Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	GN Docket No. 14-25
FCC Seeks Public Comment on Report on	)	
Process Reform	)	

COMMENTS OF CENTURYLINK

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CenturyLink submits these comments in response to the Commission's public notice seeking comment on the staff working group's Report on FCC Process Reform (Staff Report).[1]

I. INTRODUCTION AND SUMMARY

CenturyLink commends the Commission, and particularly the staff working group, for undertaking a comprehensive and thorough review of the Commission's operations. As reflected in the 80-plus page Staff Report, there are countless opportunities for the Commission to improve its effectiveness, efficiency and transparency in nearly all its activities and processes -- both large and small. The Commission should explore all of the recommendations in the Staff Report and pursue both short-term and long-term process improvements that will improve the agency's ability to fulfill its mission in this critical sector of the American economy.

These comments highlight a handful of the Staff Report's recommendations that are essential to meeting the Commission's objectives for process reform:[2]

- ***Recommendations 1.1 and 1.3 (Efficient Intake Analysis and Relevant Timelines; Ensure Accountability for Timely Decision-making)*** – The Staff Report proposes a sensible process for conducting an initial analysis and tracking new items that come into the agency. If adequately enforced, this process should significantly shorten the

[1] *See FCC Seeks Public Comment on Report on Process Reform*, Public Notice, GN Docket No. 14-25, DA 14-199 (Feb. 14, 2014); Report on FCC Process Reform, dated Feb. 14, 2014 (Staff Report).

[2] As noted, with regard to Recommendation 5.39, it is critical that the Commission *not* implement the recommendation to require parties aggrieved by a USAC decision to seek review from USAC before seeking review from the Commission.

time for Commission action, which is often far too long today. The Commission should adopt a firm outside deadline of 180 days for Petitions for Reconsideration and Applications for Review while endeavoring to complete items more quickly where possible. And, the Commission should establish unique procedures for ensuring that petitions for forbearance generally are resolved within the twelve-month statutory period.

- ***Recommendation 1.4 (Make Information on All Petitions and Open Dockets Publicly Available and Searchable)*** – To ensure transparency and accountability, the Commission should create and maintain a centralized, publicly-available list of all docketed and undocketed matters. In time, this list should include detailed, up-to-date information on each pending matter, clearly disclosing the matter's status and how close it is to resolution. In the short term, the Commission should, at a minimum, create a comprehensive list with basic information for all pending matters.

- ***Recommendations 3.1.2 and 3.3 (Use of Multi-Stakeholder Pilot Program(s) and Negotiated Rulemakings to Narrow Issues and Develop Proposed Rules)*** – Multi-stakeholder processes and negotiated rulemakings are potentially innovative mechanisms that the Commission can use more effectively when developing policy – if they are used in the right contexts. Multi-stakeholder mechanisms can also be used to help demonstrate the *absence* of a need for formal Commission rulemaking activity in a given context. The Commission must also ensure that adequate processes are put in place to ensure that all interested parties are aware of and have an opportunity to participate in these activities.

- ***Recommendation 3.8 (Improvements to the Commission's Processes for Drafting Proposed and Final Rules)*** -- The Staff Report's proposed "best practices" for drafting proposed and final rules in rulemaking proceedings are appropriate. The Commission should consider additional best practices in this area as well, such as using policy-making processes in advance of an actual rulemaking proceeding more frequently. This can both help identify those contexts where the Commission's policy-making is better served by not moving forward to create new regulations and put the Commission in a better position to follow the proposed best practices when it does.

- ***Recommendation 5.31 (Update Obsolete Media Rules and Procedures)*** – The Media Bureau's regulations have not kept up with the many changes in the video services industry. In particular, the regulations applicable to the delivery of video programming need to be overhauled to recognize and effectively address the diversity of technologies that are now used to distribute video programming.

