Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)
	)
FCC Process Reform	) GN Docket No. 14-25
	)
TO: The Commission	

COMMENTS
OF
WTA – ADVOCATES FOR RURAL BROADBAND

WTA – Advocates for Rural Broadband ("WTA") comments on the "Report on FCC Process Reform" issued by the Staff Working Group on February 14, 2014 ("Staff Report"). These comments are filed pursuant to the Commission's Public Notice (*FCC Seeks Comment on Report on Process Reform*), DA 14-199, released February 14, 2014.

WTA is a national trade association that represents more than 250 small rural telecommunications carriers ("RLECs") that provide voice, video and data services to some of the most rural and hard-to-serve communities in the country and that are the providers of last resort to those communities. WTA fully supports the Commission's goal of operating in the most effective, efficient and transparent way possible, and its representatives met with Diane Cornell during the initial staff study to provide feedback and suggestions.[1]

During a time of increasing broadband investment needs and decreasing traditional revenue streams, WTA members need to reduce their regulatory and reporting costs in order to free up resources urgently needed for broadband deployment. Hence, WTA's primary interest is in those aspects of process reform where the Commission is considering the elimination or streamlining of unnecessary or outdated rules, reporting requirements and data collections. WTA

[1] Letter from Gerard J. Duffy, WTA Regulatory Counsel, to Marlene H. Dortch, regarding FCC Process Reform, dated December 20, 2013 (filed at Innovation@fcc.gov).

will also comment herein upon matters such as summary disposition of backlogged petitions and appeals, and the handling of informal complaints.

A. Elimination or Streamlining of Regulations, Reports and Data Collections

In addition to the problems inherent in increasing broadband investment needs, decreasing access revenues and limited high-cost support, RLECs must also deal with more stringent and broad caps upon the corporate operations expenses they incur, *inter alia*, to pay the administrative, consulting and legal costs of compliance with various Commission rules, reporting requirements and data collections.

WTA is encouraged that Recommendations 4.22, 4.23 and 4.24 of the Staff Report are directed toward the more efficient collection and use of data. And, whereas various Information Technology ("IT") solutions may be useful here, a fundamental way to improve information efficiency and reduce reporting burdens is for the Commission to continuously study and streamline its reporting requirements and data collections so as to require only the information that it needs to carry out its regulatory functions. For example, the five-year plans required to be submitted by RLECs pursuant to Section 54.313(a) of the Rules beginning July 1, 2014, require detailed information regarding potential investment plans during future years that is of minimal value to the Commission but that can be unduly burdensome and expensive for RLECs to produce. WTA recognizes that many RLECs devise internal three-year or five-year investment or infrastructure construction plans for their own planning purposes. However, there are generally substantial differences in the effort, detail and cost with respect to an internal planning document vis-à-vis the much greater resources employed to produce a formal plan for filing with the Commission. Whereas the investment costs and operating expenses incurred by high-cost support recipients last year and proposed to be incurred during the coming year are relevant to

the Commission's stewardship of the Universal Service Fund, the virtual certainty of changing circumstances renders predictions of potential investments and expenses during future Years 2, 3, 4 and 5 increasingly uncertain and unreliable for most Commission decision making and planning purposes. WTA submits that elimination of the five-year plan requirement in favor of a "last year - next year" report would give the Commission the relevant information it needs to oversee high-cost support programs while eliminating unnecessary reporting burdens and expenses.

Another way to improve the efficiency of reporting and data collection would be to consolidate various annual certification deadlines on a single annual date. For example, at the present time, annual Customer Proprietary Network Information ("CPNI") compliance certifications are due on March 1, and annual Accessibility Program compliance certifications are due on April 1. It would simplify the compliance monitoring of RLECs and other covered entities if these and similar annual certification deadlines were consolidated into a single common deadline. It would further simplify compliance and compliance monitoring if all such certifications could be combined into a single form accessible at a single location or link on the Commission's website.

