

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

In the Matter of)	
)	
Technology Transitions)	GN Docket No. 13-5
Policy Task Force)	
)	

REPLY COMMENTS OF VERIZON AND VERIZON WIRELESS

Michael E. Glover
Of Counsel

William H. Johnson
Katharine Saunders
Curtis L. Groves
VERIZON
1320 North Courthouse Road
9th Floor
Arlington, VA 22201

*Attorneys for Verizon
and Verizon Wireless*

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The record in this proceeding reflects agreement on three principles that should guide any technology transition trials the Commission may conduct. If pursued, these trials should (1) be voluntary; (2) not undermine the technology-driven and consumer-driven transitions currently underway; and (3) not interfere with or deter commercial arrangements. In certain situations trials may produce some useful information, but there are also potential downsides, including diverting resources away from the technology transition itself and undermining consumer-driven initiatives that are already well underway. At a minimum, the Commission should proceed cautiously if it does move forward with trials.

First, the Commission should allow the market to continue to lead the transition to IP interconnection for VoIP traffic. It should not conduct IP interconnection trials, which are unnecessary and would likely cause harm by discouraging some parties from negotiating commercial agreements. Instead the Commission should continue to encourage parties to engage

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

in commercial negotiations. Verizon has consistently demonstrated its willingness to negotiate and enter into IP interconnection agreements for VoIP traffic. Claims to the contrary are false.

Second, as has been the case for many years now, consumers continue to cut the cord on their wireline services in large numbers as they choose to rely exclusively on wireless technology, and there is no need to conduct a regulatory trial of this ongoing transition. Instead, the Commission should follow its well-established policies of encouraging the deployment of next-generation networks and technologies and allowing providers flexibility to make technology choices about how best to meet their customers' needs. Consistent with these policies, the Commission should reject efforts by some commenters to ignore or undermine this transition and should not require that legacy copper facilities be maintained indefinitely and at all costs even where more advanced and reliable platforms are available to serve customers. Some commenters focus on Verizon's use of its wireless Voice Link product to provide home-phone service to some customers on the western side of Fire Island, where copper facilities were destroyed by Hurricane Sandy. Their arguments are both misplaced and beyond the scope of this proceeding.

Third, because efforts are already underway to develop and deploy NG911 platforms and standards, industry trials may be unnecessary. Instead the Commission could serve as a clearinghouse to provide the industry with useful information about successful NG911 deployments. If the Commission decides to conduct trials, it should utilize standards-based technology and include only PSAPs that are prepared to handle NG911 data and services. The Commission should not use trials to establish legal requirements that would govern NG911 deployments, as some commenters recommend.

I. The Commission should continue to encourage commercial negotiations instead of conducting VoIP interconnection trials.

The record here reflects widespread opposition to a “trial” for VoIP interconnection, and appropriately so. The transition to IP interconnection for VoIP traffic is underway and will continue as willing parties come together and voluntarily negotiate commercial terms to govern the interconnection arrangements and address often complex technical challenges.

Despite the rhetoric to the contrary, Verizon has actively negotiated towards voluntary IP interconnection agreements for VoIP traffic. Verizon discussed IP interconnection with at least nine companies in 2012.² We sent another 11 invitations to negotiate in 2013,³ and we are currently negotiating with at least eight providers.⁴ And we have made it clear in our public filings that we are committed to furthering the transition to IP interconnection for VoIP traffic through commercially negotiated agreements.

But it takes two willing parties to negotiate. While some companies have responded to Verizon and are now engaged with us in negotiations, others — including some of the loudest proponents of regulation — have not responded and have shown no interest. The Commission should put no stock in unsubstantiated claims that Verizon is refusing to negotiate.

A. There is widespread opposition to VoIP interconnection trials.

Although commenters’ reasons differ, there is widespread opposition to conducting VoIP interconnection trials.

² See Declaration of Stephen M. Owens and Jennifer E. Ross, Attachment A, ¶ 7 (“Owens/Ross Declaration”).

³ See *id.* ¶ 9.

⁴ See *id.* ¶ 22.

Many commenters asserted that VoIP interconnection trials would be unnecessary or inappropriate.⁵ Others warned that some companies may try to use the trials to advance their regulatory goals instead of trying to make IP interconnection for VoIP traffic work. As CenturyLink noted, “not all potential participants will be motivated to make the trials successful.”⁶ CenturyLink is right. Those who want the Commission to apply the full set of legacy regulations to VoIP and other broadband and IP-enabled services have an incentive to disrupt market-based efforts or declare them a failure without trying to make them succeed. Still other commenters highlighted the concern that trials could be counterproductive or harmful, because they could have the unintended effect of favoring a particular approach to VoIP interconnection or, worse, locking the industry into a single interconnection method at a time when companies are exploring many different options.⁷

Verizon agrees with these concerns, if not all of the underlying reasons for them. If trials nevertheless do occur, they should be voluntary and should not interfere with or substitute for commercial negotiations.⁸ And they should be designed so that they do not lead to a single mandated outcome that forecloses other negotiated interconnection methods.⁹

⁵ See, e.g., Comments of Cbeyond, EarthLink, Integra, Level 3 and tw telecom, at 12-15 (“Cbeyond Comments”); Sprint Comments at 1; Peerless Network Comments at 1; XO Comments at 7; AT&T Comments at 20.

⁶ CenturyLink Comments at 20; *see also id.* at 5, 13-14.

⁷ See, e.g., Comcast Comments at 4-5.

⁸ See CenturyLink Comments at 21-23.

⁹ See Comcast Comments at 7.