- ***Recommendation 5.39 (Parties Aggrieved by a USAC Decision Should Not be Denied Direct Appeal to the FCC)*** - The Commission should not adopt Recommendation 5.39, which would rescind the right to appeal decisions of the Universal Service Administrative Company ("USAC") directly to the Commission. The right to bring disputes directly to the Commission furthers the objectives of the

Universal Service programs, to the ultimate benefit of end users served by those programs, and is otherwise appropriate as a matter of legal policy.

CenturyLink believes that correct action on these recommendations is critical in improving the Commission's current operations. By focusing on these particular recommendations, however, CenturyLink is not questioning the merit of the remaining recommendations in the Staff Report -- many of which deserve serious consideration. The Commission should explore any recommendation that could enable the Commission to work faster, more efficiently, more transparently, and more inclusively.

II. DISCUSSION

In these comments CenturyLink discusses eight key recommendations in the Staff Report related to improving tracking across the Commission, exploring innovative mechanisms for developing policy, improving the drafting process for policy documents, updating obsolete media rules and procedures, and ensuring expeditious review of USAC decisions. Appropriate implementation of these recommendations would move the Commission a long way toward its objectives in this docket.

Recommendation 1.1: Efficient Intake Analysis and Relevant Timelines
Recommendation 1.3: Ensure Accountability for Timely Decision-making

In Recommendation 1.1, the staff working group appropriately identified the need to undertake efficient intake analysis and enforce relevant timelines for each item submitted to the Commission. Recommendation 1.3 seeks to ensure accountability for such timelines. The apparent lack of such consistent processes across the agency highlights one of the key shortcomings in the Commission's current operations. Far too often, petitions sit for many months, or even years, without Commission action. As a result, prospective petitioners frequently take their case to a court or state commission even if this Commission is the most logical forum to resolve the issue in question, such as the proper interpretation of a Commission

rule. Similarly, if they can help it, parties choose to pursue alternatives to Petitions for Reconsideration and Applications for Review, because they lack confidence that their filings will be addressed within a reasonable period of time.

Thus, reform is clearly warranted in this area. Any party who makes the effort to file a pleading asking for Commission action deserves to have its petition addressed in a reasonably timely manner. That is not to say that every petition must be addressed point-by-point. Clearly petitions are sometimes filed that are procedurally defective or otherwise frivolous and can be summarily denied. There also can be situations in which the Commission reasonably concludes that it is premature to resolve an issue presented in a petition. In either situation, the Commission should still address the petition, rather than letting it sit indefinitely.[3] This is particularly important today, given the accelerating pace of change in the communications industry. The passage of time can quickly make a petition moot, as industry players choose to move on, without the benefit of the Commission's resolution of the issue presented in the petition.

The Staff Report proposes a sensible process for tracking new items that come into the agency. The relevant bureau or office would quickly perform an initial analysis of each item and establish a timeline for resolution, based on the item's substantive merits, resources needed and relative importance. These timelines would be tracked by management and reevaluated on a regular basis to account for changing circumstances. The Commission might also consider designating project managers to create and enforce detailed project plans identifying the steps necessary to resolve the matter. However they are done, such workflow processes need to be performed on an end-to-end basis and include buy-in from final decision-makers in the relevant

[3] Of course certain types of submissions, such as forbearance petitions, must be resolved *on the merits* within a specified time period.

Front Office or Commissioner Offices. Little will be gained if Bureau and Office staff meet their objectives under the timeline only to have a draft order sit in the Front Office, Chairman's Office or Eighth Floor for months.

Obviously the key to making meaningful progress in this area is to adopt realistic deadlines and then enforce them. As acknowledged in the Staff Report, "[t]imelines are only useful if adhered to," and management and staff must be held accountable for failure to meet deadlines.[4] Such accountability should be incorporated in the Commission's performance review process. Another means of ensuring accountability would be to disclose publicly deadlines for Commission action and/or the status of particular items.

