter Corea
Elana Shapochnikov
CABLEVISION SYSTEMS CORPORATION
1111 Stewart Avenue
Bethpage, NY 11714
(516) 803-2300

July 29, 2013