B. Verizon supports negotiated, commercial agreements for VoIP interconnection.

1. Verizon has made clear its willingness to negotiate IP interconnection for VoIP traffic, and the Commission should continue to promote commercial agreements.

Negotiated commercial agreements are the most effective way to ensure efficient IP interconnection arrangements for VoIP traffic and network deployment. As CenturyLink explained, “Commercial agreements allow providers to negotiate network configurations that best accommodate their underlying networks.”¹⁰ By contrast, government-imposed rules regarding IP interconnection would lead to economic and technological inefficiencies. The Commission has encouraged commercial agreements,¹¹ and the right way for two parties to obtain a mutually beneficial IP interconnection arrangement for VoIP traffic is for them to negotiate, actually taking the time to work through the technical and operational challenges.

As Verizon has previously explained to the Commission and as we have demonstrated through our actions, Verizon has business incentives to pursue IP interconnection for VoIP traffic, and it will voluntarily negotiate commercial agreements in good faith.¹² In last year’s

¹⁰ CenturyLink Comments at 22.

¹¹ See, e.g., *Connect America Fund, et al.*, Report and Order and Further Notice of Prepared Rulemaking, 26 FCC Rcd 17663, ¶ 120 (2011) (“*USF-ICC Transformation Order*”) (“Carriers ... remain free to negotiate interconnection agreements specifying alternative compensation for [VoIP-PSTN] traffic. This prospective regime facilitates the benefits that can arise from negotiated agreements....”)

¹² See, e.g., Verizon Comments, *Numbering Policies for Modern Communications*, WC Docket 13-97, *et al.* (July 19, 2013); Verizon Comments (Feb. 24, 2012) and Reply Comments (Mar. 30, 2012), *Connect America Fund*, WC Docket 10-90, *et al.*; Verizon Comments (Aug. 15, 2011) and Reply Comments (Aug. 30, 2011), *tw telecom inc. Petition for Declaratory Ruling Regarding Direct IP-to-IP Interconnection Pursuant to Section 251(c)(2) of the Communications Act, As Amended, For The Transmission And Routing Of tw telecom’s Facilities-Based VoIP Services And IP-In-The-Middle Voice Services*, WC Docket No 11-119; Verizon Comments (Apr. 1, 2011) and Reply Comments (April 18, 2011), *Connect America Fund*, WC Docket 10-90, *et al.*; Verizon Comments on NBP – Public Notice #25, *A National Broadband Plan for Our Future*, GN Docket 09-51, *et al.* (Dec. 22, 2009).

Connect America Fund proceeding we submitted an affidavit that explained those incentives and Verizon’s plans for expanding IP interconnection for voice traffic.¹³ Shortly thereafter we told the Commission that we had entered into an agreement covering our FiOS Digital Voice traffic (“Agreement”) and that we were negotiating others, even though we had received relatively few requests to interconnect in IP for VoIP traffic.¹⁴ That initial Agreement took about a year to implement. Since then, we have continued to negotiate in good faith towards IP interconnection for VoIP traffic.¹⁵ We are currently negotiating with at least eight companies.

Despite few requests from other companies to negotiate, earlier this year Verizon drafted model agreements to use as templates in IP interconnection commercial negotiations and workbooks for potential interconnectors to start to scope out technical requirements.¹⁶ After those were complete, Verizon sent letters to 11 companies inviting them to begin negotiations.¹⁷ Verizon sent a letter inviting negotiations to each of the companies that had filed a petition with the Massachusetts DTC — which they did without first having tried to negotiate an agreement with Verizon — asking the DTC to assert authority over the Agreement.¹⁸ Verizon also sent a

¹³ See Verizon Comments, *Connect America Fund*, WC Docket 10-90, *et al.*, at Attachment A–Declaration of Ihab S. Tarazi (Feb. 24, 2012).

¹⁴ See Verizon Reply Comments, *Connect America Fund*, Docket 10-90, *et al.*, at 27-28 (Mar. 30, 2012).

¹⁵ See Owens/Ross Declaration ¶¶ 4, 7 & 22.

¹⁶ See *id.* ¶ 8.

¹⁷ See *id.* ¶ 17.

¹⁸ See CTC Communications Corp. d/b/a EarthLink Business; Lightship Telecom LLC d/b/a EarthLink Business; Choice One Communications of Massachusetts, Inc. d/b/a EarthLink Business; Conversent Communications of Massachusetts, Inc. d/b/a EarthLink Business; EarthLink Business, LLC; Cbeyond Communications, LLC; and tw data services llc, *Petition for a Determination that Verizon IP-to-IP Interconnection Agreements Must be Filed for Review and Approval and for Associated Relief*, MA D.T.C. 13-2 (Jan. 31, 2013) (“Massachusetts Petitioners”). The DTC declined to issue the ruling that the petition requested. At the same

letter inviting negotiations to the intervenors in the resulting DTC proceeding, to participants in the FCC's VoIP numbering trials, and to several other companies. In the face of Verizon's conduct over several years demonstrating its commitment to negotiating IP interconnection agreements for VoIP traffic — and the complete lack of evidence that Verizon has refused to negotiate in good faith towards IP interconnection of VoIP traffic — efforts by COMPTEL and others to belittle Verizon's conduct as a response only to the threat of regulatory activity ring hollow.¹⁹

2. *Some other companies are avoiding negotiations to advance their regulatory agendas.*