At the same time, Commission staff should continually look for opportunities to dispose of items quickly, either because they are relatively routine and uncontroversial or because they are clearly defective in some respect. In the past, some such matters have sat for years without Commission resolution -- sometimes until they were dismissed as moot or withdrawn by the parties filing them. In the wireline area, for example, petitions to waive study area boundaries have often taken many months if not years for resolution, even though they generally have been unopposed and follow well-established precedent. As noted in the Staff Report,[5] if a petition is unopposed, the Commission should be able to grant it relatively quickly with a short order. Similarly, in the second category, Petitions for Reconsideration sometimes languish for long periods of time even if they simply reiterate arguments that the Commission already addressed and rejected in the order sought to be reconsidered. Such petitions should be summarily denied. Likewise, if a petition is procedurally flawed, the Commission should deny it without undue delay. Disposing of such items quickly will make the agency "more agile and business-like in its

[4] Staff Report at 8.

[5] *Id.* at 7.

operations" and allow the Commission to devote its resources to the issues of highest importance to the organization.[6]

In addition to taking these steps, the Commission should adopt a firm outside deadline of 180 days for Petitions for Reconsideration and Applications for Review. This approach would enable the Commission to complete any notice procedures and other processing required for such items and leave sufficient time for completion of an order -- regardless of its complexity. By enforcing an outside timeline along these lines, while deciding items on a shorter timeline where possible as described above, the Commission could greatly increase its speed and efficiency on these items. With respect to Petitions for Reconsideration, utilizing definitive timelines for resolution, will create certainty and allow petitioners to evaluate their procedural operations. If anything, quick action on Applications for Review is even more important, given that an aggrieved party has no other immediate recourse from delegated action.

As recognized in the Staff Report, the Commission also must provide unique treatment for items covered by statutory deadlines. CenturyLink supports the proposal to generally resolve forbearance petitions within twelve months, while reserving authority for three-month extensions for extraordinary circumstances. Based on Section 10's construction, it appears that Congress intended for forbearance petitions to be decided in twelve months (or it would have just established a fifteen-month deadline). Yet in practice the Commission has granted itself a three-month extension for virtually all forbearance petitions. Aside from the need to comply with statutory intent, the practice of resolving forbearance petitions in twelve months or less would appropriately give high priority to eliminating outdated regulatory burdens.[7]

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[6] *See* Staff Report at 3.

[7] The Staff Reports recommends (at 7) that the timeline "incorporate sufficient time to enable the Commissioners to review the proposed ruling before the statutory deadline." CenturyLink

Recommendation 1.4: Make Information on All Petitions and Open Dockets Publicly Available and Searchable

As noted in the Staff Report, the Commission currently lacks a centralized, publicly-available list of docketed and undocketed open matters. Thus, short of conducting a proceeding-by-proceeding search in the Commission's Electronic Comment Filing System (ECFS), there is no way for the public to compile a comprehensive list of docketed matters, and, even then, all that can be determined in ECFS are the most recent filings made by interested parties. In particular, ECFS does not disclose how close the Commission is to resolving a particular proceeding. Even less information is available for petitions that are not filed in a pre-existing docket and Petitions for Rulemaking and Declaratory Ruling filed in paper form.[8]

Creating and maintaining such a list is an important foundation for the Commission's goals of making its processes more transparent, enabling more public participation, and enhancing accountability. Without such information, it is impossible for the public to monitor, much less participate, in the Commission's consideration of a particular matter.

The Staff Report proposes reasonable long-term and short-term goals for addressing this current shortcoming. Over time, the Commission should work toward a comprehensive list of pending matters that provides detailed, up-to-date information on each pending matter, such as the date it was initiated, a short description, the most recent action taken, any relevant comment dates, and the status of the proceeding. That status would include the current stage of consideration (*e.g.*, Wireline Competition Bureau Drafting Order on Issues X, Y and Z;

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agrees and adds that there also should be sufficient time to obtain targeted input from affected parties on the Commission's proposed course of action, to ensure that all decisions are based on a complete understanding of the relevant facts and tradeoffs.

[8] *See* Staff Report at 9-10.

