In the Matter of
Technology Transitions
Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers
Special Access for Price Cap Local Exchange Carriers
AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services

COMMENTS OF THE ALASKA RURAL COALITION

Shannon M. Heim
Erik Levy
Dykema Gossett
4000 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402
(612) 486-1586

Counsel for Alaska Rural Coalition

October 26, 2015
I. Introduction.

The Alaska Rural Coalition1 (“ARC”) files its Comments in this proceeding pursuant to the Further Notice of Proposed Rulemaking released by the FCC (the “Commission”) on August 7, 2015 seeking comment on what would constitute an adequate substitute for retail services that a carrier seeks to discontinue in connection with the technology transition from copper to fiber.2 The ARC is concerned that the Commission’s proposed regulations do not contain an explicit acknowledgement that the existing rural exemption applies. The ARC is also concerned that the proposed regulations do not strike the appropriate balance between providing interconnected carriers with appropriate notice and allowing carriers to transition aging systems to newer technology.

The ARC membership consists of most of the rate of return incumbent rural local exchange carriers (“RLECs”) in Alaska, all of whom serve some of the highest cost areas of the nation.3 ARC members are generally small, rural telephone companies and cooperatives that

---


3 See Connect America Fund, WC Docket No. 10-90, Comments of the Alaska Rural Coalition, before the FCC (Dec. 22, 2014) at 2 (“The assumptions that apply to the Lower 48 cannot be easily or fairly applied to Alaska. The Commission must be cautious or it will impose requirements that will overwhelm carriers attempting to provide broadband in the most challenging environment and foreclose the expansion of quality, robust service.”); see also Letter from T.W. Patch, Chairman, Regulatory Commission of Alaska to Marlene H. Dortch, Secretary, Federal Communications Commission, Connect America Fund, et al., WC Docket No. 10-90, et al. (Filed Feb. 4, 2013) (“Our discussion touched on how Alaska’s lack of roads and electric grids as well as other factors such as extensive reliance on satellite make application of national models to Alaska’s service providers inappropriate. We also discussed how regulatory uncertainty is hampering Alaska’s carriers’ ability to invest and borrow the funds needed to move towards universal broadband.”).
serve tribal lands and endeavor to bring the highest quality of service possible to Alaskans. The ARC believes that the Commission’s comments do not take into account the specific issues that small, rural carriers face. The ARC is worried by the Commission’s failure to explicitly state that the existing rural exemption continues to apply to the proposed regulations. It has been Commission policy for almost 20 years that small, rural companies are not subject to the same level of regulation as the nation’s largest carriers. The ARC does not support changing this policy and encourages the Commission to affirmatively acknowledge that the existing rural exemption applies to the proposed regulations.

The ARC is particularly concerned with the definitions proposed by the Commission related to copper retirement. The Commission previously stated that its goal regarding technological transitions is to “speed market-driven technological transitions and innovations by preserving the core statutory values as codified by Congress – public safety, ubiquitous and affordable access, competition, and consumer protection – that exist today.” However the Commission’s final rules now define “copper retirement” to mean removing, disabling or

---

4 See Auction 902 Tribal Mobility Fund Phase I, AU Docket No. 13-53, Comments of the Alaska Rural Coalition, before the FCC (May 10, 2013) at 4 (“ARC Tribal Mobility Comments”) (“The Commission has recognized that ‘infrastructure generally is less developed on Tribal lands, particularly in Alaska.’ The cost of deploying mobile services in these areas of Alaska will be considerably greater because providers in the state face significantly higher costs for both ongoing operations and construction than do providers in the rest of the nation.”).

5 See Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers, CC Docket Nos. 96-98, 95-185, First Report and Order, FCC 96-325 (rel. Aug. 8, 1996) (“Local Competition Order”) at para. 1262 (“Congress generally intended the requirements in section 251 to apply to carriers across the country, but Congress recognized that in some cases, it might be unfair or inappropriate to apply all of the requirements to smaller or rural telephone companies.”).

replacing copper loops, subloops or the feeder portion of loops or subloops. It is difficult to reconcile these two statements, when the definition and underlying regulations will cause technology transition to slow, not accelerate. It is unlikely that the transition of subloops or the feeder portion of the loop/subloop would have any material impact on a consumer or an interconnected carrier to trigger an enhanced notice requirement.

II. The Commission’s criteria when authorizing a carrier to discontinue legacy service in favor of newer technology should be simple and only apply when appropriate.

A. The 8-factor test outlined by the Commission is unnecessary.

The Commission proposes that when a carrier seeks authority to discontinue existing retail service to transition to newer technology, the Commission will assess compliance with an eight-part test. While the ARC does not object to any of the criteria individually, it is concerned that these criteria will have the effect of chilling technology transitions. As the Commission is aware, it cannot and should not require that “every prior feature no matter how little-used or old-fashioned, must be maintained in perpetuity.” In the case of upgrading a service from a copper-based network to a fiber-based network, the ARC believes that a more simple analysis suffices:

---

7 NPRM at 130 (“For purposes of this section, the retirement of copper is defined as: (i) removal or disabling of copper loops, subloops, or the feeder portion of such loops or subloops, (ii) the replacement of such loops with fiber-to-the-home loops or fiber-to-the-curb loops, as those terms are defined in §51.319(a)(3), or (iii) the failure to maintain copper loops, subloops, or the feeder portion of such loops or subloops that is the functional equivalent of removal or disabling.”).