As CenturyLink wrote, “certain providers are highly incentivized to not cooperate in making market-based solutions successful.”²⁰ These providers “self-servingly seek to have the Commission extend the full panoply of legacy regulatory frameworks to next generation networks immediately.”²¹ Cbeyond, EarthLink,²² Integra, Level 3, and tw telecom (TWTC) jointly allege that the incumbent LECs have been unwilling to cooperate in negotiating

time, the DTC opened an investigation to determine whether the Agreement is an “interconnection agreement” under 47 U.S.C. § 251. *See* MA Dept. of Telecommunications and Cable, Order Opening an Investigation, Declining to Issue an Advisory Ruling, and Denying Verizon MA's Motion to Dismiss or Stay the Proceeding, *Petition for a Determination that Verizon IP-to-IP Interconnection Agreements Must be Filed for Review and Approval and for Associated Relief*, D.T.C. 13-2; *Investigation by the Department on its Own Motion to Determine whether an Agreement entered into by Verizon New England Inc., d/b/a Verizon Massachusetts is an Interconnect Agreement under 47 U.S.C. § 251 Requiring the Agreement to be filed with the Department for Approval in Accordance with 47 U.S.C. § 252*, D.T.C. 13-6 (May 13, 2013).

¹⁹ *See* COMPTEL Comments at 7 n.17; *see also id.* at 15.

²⁰ CenturyLink Comments at 13.

²¹ *Id.*

²² In these reply comments, and in the Owens/Ross Declaration, “EarthLink” includes the EarthLink affiliates that petitioned the Massachusetts DTC, *see* fn. 18.

agreements.²³ Three of them — Cbeyond, EarthLink, and TWTC’s affiliate time warner data services (TWDS) — are the companies that petitioned the Massachusetts DTC to assert jurisdiction over Verizon’s Agreement.²⁴ Yet none of these companies presents evidence to support allegations that Verizon has refused to negotiate or cooperate. And EarthLink, Integra, and TWTC have not submitted requests to Verizon’s interconnection group to negotiate an IP interconnection agreement for VoIP traffic.²⁵ In June, Verizon sent letters inviting negotiations to EarthLink and TWDS; neither responded.²⁶ Cbeyond — which also had not submitted a request to Verizon’s interconnection group to negotiate an IP interconnection agreement for VoIP traffic — did respond to our letter, and the parties are now negotiating a nondisclosure agreement to cover those negotiations.²⁷ And Level 3 and Verizon have discussed IP interconnection for VoIP traffic periodically since at least 2012; active negotiations are ongoing.²⁸

Sprint alleges that Verizon has “balk[ed]” at negotiating an IP interconnection agreement for VoIP traffic,²⁹ but that is not true. Sprint suggests that because Sprint has not *signed* an IP interconnection agreement for voice traffic with a major incumbent LEC, that in and of itself “is evidence of [the incumbent LECs’] unwillingness to comply with their obligations under the

²³ See Cbeyond Comments at 12.

²⁴ See Massachusetts Petitioners, *supra*.

²⁵ See Owens/Ross Declaration ¶¶ 12, 13 & 21.

²⁶ See *id.* ¶¶ 12 & 13.

²⁷ See *id.* ¶ 11.

²⁸ See *id.* ¶ 18.

²⁹ Sprint Comments at 3.

Act.”³⁰ But one thing does not follow the other. Although Verizon and Sprint discussed IP interconnection several times in 2012, Sprint has not seriously pursued an IP interconnection agreement for VoIP traffic with Verizon.³¹ And although Sprint has prejudged negotiations as doomed to fail,³² Sprint was one of the companies to whom Verizon sent an invitation to negotiate. Sprint has since shown some interest in resuming discussions. Verizon and Sprint have executed a nondisclosure agreement, and Verizon has sent Sprint its IP Workbook with proposed technical specifications for IP interconnection and traffic exchange.³³ Verizon has tried and continues to try to negotiate with Sprint.³⁴

XO also alleges that incumbent LECs “refuse to abide by interconnection obligations.”³⁵ But when Verizon sent XO a letter inviting negotiations in June 2013, XO quickly responded, and Verizon and XO recently finalized a nondisclosure agreement.³⁶ We have since sent XO our IP Workbook.

T-Mobile similarly alleges without foundation that it has been “exceedingly difficult” to negotiate IP interconnection with incumbent LECs.³⁷ But T-Mobile did not submit a request to Verizon’s interconnection group for IP interconnection until May 2013. When it did, Verizon

³⁰ *Id.* at 7.

³¹ *See* Owens/Ross Declaration ¶ 15.

³² *See* Sprint Comments at 3, n.2.

³³ *See* Owens/Ross Declaration ¶ 15.

³⁴ Sprint’s comments are riddled with other inaccuracies. For example, Sprint accuses Verizon of playing “hide the ball” by offering its VoIP service through a non-ILEC affiliate. This is not true. The Verizon incumbent LECs provide FiOS Digital Voice service. *See* Sprint Comments at 6-8.

³⁵ XO Comments at 8.

³⁶ *See* Owens/Ross Declaration ¶ 16.

³⁷ T-Mobile Comments at 2; *see also id.* at 9.

responded the same day. The parties later entered into a nondisclosure agreement, and negotiations are ongoing.³⁸

Nevertheless T-Mobile's comments suggest that it has a novel view of what good-faith negotiations means. T-Mobile asks the Commission to prejudge certain issues that are properly the subject of negotiations.³⁹ For example, T-Mobile objects to companies requesting nondisclosure agreements as a precursor to negotiations, even though nondisclosure agreements are standard in commercial negotiations because they allow parties to exchange competitively sensitive information.⁴⁰ T-Mobile also would have the Commission decide and remove from negotiations issues such as intercarrier compensation and network architecture.⁴¹ But these are issues suitable for negotiation between two parties willing to get a deal done, and contrary to T-Mobile's suggestions, good-faith negotiation does not mean removing important issues from negotiations in advance.