Chairman's Office Reviewing Draft Order; Order on Circulation).[9] The Office of General Counsel's quarterly "List of Pending Appellate Cases" provides at least a partial template for such a list of open proceedings. In the short-term, it would be a significant improvement to have a comprehensive list of pending proceedings with the basic information noted in the Staff Report.[10]

The Commission should also pursue the Staff Report's proposal to allow parties to file all submissions in ECFS, including Petitions for Rulemaking, Petitions for Declaratory Ruling and confidential documents.[11] Requiring that such filings be made in paper form imposes unnecessary cost and delay on interested parties, as well as the Commission.

Recommendation 3.1.2: Evaluate Suitability and Feasibility of Conducting Multi-Stakeholder Pilot Program(s) to Narrow Issues in an Ongoing Proceeding

Recommendation 3.3: Consider Whether a "Negotiated Rulemaking" Process Could be Useful to Narrow Issues and Develop Proposed Rules for Commission Consideration

Chapter 3 of the Staff Report also appropriately identifies potential process improvements that "should be considered in terms of their capacity to expedite and otherwise facilitate the rulemaking process, consistent with the requirements of the Administrative Procedure Act."[12] And, Recommendation 3.1.2 and Recommendation 3.3 are offered as examples of potentially innovative mechanisms that the Commission might use more effectively

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[9] While the Commission's weekly list of "FCC items on Circulation" is helpful, it necessarily covers only a small fraction of pending matters, and, for large rulemakings, often is too vague (*e.g.*, "Connect America Fund, *et al*.") to identify the specific action the Commission is considering.

[10] Staff Report at 8.

[11] This change to ECFS would not alter the process used by interested parties to obtain access to confidential material. As is the case today, such access would continue to be dictated by the applicable protective order, which generally requires the execution and filing of a confidentiality acknowledgement before obtaining access from the party that submitted the confidential document.

[12] Staff Report at 36.

when developing policy. In many contexts, the traditional rulemaking model satisfying the minimal requirements of the Administrative Procedure Act is a strong policy-making tool. But, as the Staff Report recognizes, the potential for rulemakings arises in a variety of different policy contexts. The Commission would clearly benefit from greater use of other innovative mechanisms such as a multi-stakeholder processes and the negotiated rulemaking in some contexts. However, if it does so, it must also ensure that adequate steps are taken to ensure that all interested parties are aware of and have an opportunity to participate in these activities.

Multi-stakeholder mechanisms can be a valuable tool in the Commission's policy-making toolbox if used correctly. CenturyLink agrees with the working staff's assessment that "multi-stakeholder approaches have proven especially effective when their focus is well defined, and the scope of their tasks understood and agreed" and that "the most successful multi-stakeholder groups tend to be those which are technical in nature and which seek to set standards and best practices.[13] The Staff Report is also on the right track with its conclusion that adjudication and dispute resolution are not the strong suit of multi-stakeholder efforts.[14] Another valuable function of multi-stakeholder work is the potential that it can sometimes demonstrate the *absence* of a need for formal Commission rulemaking activity -- in contexts where the need for the Commission to act more formally is legitimately in debate.

Past examples of successful multi-stakeholder efforts can serve as a guide here. The Broadband Internet Technology Advisory Group (BITAG) has proven to be a highly effective tool for building broader awareness among diverse stakeholders and, at times, consensus in addressing network management issues implicated by some of the policies implicated in the Commission's Open Internet proceeding. BITAG's efforts demonstrate the potential for multi-

[13] *Id.* at 37-38.

[14] *Id.* at 37.

stakeholder efforts to have the broadest possible effect -- *i.e.*, not just to increase communication and awareness and help in developing potential standards, but to also potentially demonstrate the absence of a need for the Commission to act formally where it might otherwise be tempted to do so.

The IP Numbering Test Bed is a more recent example of a multi-stakeholder effort harnessed directly by the Commission to assist in exploring standards in a specific, narrow context -- numbering for IP networks.[15] There will no doubt be other opportunities for the effective use of multi-stakeholder mechanisms as part of the Commission's various proceedings addressing the implications of the IP migration.