WTA supports Recommendation 1.18 that the Commission consider expanding the categories of transactions, such as mergers of geographically adjacent rural carriers, that qualify for streamlined treatment. Currently, domestic Section 214 applications for the assignment of the assets, or transfer of control, of a rural carrier to a non-adjacent rural carrier, qualify for streamlined processing and are deemed granted thirty days after Public Notice. This process works very efficiently and effectively, and allows the parties to plan their closing date. Even for assignments or transfers of control involving adjacent rural carriers, the domestic Section 214

process works efficiently and effectively. Whereas most such applications are non-controversial and are often processed and granted in just a few days more than the 30-day streamlined period, the major shortcoming is that the parties do not have a certain "deemed granted" date with which to plan their closing. A more serious problem regarding mergers and acquisitions among carriers with multiple lines of business is that the Wireline Competition Bureau, International Bureau and Wireless Telecommunications Bureau all have different application procedures and processing periods. It is not uncommon for transactions to be delayed or closing dates rendered uncertain because certain bureaus have granted authorization while others are still processing applications or requesting further information or amendments.

A more serious issue affecting mergers and acquisitions among rural carriers is the very high application fee which the Commission charges for study area waivers ($7,990 presently, $8,635 when the Commission's recent application fee increases go into effect). WTA notes that, in Recommendation 2.12, the Staff Report seeks updates of the Commission's application fee structure to make it more consistent and equitable. The Commission's application fees for Part 32, 43, 64, 65 and 69 waivers appear to have been calculated and established, in substantial part, to cover the workload required to review and process such waivers for large and mid-sized carriers. It does not appear likely that the Commission would require anything close to $7,990 or $8,635 worth of staff labor hours to review and process a request for waiver of study area boundaries to accommodate the merger of the study areas of two small RLECs. Whereas the Commission's staff has often urged the consolidation of small RLECs, the current study area waiver application fee would appear to be a factor that would discourage such consolidations.

B. Summary Disposition of Commission Proceedings

WTA is concerned about Recommendation 1.17, and its proposal for increased summary disposition of long pending Applications for Review, Petitions for Reconsideration, and other proceedings. The problem is that this approach is subject to abuse, as an easy way to get rid of legitimate petitions and appeals that certain segments of the Commission may not want to address, or that certain offices may have left pending for an inordinate period.

If an appeal or petition is defective or untimely, it can be dismissed via a short order at the time of initial inspection and screening. However, where an appeal or petition complies with the Commission's procedural rules and deadlines, the party filing such a *bona fide* pleading should be entitled to a timely, reasoned and substantive Commission response to its arguments and requests.

C. Handling of Informal Consumer Complaints

WTA has very little comment regarding the Staff Report's proposed changes to the handling of informal consumer complaints. WTA members and other RLECs are predominately managed locally and have substantial and continuous contact with their customers. They work hard to respond to the needs, suggestions and complaints of their customers, and are interested in learning about issues or problems that certain customers, for reasons of their own, may elect to raise with the Commission rather than with local management.

The one suggestion that WTA would make is that the Consumer and Government Affairs Bureau ("CGB") review informal complaints, and not require carriers to respond to those informal complaints that do not entail actual or potential violations by the subject carriers of the Commission's Rules. Rather, the CGB staff should pass the informal complaint along to the

carrier so alert it to the problem, but should not require a carrier response and should inform the complaining customer right away that there is no violation of law that the Commission can address.

A prime example of this type of complaint is the many informal complaints that were filed by consumers against RLECs because the consumers were unable to complete calls to relatives and friends in RLEC service areas. As the Commission became well aware, these call completion problems were not caused by RLECs. Rather, whereas RLECs were glad to learn about specific problems completing calls to their customers, they were as much the victims of unlawful call blocking practices as their customers and the blocked callers. It added insult to injury for the victimized RLECs to be required to go to the time and expense of having to prepare and serve responses to informal complaints that involved unlawful practices by certain interexchange carriers and their agents.

A second example consists of informal complaints by consumers with respect to non-regulated Internet access service prices and pricing practices. Again, the Commission and the carriers may benefit from knowing that certain consumers are dissatisfied with certain Internet access service pricing levels or plans. However, given that the Commission does not currently regulate Internet access service pricing, the CGB should not require carriers to respond to these complaints and should immediately clarify the expectations of the complaining consumers as to the status of the law and their legal rights.

D. Conclusion

WTA applauds the Commission for its efforts to improve the efficiency and effectiveness of its decision-making processes. In particular, elimination or streamlining of outdated or unnecessary regulatory requirements and data collections are a win-win process for the Commission, regulated entities and the public.

Respectfully submitted,
WTA – THE RURAL BROADBAND ADVOCATES

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