Some commenters also continue to suggest that the incumbent LECs are forcing an inefficient conversion from IP format to TDM format.⁴² However, with respect to traffic between an IP end point and a TDM end point, there is no way to avoid the need for a protocol conversion. Incumbent LECs do not require a conversion for inefficiency purposes; the networks require a conversion. But where that conversion happens and who pays for it are at issue. Many commenters who complain about the need for a protocol conversion seek only to shift costs to their competitors. It would make no sense, however, to require companies "to

³⁸ See Owens/Ross Declaration ¶ 20.

³⁹ See T-Mobile Comments at 8-9.

⁴⁰ See *id.* at 9.

⁴¹ See *id.*

⁴² See, e.g., *id.* at 8, n.18.

spend capital to deploy IP-TDM conversion equipment, only so [they] can immediately convert voice traffic received in IP format to TDM format for transport and termination.”⁴³ Once two parties have established IP interconnection arrangements, they have set in motion a market-based transition from TDM to IP interconnection. As traditional wireline subscribership continues its inexorable decline,⁴⁴ service providers with IP interconnection arrangements will respond to changes in traffic volumes by expanding the capacity of their IP interconnection facilities.

C. IP interconnection is moving at an appropriate pace as the marketplace tackles the technical and practical challenges.

Some commenters claim that the pace of IP interconnection is lagging. COMPTTEL, for example, alleges with no supporting facts that IP interconnection has been delayed in the U.S. and that “the U.S. lags behind the rest of the world.”⁴⁵ There are, however, no turnkey solutions for IP voice interconnection, and the evolution to new technologies will take some time. Transitioning to IP interconnections for VoIP traffic is complicated and requires careful planning and testing.

Interconnections in an IP network differ sharply from TDM-based interconnection, and there is not yet a standard interconnection model. For IP voice interconnection to work, providers must agree upon specific technical considerations at the physical interconnection, the IP interface, and the call signaling and set up. For example, Verizon has explained that it has an agreement that covers its FiOS Digital Voice VoIP traffic. The parties to that agreement spent almost a year working through the complicated and detailed technical requirements. These

⁴³ CenturyLink Comments at 16.

⁴⁴ See *Local Telephone Competition: Status as of December 31, 2011*, Industry Analysis and Technology Division, Wireline Competition Bureau, at 1-4 (Jan. 2013), http://transition.fcc.gov/Daily_Releases/Daily_Business/2013/db0114/DOC-318397A1.pdf.

⁴⁵ See COMPTTEL Comments at 2; *id.* at 4.

included negotiating and agreeing upon the number of interconnection points, where they would be located, the capacity of the fiber at those points, how the companies would access those points (for example, through dedicated access or Virtual Private Networks), and how to code the call and indicate call signaling and setup information like calling party number, charge number, and other information for which there are not yet standards analogous to the PSTN's SS7. Network engineers and interconnection experts are in the best — indeed, the only — position to work through the often complex requirements.

Nonetheless, Verizon knows first-hand that when companies actually commit to negotiate an IP interconnection solution, a commercial agreement can be done. And presumably, over time and with experience, these negotiations can be handled with increasing speed and efficiency. On the other hand, some commenters simply doom negotiations to fail (often without attempting to do a deal) while at the same time suggesting that the solution is for the Commission to make the process even more complicated by overlaying prescriptive regulatory requirements. For example, Sprint predicts that the location and number of interconnection points will be an irreconcilable “major point of dispute.”⁴⁶ Having invented a problem, Sprint proposes to solve it by regulatory mandate, having the Commission require that companies use locations that they use in existing IP peering arrangements.⁴⁷ This is precisely the kind of technical detail that two interconnecting providers must negotiate, and that the Commission should avoid prescribing.

Comcast, by contrast, correctly notes that “prescriptive regulations are inappropriate” for IP interconnections, because they “are far more dynamic and innovative than their PSTN-based

⁴⁶ Sprint Comments at 10.

⁴⁷ *See id.* at 10-11.

precursors, and today's nascent arrangements are the result of experimentation that the Commission should encourage."⁴⁸ To be sure, an efficient IP interconnection model for VoIP traffic likely will build off of the capabilities of IP architecture. But the Commission should not introduce "prescriptive regulation that can freeze certain approaches in stone and deter innovation."⁴⁹ Instead it should encourage "individualized interconnection agreements to exchange voice in IP, arrangements that reflect the parties' unique technological, geographic, and economic needs."⁵⁰

D. This proceeding should focus on trials and not on legal issues that are under review in other proceedings.

Although this proceeding is about potential trials related to technology transitions, some commenters press legal issues that the Commission is already reviewing in other proceedings, including the *Connect America Fund* proceeding. The Commission should not entertain those arguments in this proceeding.

Verizon has explained elsewhere why the Communications Act does not require interconnection in a particular format, including IP.⁵¹ And although Sprint makes up out of whole cloth that it is a "settled issue" that incumbent LECs must negotiate IP interconnection agreements under Section 251,⁵² the Commission has never determined that IP voice interconnection agreements are subject to Section 251 or to regulation generally. The

⁴⁸ Comcast Comments at 6.

⁴⁹ *Id.* at 6-7.

⁵⁰ *Id.* at 4.

⁵¹ For a fuller treatment of these legal issues, see Verizon Comments (Feb. 24, 2012) and Reply Comments (Mar. 30, 2012) regarding the Further Notice of Proposed Rulemaking, *Connect America Fund*, WC Docket No. 10-90, *et al.*

⁵² Sprint Comments at 8.