CenturyLink supports the Staff Report recommendation to explore possibilities for other successful uses of multi-stakeholder work in these and other appropriate areas. CenturyLink also agrees with the proposal to seek public and FCC staff input to try and identify the current policy-making contexts where multi-stakeholder work can best be utilized -- as a next step to aid in the Commission's efforts to identify potentially productive contexts for such work.[16]

The negotiated rulemaking process is another policy-making tool that has been underutilized by the Commission in the past. As with the multi-stakeholder approach discussed above, negotiated rulemakings are not the answer in every case. The Staff Report correctly recognizes that past successful negotiated rulemakings have tended to arise in contexts where

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[15] *Technology Transitions; AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition; Connect America Fund; Structure and Practices of the Video Relay Service Program; Telecommunications Relay Services And Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Numbering Policies for Modern Communications*; GN Docket Nos. 13-5 and 12-353, WC Docket No. 10-90, CG Docket Nos. 10-51 and 03-123, WC Docket No. 13-97, Order, Report and Order and Further Notice of Proposed Rulemaking, Report and Order, Order and Further Notice of Proposed Rulemaking, Proposal for Ongoing Data Initiative, FCC 14-5, ¶¶ 151-70 (rel. Jan. 31, 2014) (*Technology Transitions Order*).

[16] Staff Report at 37-38.

goals are clear and more narrowly focused and where the crafting process for eventual rules fell naturally into the hands of a discreet group of stakeholders.[17] But, as the Staff Report also notes, negotiated rulemakings might also be utilized to assist in Commission policy-making for discreet components of broader proceedings.[18]

Finally, as noted above, the Commission should also put adequate processes in place to ensure that all interested parties are aware of and have an opportunity to participate in multi-stakeholder activities and negotiated rulemakings. Much of the potential benefit of these innovative processes can be lost if this is not attended-to.

Recommendation 3.8: Include Proposed Rules in NPRMs Whenever Possible, and Draft Proposed and Final Rules Early in the Process of Developing Decisional Documents

CenturyLink also supports the staff working group's suggestion that Commission "best practices" be identified and followed in conventional rulemaking proceedings regarding proposed and final rule language. All the stakeholders in a rulemaking proceeding, both the Commission itself and external stakeholders, are best served by a process that focuses attention on the expected operative output of the rulemaking -- rule language -- as soon as possible in the rulemaking process. In some cases in the past, ambiguities and other oversights in final rule language adopted by the Commission could have been avoided by such efforts.

In summary, the Staff Report recommends the following best practices regarding rule drafting: (1) staff should draft specific rule text for all NPRMs and should do so early in the

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[17] *See, e.g.*, Negotiated Rulemaking Committee Reaches Full Consensus on Proposed FCC Rules for Wireline Telephone Hearing Aid Compatibility and Volume Control, News Report, No. DC 95-90, CC Docket No. 87-124 (June 22, 1995) (using the negotiated rulemaking process to reach agreement on new rules to govern wireline telephone hearing aid compatibility and volume control); *Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Non-Voice, Non-Geostationary Mobile-Satellite Service*, Report and Order, CC Docket No. 92-76, 8 FCC Rcd 8450 (1993) (adopting Report of the Below 1 GHz LEO Negotiated Rulemaking Committee, CC Docket No. 92-76 (Sept. 16, 1992)).

[18] Staff Report at 39.

process of drafting the NPRM document; (2) staff should include the proposed rule text in the NPRM document wherever possible; (3) in the rare cases where actual rule text is not included in the NPRM document, staff should make a specific determination that doing so is not advisable or possible, should acknowledge and explain that finding in the NPRM document and should "ask specific questions about the subjects and issues involved" as necessary to provide adequate notice to stakeholders about the type of rule text that might be adopted in the proceeding; and (4) in all cases where final rules are adopted, staff should ensure that "all policies intended to prohibit or require certain conduct … [are] expressed in rules … [and] that all prohibitions and requirements contained in the rules … [are] stated authoritatively and unambiguously."[19]