Commission instead has said that “there historically have not been [FCC] rules governing IP interconnection,”⁵³ and it has stated only its expectation that “all carriers [will] negotiate in good faith in response to requests for IP-to-IP interconnection for the exchange of voice traffic.”⁵⁴ The Commission explicitly did *not* decide the specific statutory authority for that expectation, and it specifically declined to ground it at this time in any particular statutory provision.⁵⁵

Likewise, Section 252 does not require incumbent LECs to file negotiated commercial agreements with state public utilities commissions. But some companies — like the petitioners in Massachusetts — appear to be reluctant or unwilling to negotiate commercial agreements with Verizon while they try to convince state regulators and this Commission to extend legacy regulation under Sections 251 and 252 to IP interconnection. This is the wrong approach and would delay, not advance, the transition from TDM to IP networks. A single commercial IP interconnection agreement can govern the exchange of VoIP traffic within and between all of the states uniformly and efficiently. Heightened oversight along legacy regulatory lines — potentially by more than 50 different regulatory regimes — would lead to myriad disputes and would result in technical interconnection details being resolved not by engineers and other experts but by more than 50 different state public utility commissions applying disparate views of what is and is not appropriate. The mere possibility that legacy rules could be applied to these arrangements may deter commercial negotiations. Instead of focusing on what makes the most business sense between the negotiating parties, incumbent LECs must consider the possibility that the commercial arrangements they negotiate — which must take into account the unique

⁵³ *Connect America Fund, et al.*, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, 26 FCC Rcd 4554, ¶ 679 (2011).

⁵⁴ *USF-ICC Transformation Order*, ¶ 1011.

⁵⁵ *See id.* ¶ 1335.

attributes of the parties' networks, traffic flows, and existing interconnections — could be made available to all other providers in the country.

II. Consumers are leading the transition from wireline to wireless, and technology is providing consumers with services that better serve their needs.

The record confirms that there is no need for a wireline-to-wireless transition trial, and instead the Commission should continue to facilitate investment and innovation by allowing providers the flexibility to determine the technology and serving arrangements that are best suited to respond to evolving consumer demand.⁵⁶ Consistent with its long-standing policies, the Commission should reject efforts by some commenters to ignore or undermine the consumer-led shift to wireless technologies by requiring that incumbent LECs maintain copper facilities indefinitely and at all costs, even when other platforms may better serve consumers.⁵⁷ In addition to being contrary to Commission precedent,⁵⁸ such an approach would stifle the deployment of next-generation networks and would harm consumers.⁵⁹

⁵⁶ See, e.g., *Qwest Petition for Forbearance Under 47 U.S.C. § 160(c) from Title II and Computer Inquiry Rules with Respect to Broadband Services*, Memorandum Opinion and Order, 23 FCC Rcd 12260, ¶ 52 (2008); *Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities, et al.*, Report and Order and Notice of Proposed Rulemaking, 20 FCC Rcd 14853, ¶ 19 (2005); *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, et al.*, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978, ¶¶ 219, 243, 278 (2003) (“*Triennial Review Order*”).

⁵⁷ See New Jersey Division of Rate Counsel Comments at 24-27; Bullseye Telecom, Inc. and Access Point, Inc. Comments at 14; U.S. TelePacific Comments at 1-2; XO Comments at 17-18.

⁵⁸ See, e.g., *Triennial Review Order*, ¶ 281 (rejecting requests that incumbent LECs be prohibited from or be required to obtain regulatory approval before retiring copper facilities that are replaced with fiber).

⁵⁹ *Id.* ¶ 272; see also FCC, *Connecting America: The National Broadband Plan*, at 48-49 (2010), <http://download.broadband.gov/plan/national-broadband-plan.pdf> (requiring incumbent LECs to maintain copper facilities in all areas would be “costly, possibly inefficient and reduce the incentive for incumbents to deploy fiber facilities”).

There is no dispute in the record: customers have long been migrating themselves to alternate technologies that meet their needs better than the legacy copper facilities. In particular, many customers have already chosen wireless technologies for all or most of their communications. As Verizon noted in its initial comments, the market has shown that customers increasingly prefer wireless solutions to meet their voice and broadband needs.⁶⁰ Indeed, as wireless networks become ever more ubiquitous and the capabilities of wireless networks — including high speeds enabled by 4G LTE — continue to improve, customers are increasingly likely to rely on wireless devices as their exclusive form of communication.⁶¹ The Commission itself has recognized that the number of wireless connections now exceeds the U.S. population, and customer usage of mobile devices continues to grow exponentially.⁶²

Indeed, multiple, competing providers are deploying and promoting “landline replacement” services in a further effort to persuade customers to “cut the cord.” For example, Sprint[®] Phone Connect 2 is a wireless voice service intended to replace landline service that provides unlimited all-distance calling using the Sprint cellular network rather than a landline or

⁶⁰ See Verizon Comments at 4-6; see also *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993*, Sixteenth Report, 28 FCC Rcd 3700, ¶ 248 (2013) (“*Sixteenth Report*”) (noting CTIA estimates “that the number of wireless-enabled laptops, netbooks, and aircards in use increased 49 percent during 2011 from 13.6 million to 20.2 million”); *id.* ¶ 249 (citing industry estimates “that the number of individuals owning a smartphone increased 55 percent during 2011 from 61.5 million to 98 million, and the smartphone penetration rate had reached 42 percent as of December 2011”).

⁶¹ See CDC, *Wireless Substitution: Early Release of Estimates from the National Health Interview Survey, July-December 2012*, at 1, 4 (June 2013), <http://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless201306.pdf> (concluding that nearly two in every five American homes (38.2%) have foregone wireline service entirely and now rely exclusively on a wireless device).

⁶² See *Sixteenth Report*, ¶ 244 (estimating that there were more than 317 million mobile wireless connections at the end of 2011, an increase of four percent from the end of 2009); *id.* at 3711 (“It is estimated that U.S. mobile data traffic increased 270 percent from 2010 to 2011, and that it has more than doubled each year for the past four years”).

broadband connection.⁶³ Likewise, U.S. Cellular markets its U.S. Cellular® Home Phone, which plugs into any telephone to give customers the ability to make and receive calls from their home phone using the U.S. Cellular wireless network, as giving customers the “benefits of a land line without the high price.”⁶⁴ Even groups such as AARP appear to advocate the use of these technologies when offered by their own commercial partners. AARP partners with Consumer Cellular, which offers a Wireless Home Phone Device, a device in which “[c]ustomers can assign their existing landline number to the device, and any incoming and outgoing calls will be carried over Consumer Cellular’s wireless network. This eliminates the need for landline service while providing the flexibility and signal strength of Consumer Cellular’s wireless phone service throughout the home.”⁶⁵ As touted by the company, the use of a wireless home phone device gives customers “the option of cutting out the costs of a traditional landline service,” even as “customers can expect the same convenience of a landline”⁶⁶

Given this ongoing, and accelerating, market transition with a variety of products and offerings already being rapidly embraced by consumers, the conduct of a Commission-led “trial” is unnecessary and could be counter-productive to the extent it disrupts these ongoing efforts.

⁶³ See, e.g., Sprint News Release, Sprint Phone Connect 2 Fact Sheet (Oct. 15, 2012), <http://newsroom.sprint.com/news-releases/sprint-phone-connect-2-fact-sheet.htm> (last visited Aug. 6, 2013).

⁶⁴ U.S. Cellular Home Phone, <http://www.uscellular.com/home-phone/homephone.html> (last visited Aug. 6, 2013).

⁶⁵ Jeff Segvich, Business Wire, <http://www.businesswire.com/news/home/20130610005320/en/Consumer-Cellular-Adds-Wireless-Home-Phone-Device> (last visited Aug. 6, 2013) (announcing the launch of the Wireless Home Phone Device and noting that Consumer Cellular is the “exclusive wireless provider for AARP members.”)

⁶⁶ *Id.*

Public Knowledge and the Communications Workers of America also are wrong to argue that Verizon's deployment of its wireless Verizon Voice Link product to provide home service in limited, hard-hit parts of Fire Island and the New Jersey Barrier Islands should be considered a "trial" or is otherwise relevant to this proceeding.⁶⁷ The unique circumstances surrounding Verizon's recovery efforts in these unique communities is not, and should not be treated as, a proxy for broader wireline-to-wireless transition issues, and the Commission is already considering the issues surrounding this unique situation separately.

As we have explained to the Commission in the appropriate docket, after facilities were destroyed or severely damaged on Fire Island by Superstorm Sandy, Verizon used the Voice Link product to efficiently and quickly provide voice service to our customers in this unique area without interfering with the important summer tourist season or the already sensitive environment. Voice Link was not a product we developed to "trial" in storm-ravaged areas, nor is it one that was developed to more generally transition whole communities off of well-functioning wireline copper or fiber networks onto a wireless platform. Rather, before Sandy struck, Verizon was developing Voice Link as an offering for existing voice-only customers with a history of repair issues resulting from faulty existing copper or where customers are served with discontinued equipment or a lack of available replacement parts. To put this into perspective, fewer than five percent of Verizon's overall copper lines in service will be candidates for the current Voice Link device. In short, the deployment of Voice Link in these areas was driven by a set of unique circumstances, and it is not a "trial" of anything, much less the more general transition to wireless. The New York Public Service Commission has already

⁶⁷ See Communications Workers of America Comments at 5-8; Public Knowledge Comments at 2-4; *see also* New Jersey Division of Rate Counsel Comments at 17-18; Cbeyond Comments at 23-24.

approved Verizon's deployment of Voice Link on Fire Island on an interim basis, noting the specific circumstances.⁶⁸ And, there is already a proceeding before this Commission in a separate docket set to review the remaining narrow question of the discontinuance of wireline interstate telecommunications services in these areas.⁶⁹ That proceeding should not be conflated with the broader issues before the Commission here.

III. Industry and public safety stakeholders support careful implementation of any NG911 trial through use of standards-based technology and collaboration with capable PSAPs.

As an alternative to trials on NG911, Verizon suggested that the Commission serve in a "clearinghouse" role for NG911 stakeholders.⁷⁰ Several commenters, including industry and public safety stakeholders, confirm that there are many efforts already under way to develop and deploy NG911 platforms and standards that will be a prerequisite to NG911 implementation.⁷¹ Given that aspects of successful NG911 implementation are ongoing and, in many cases, outside the Commission's authority, the Commission may find the clearinghouse approach an effective and efficient alternative. In all events, the Commission should follow these efforts and use them to enable service providers, PSAPs, equipment manufacturers and other NG911 participants to

⁶⁸ See State of New York Public Service Commission, Order Conditionally Approving Tariff Amendments in Part, Revising in Part, and Directing Further Comments, *Tariff Filing by Verizon New York Inc. to introduce use of wireless technology as an alternative to repairing damaged facilities*, Case No. 13-C-0197 (May 16, 2013).

⁶⁹ *Section 63.71 Application of Verizon New York Inc. and Verizon New Jersey Inc. For Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Discontinue the Provision of Service*, Public Notice, 28 FCC Rcd 9198 (2013).

⁷⁰ See Verizon Comments at 6-8.