CenturyLink supports the adoption and enforcement of these best practices, but there are other potential best practices the Commission should consider that could also contribute to the more efficient resolution of issues in Commission policy-making proceedings. The Commission should consider using procedures in advance of an actual rulemaking proceeding more frequently. This has numerous advantages. Among other things, recognizing that the Commission's policy-making in some contexts is better served by *not* creating new regulations, such processes can assist the Commission in developing a more complete record for determining whether actual Commission rulemaking is needed in a given context. And, in the cases where it is appropriate for the Commission to move to the next step and actually propose new rules, this puts the Commission in a better position to follow the best practices proposed -- for example, to be able to draft specific rule text for the NPRM document itself. The multi-stakeholder and negotiated rulemaking mechanisms discussed above are examples of the types of processes that can be used in advance of formal rulemaking proceedings. And, notices of inquiry are

[19] *Id.* at 41.

sometimes used to perform this function. But, the Commission would benefit from the use of other less formal tools more frequently -- for example, a simple public notice seeking advance input where a more formal notice of inquiry may not be warranted.

Recommendation 5.31: Update Obsolete Media Rules and Procedures

CenturyLink agrees with this recommendation for the Media Bureau to initiate one or more proceedings to update or eliminate any obsolete rules and procedures. The Media Bureau's regulations have not kept up with the many changes in the video services industry including the market for the delivery of video programming. As CenturyLink has recently commented, the regulations applicable to the delivery of video programming need to be overhauled to recognize and effectively address the diversity of technologies that are now used to distribute video programming.[20] The Media Bureau's rules applicable to deliverers of video programming have become such a patchwork, with some regulations applying to cable operators, some to digital cable operators, some to incumbent cable operators, some to Digital Broadcast Satellite (DBS) providers and some to multichannel video programming distributors (MVPDs), just to provide some examples, that it is difficult to keep track of which regulations apply to whom and under what circumstances. And, it is increasingly difficult to determine for newer distribution technologies into which categories they fit, if any. The Bureau therefore needs to review its existing regulations to identify and eliminate regulations that no longer make sense in today's video programming distribution marketplace. It should also update those regulations that remain relevant but need to be modified to effectively promote innovation, competition and economic growth.

[20] *See* Comments of CenturyLink, MB Docket No. 14-16, filed Mar. 21, 2014.

The Media Bureau needs to update its rules and those updates need to be done thoughtfully to better promote competition and innovation in the market for the delivery of video programming. At the same time, the Media Bureau must take care not to rush to implement rules that would have the opposite effect. For instance, in the docket that the Media Bureau opened in 2012 regarding Cable Television Technical and Operational Requirements (MB Docket No. 12-217), the Bureau proposed new proof-of-performance standards for digital systems. Currently there are only such standards in place for analog systems. The Bureau took this action, however, without evaluating whether there was a need for regulation of signal quality in the context of those systems. Indeed, in today's competitive video programming delivery market, new entrants already have every incentive to provide good quality signals to consumers.[21] This market reality, combined with the lack of record evidence of any signal quality problems for digital systems, significantly discredits the need for signal quality regulation for these systems at this time. Thus, while it is important for the Media Bureau to update its rules to address new technological developments in the marketplace, it must do so in a manner that promotes innovation and competition in the marketplace and does not result in unnecessary regulation of those new technologies. The focus of the Media Bureau's rules should first be on eliminating outdated rules that are no longer necessary. And, the Bureau must avoid modifying rules simply to apply them to new technologies without evaluating whether the rules are necessary for any technologies in today's marketplace.

Additionally, as CenturyLink has previously advocated, the Bureau should modernize its customer notice rules to make effective use of technological advances.[22] The Commission should modify its customer notice requirements to afford all video providers greater flexibility in

[21] *See* Comments of CenturyLink, MB Docket No. 12-217, filed Dec. 10, 2012.

[22] *See* Comments of CenturyLink, MB Docket No. 12-203, filed Sept. 10, 2012.

how they provide customers information about their video service including the flexibility to provide wholly paperless notifications.