⁷¹ See APCO Comments at 1-2; AT&T Comments at 28; State of California Comments (Governor's Office of Emergency Services) at 2; NENA Comments at 4.

learn from them regarding the equipment, software, and other measures necessary to implement NG911.

Should the Commission nonetheless proceed with a trial, a broad cross-section of NG911 stakeholders echo Verizon's recommendation that the Commission proceed cautiously in this area.⁷² In that regard, the record reflects wide acknowledgement that any NG911 deployment, in a trial or otherwise, should involve standards-based technologies.⁷³ This is necessary to ensure that trials meet consumers' technology *and* public safety needs.⁷⁴ Commenters also recognize that PSAPs' readiness to handle NG911 data and services, through the necessary equipment and network upgrades, is a prerequisite to service providers' participation in a trial.⁷⁵ To that end, the Commission should conduct any trial(s) in a state that has made the necessary investments to support efficient NG911 deployment.

Some commenters urge the Commission to go further and use the trials as an opportunity to formally address legal issues that would govern important aspects of NG911 deployment, such as connectivity arrangements between PSAPs and originating service providers, and location

⁷² See APCO Comments at 4 (urging "gradual, cooperative, and smart implementation"); AT&T Comments at 29 ("the Commission should move cautiously here"); NTCA Comments at 8-9 (describing need for PSAP upgrades); Sprint Comments at 13-14; *see also* Cbeyond Comments at 21 (trial should proceed only if it "would yield substantial and necessary information not already available"); Comcast Comments at 8 ("trials [should] not become an ultimatum that forecloses other avenues or alternatives."); Western Telecommunications Alliance Comments at 4.

⁷³ See Verizon Comments at 7; APCO Comments at 2-3; AT&T Comments at 27-28; Comcast Comments at 9; Sprint Comments at 14; *see also* Alliance for Telecommunications Industry Solutions Comments at 7-9 (describing ongoing standards development efforts).

⁷⁴ Verizon Comments at 7.

⁷⁵ See Verizon Comments at 7; CTIA Comments at 11-12; NTCA Comments at 8-9.

information capabilities.⁷⁶ Those issues, however, have been raised in other proceedings, and the Commission should address them in that context. More fundamentally, such action would be antithetical to the need for voluntary participation in NG911 trials, and risks undermining the collaboration necessary to make them successful.

CONCLUSION

For these reasons, the Commission should, at a minimum, proceed cautiously if it decides to go forward with trials. And any trials should (1) be voluntary; (2) not undermine the technology-driven and consumer-driven transitions currently underway; and (3) not interfere with or deter commercial arrangements.

Respectfully submitted,

Michael E. Glover
Of Counsel

/s/ Katharine R. Saunders
William H. Johnson
Katharine Saunders
Curtis L. Groves
VERIZON
1320 North Courthouse Road
9th Floor
Arlington, VA 22201
(703) 351-3158

*Attorneys for Verizon
and Verizon Wireless*

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⁷⁶ See, e.g., Bexar Metro 9-1-1 Network District Comments at 8-10 (connectivity arrangements); Intrado Comments at 3-5 (same); NENA Comments at 5-8 (proposing mandatory network access requirements).

DECLARATION OF STEPHEN M. OWENS AND JENNIFER E. ROSS

1. My name is Stephen M. Owens. I am the director of Verizon's carrier IP interconnection planning group within the Network & Technology organization. In this role, I lead and direct the group within Verizon that is responsible for developing the technical design and interconnection plan with other carriers. I file this Affidavit in support of the Reply Comments of Verizon and Verizon Wireless.

2. My name is Jennifer E. Ross. I am the director of Verizon's interconnection group within the Verizon Global Wholesale organization. In this role, I lead and direct the group within Verizon that is responsible for negotiating, implementing and managing interconnection agreements between the regulated wholly owned subsidiaries of Verizon and other providers. I file this Affidavit in support of the Reply Comments of Verizon and Verizon Wireless.

3. The procedures for initiating a voice interconnection request are well known in the industry. And the Verizon Global Wholesale group's website, www.verizon.com/wholesale, provides step-by-step instructions for providers new to the process. Once a provider sends a request for negotiation of an interconnection agreement to the Contract Management Group using this process, it will be routed internally to the interconnection group for handling.

4. The interconnection group's responsibility includes negotiating agreements to exchange voice traffic in IP format with other providers. Verizon takes seriously the FCC's expectation that Verizon will negotiate in good faith in response to requests for IP voice interconnection. Verizon has negotiated in good faith with the companies that have requested IP voice interconnection. Verizon has cooperated with other companies and has not refused to negotiate.

5. We understand that several commenters have claimed that Verizon has either refused to negotiate IP interconnection agreements or otherwise has not cooperated. The purpose of this

declaration is to respond to those unsubstantiated claims and explain that they are false. We will explain some of the steps Verizon has taken in order to advance IP interconnection negotiations. We will discuss that other providers generally have shown less interest interconnecting with Verizon than we have in interconnecting with them. And we will refute allegations that Verizon has refused to negotiate.

6. In early 2012, Verizon and another provider reached a voluntary commercial agreement for IP interconnection that covered Verizon's FiOS Digital Voice VoIP traffic (the "Agreement"). Verizon spent most of the rest of 2012 working out complicated technical details required to implement the agreement.

7. Also in 2012, Verizon discussed IP interconnection with at least nine other providers. In most cases, Verizon initiated the discussions. Verizon negotiated in good faith. In most of those cases, however, the other party displayed little interest in continuing negotiations at that time.

8. In 2013, although still only a few companies had shown interest in negotiations, Verizon continued to work towards developing commercial agreements for VoIP traffic. Verizon set out to develop new model agreements that we could use as the basis for IP interconnection negotiations and workbooks for potential interconnectors to start to scope out technical requirements. We finalized those templates in June 2013.

9. Once those templates were complete, we identified companies that appeared to be likely candidates for negotiation with our incumbent local exchange companies. We decided to invite several groups of companies to begin negotiations with us. We have sent 11 letters inviting negotiations since June.

10. *First*, we invited the companies that had petitioned the Massachusetts Department of Telecommunications and Cable (DTC) to assert jurisdiction over Verizon's Agreement and to

require Verizon to file it with the DTC under Section 252 of the Communications Act. We sent the petitioners letters inviting them to contact us to begin negotiations (“Letters Inviting Negotiations”) on June 11, 2013. One of the three petitioners responded; the others did not.

11. Cbeyond is one of the companies that petitioned the DTC. Before it petitioned the DTC, Cbeyond had not submitted to Verizon’s interconnection group a request to negotiate an IP interconnection agreement. Verizon sent Cbeyond a Letter Inviting Negotiations on June 11, 2013. Cbeyond responded on June 25. The next day, June 26, we began negotiating a nondisclosure agreement. Those negotiations are ongoing.

12. EarthLink is one of the companies that petitioned the DTC. EarthLink has not submitted to Verizon’s interconnection group a request to negotiate an IP interconnection agreement. Verizon sent EarthLink a Letter Inviting Negotiations on June 11, 2013. EarthLink has not responded.

13. TWDS is one of the companies that petitioned the DTC. It is our understanding that TWDS and TWTC are affiliates. Neither TWDS nor TWTC has submitted to Verizon’s interconnection group a request to negotiate an IP interconnection agreement. Verizon sent TWDS a Letter Inviting Negotiations on June 11, 2013. It has not responded.

14. *Second*, we sent Letters Inviting Negotiations to intervenors in the DTC proceeding that resulted from that petition. Among those companies were several of the commenters in this proceeding that have alleged that Verizon has refused to negotiate IP interconnection agreements or otherwise has not cooperated.

15. Sprint intervened in the DTC proceeding, and we sent Sprint a Letter Inviting Negotiations on June 11, 2013. Sprint responded to that request on July 8, 2013. Within one week we began negotiating a nondisclosure agreement, and the parties have entered into a

nondisclosure agreement that covers their ongoing negotiations. And Verizon has sent Sprint its IP Workbook with proposed technical specifications for IP interconnection and traffic exchange. This is not the first time that Verizon and Sprint have discussed IP interconnection. In 2012, Verizon and Sprint met several times to discuss IP interconnection for voice traffic. Although Verizon remained interested in negotiations and was prepared to continue, Sprint did not show interest in continuing the discussions, and Verizon was left with the impression that Sprint was not serious about pursuing an IP interconnection agreement.

16. XO intervened in the DTC proceeding, and we sent XO a Letter Inviting Negotiations on June 12, 2013. XO responded to that request on June 13, 2013. That day we began negotiating a nondisclosure agreement. The parties have entered into a nondisclosure agreement that covers their ongoing negotiations. Verizon has sent XO its IP Workbook with proposed technical specifications for IP interconnection and traffic exchange.

17. *Third*, we sent Letters Inviting Negotiations to the companies that are participating in the VoIP numbering trials in WC Docket No. 13-97, *et al.* Although the success of those trials does not depend on IP interconnection, at least one of the trial participants — Level 3 — has linked the two issues, and we thought this group presented potential interconnection candidates.

18. But before the trial process began, Verizon and Level 3 had already begun discussing an IP interconnection agreement for voice traffic. Verizon and Level 3 entered into a nondisclosure agreement covering negotiations in April 2013, and shortly thereafter we began substantive negotiations. This followed periodic discussions that Level 3 and Verizon had held during 2012.

19. *Fourth*, Verizon's interconnection group has since May 2013 received IP interconnection requests from three other companies, none of which had previously submitted to Verizon's interconnection group a request to negotiate an IP interconnection agreement.

20. One of those companies is T-Mobile. T-Mobile submitted a request on May 28, 2013. Verizon responded the same day, and the parties later entered into a nondisclosure agreement. Negotiations are ongoing. Before then, T-Mobile had not submitted to Verizon's interconnection group a request to negotiate an IP interconnection agreement.

21. Although Integra is one of the commenters that claims incumbent LECs have not cooperated with negotiations, Verizon's interconnection group has not received a request to negotiate an IP interconnection agreement from Integra.

22. Currently, Verizon's interconnection group is negotiating IP interconnection for VoIP traffic with at least eight providers. These individual negotiations are proceeding at different paces. In some cases we are still negotiating the terms of nondisclosure agreements, and in other cases we are negotiating more substantive matters. In each of the cases, however, Verizon is negotiating in good faith and will continue to do so.

23. In summary, Verizon has actively solicited IP interconnection agreements, but in many cases other companies have shown little interest in negotiating. With those that have shown an interest, Verizon has negotiated in good faith and will continue to negotiate in good faith. Verizon has not refused to negotiate IP interconnection and has cooperated with those companies that have been interested in negotiating IP interconnection with Verizon.

24. This concludes our declaration.

Attachment A

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

A handwritten signature in black ink that reads "Stephen Owens" with a stylized flourish at the end. The signature is written over a horizontal line.

Stephen M. Owens

Date: August 7, 2013

Attachment A

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

A handwritten signature in cursive script, reading "Jennifer E. Ross", is written over a solid horizontal line.

Jennifer E. Ross

Date: August 7, 2013