Recommendation 5.39: Parties Aggrieved by a USAC Decision Should Not be Denied Direct Appeal to the FCC

The Commission should not rescind the right to appeal decisions of the USAC directly to the Commission, as proposed in Recommendation 5.39.

Under Section 54.719 of the Commission's rules,[23] a party seeking review of a USAC decision may file an appeal with USAC or with the Commission. Understandably, some aggrieved parties may seek to raise their issues with the Commission without first presenting them to USAC for review. The right to bring disputes directly to the Commission is beneficial to the Universal Service programs and appropriate as a matter of legal policy.

USAC routinely faces inquiries or appeals by parties affected by USAC actions or decisions, involving contributions, billing, collection, or disbursement. CenturyLink can attest from many years of dealing with USAC that it strives to address appeals and inquiries in a conscientious manner, and CenturyLink does not question the integrity or ability of USAC personnel. Yet CenturyLink realizes the importance of having direct resource to the Commission for appeal of USAC determinations.

It is not merely that USAC, like any organization, will occasionally reach a wrong decision. USAC is not at liberty to make policy judgments and is not free to interpret or even clarify Commission rules. That necessarily means many issues cannot be fully or adequately addressed by USAC, and it makes USAC narrow in focus and limited in outlook when reviewing disputes. There are many issues or disputes that arise that need a level of regulatory discretion or clarification that USAC is simply not authorized to provide. Given this fact, the Commission

[23] 47 C.F.R. § 54.719.

should not, as a legal matter, deny regulated carriers, if not all other parties as well, the essential opportunity for timely Commission review of USAC decisions. Pursuing an appeal at USAC and then being obliged to contest that determination again at the Commission takes too much time and may feed a perception -- not wholly unjustified -- that the Wireline Competition Bureau is less willing to give a case prompt and genuinely fresh-eyed consideration. It is not altogether clear whether requiring parties to first pursue an appeal with USAC is even consistent with any agency's obligations to the public, when USAC's discretion and judgment cannot be substituted for the agency.

It is in the public interest that such appeals should be heard by the Commission on a timely basis. USAC itself values Commission guidance on appeals, and the USAC and affected parties value the precedent that Wireline Competition Bureau decision-making provides. Direct appeal is also needed for fairness to parties affected by USAC's actions and decisions. CenturyLink can understand that the Wireline Competition Bureau would prefer a lower volume of USAC-related appeals, and it recognizes that not all appeals arising from USAC decisions raise questions that can be thoroughly addressed solely by the Commission. It is doubtful, however, that the Commission can fairly establish threshold criteria to distinguish which cases are most appropriate for USAC appeal. CenturyLink believes the Wireline Competition Bureau should encourage aggrieved parties to contact USAC before filing an appeal, as there may be administrative remedies available to resolve a dispute without need for a formal appeal decision. The Commission could consider requiring parties to demonstrate they have had at least a one-time informal consultation with USAC before acting on an appeal that has been filed at the Commission, as that approach likely would materially reduce the Wireline Competition Bureau's USAC-originated caseload without denying parties a prompt Commission appeal. The Wireline

Competition Bureau may continue to join USAC in recommending that parties first present their appeal to USAC and allow it an opportunity to resolve the matter. But the Commission should recognize that many issues are not suited to USAC review and should not be precluded from direct appeal to the agency.[24]

Accordingly, the right of direct appeal of USAC determinations should not be rescinded.

III. CONCLUSION

This proceeding presents the Commission a critical opportunity to reinvent itself and modernize its operations to keep pace with rapid and relentless change in the communications industry. These comments highlight a handful of key recommendations in the Staff Report. Proper implementation of these process improvements is critical and necessary if the Commission is to maintain its relevance and enable the industry to provide American consumers

[24] The Commission should also hesitate to shift its USF program appellate caseload entirely to USAC, without ensuring that organization has the resources to handle the additional volume without making worse the delays that appellants already experience.

with the world's highest quality and innovative communications services, to continue unleashing the previously unimagined benefits of the Internet age.

Respectfully submitted,

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