8 NPRM para. 208 (“We propose that a carrier seeking to discontinue an existing retail service in favor of a retail service based on a newer technology must demonstrate that any substitute service offered by the carrier or alternative services available from other providers in the affected service area meet the following criteria in order for the section 214 application to be eligible for an automatic grant pursuant to section 63.71(d) of the Commission’s rules: (1) network capacity and reliability; (2) service quality; (3) device and service interoperability, including interoperability with vital third-party services (through existing or new devices); (4) service for individuals with disabilities, including compatibility with assistive technologies; (5) PSAP and 9-1-1 service; (6) cybersecurity; (7) service functionality; and (8) coverage.”).

9 NPRM para. 197.
will the service to the ultimate consumer materially deteriorate? If not, the Commission should not unduly interfere with a carrier’s decision to upgrade to newer technology.

The ARC is particularly concerned with the Commission’s proposed standard for service functionality. The Commission states that this criterion is satisfied if the replacement or alternative service permits similar service functionalities. The Commission uses the example of Caller ID, asking whether a carrier that currently provides Caller ID must continue to provide it after the technology transition. This contradicts the Commission’s statement that it will not require carriers to maintain every service feature in perpetuity. Carriers and their customers are in the best position to determine what services the market demands, not the Commission. Instead of this bright line rule, the Commission should allow carriers to self-report which features, if any, are being discontinued and then allow end users and interconnected carriers to file comments if such services are still deemed vital.

10 NPRM at para. 229.

11 NPRM at para. 229 (“We tentatively conclude that one criterion in any adequate substitute test that we adopt should be that the carrier must demonstrate in its section 214 application that any replacement offered by the requesting carrier or alternative service available from other providers in the relevant service area permit similar service functionalities as the service for which the carrier seeks discontinuance authority.”).

12 NPRM at para. 230 (“Should we require that if, for instance, a voice service with caller ID is discontinued, a replacement service or alternative service offered by another provider in the relevant service area must include the option of caller ID?”).

13 NPRM at para. 197 (“The Declaratory Ruling does not mean ‘every prior feature no matter how little-used or old-fashioned, must be maintained in perpetuity’ or that ‘every functionality supported by a network is de facto a part of a carrier’s ‘service.’”)

5
B. The test should only apply to a fundamental change to end-user service, not all technology transitions.

The Commission seeks comment on when the technology transitions 8-factor test should apply. Specifically, the Commission asks whether it should frame the rule in terms of discontinuing “existing” service in favor of “service based on a newer technology,” or whether it should frame the rule in terms of discontinuing “legacy service.” Section 214 does not require that a carrier seek a certificate from the Commission in order to update technology; it only requires the carrier to seek such a certificate when the carrier will discontinue, reduce, or impair service. Put another way, there is a fundamental difference between a technology transition (e.g. upgrading copper loops or subloops to fiber optic cable) and a discontinuation of a legacy service (e.g. no longer providing directory assistance and operator service). Upgrading an existing service from copper to another technology does not implicate Section 214. The Commission must allow technology to evolve and not impede progress. Small, rural carriers should not be forced to engage in a cumbersome notice process simply to upgrade their existing lines to newer technology. However, if a carrier is discontinuing a legacy service and switching to a new service as part of that technology, then the ARC agrees it is appropriate for the Commission to ascertain whether that new service will provide consumers with adequate service.

If the Commission decides that it will apply its new 8-factor test to all transitions to new technology, the ARC believes that the Commission must consider where in the network such upgrades are taking place. It is reasonable to require carriers to provide notice to end-users for

---

14 NPRM at para. 209 (“As an initial matter, we seek comment on when any criteria that we adopt should apply. Should their application be dependent on the nature of the existing service and the newer service to which the carrier is transitioning?”).

15 NPRM at para. 209 (“Rather than framing the draft rule in terms of discontinuance of an ‘existing’ service in favor of a ‘service based on a newer technology,’ should we instead frame it in terms of discontinuance of ‘legacy service,’ and if so how should the term ‘legacy service’ be defined?”).

upgrades that directly connect to the consumer; such upgrades are visible to the end-user and may impact the end-user’s experience. However, if a carrier is planning upgrades solely to the feeder loop sections of its network it makes little sense to require the new notice obligations. Giving notice to consumers of upgrades that they are unlikely to see will do nothing but cause confusion to customers at great expense to carriers.

III. The Commission must extend the rural exemption to the new regulations.

The Commission seeks comment on whether rural LECs should receive an exemption from the proposed criteria. The ARC believes that the Section 251 rural exemption already exempts many ILECs from the proposed regulations. The ARC agrees with the NTCA that because the Commission is relying on the 47 U.S.C. § 251(c)(5) for authority for the new notification rules, the rural exemption in 47 U.S.C. § 251(f)(1) must apply to the new rules as well. The Commission should affirmatively state that the new regulations do not apply to carriers who still maintain their rural exemption under the existing statutes.

The Commission stated in the Local Competition Order that Congress recognized it would be unfair or inappropriate to apply every regulatory obligation to small, rural telephone companies. The rural exemption in Section 251(f) is designed to protect carriers serving areas

---

17 NPRM at para. 235 (“If we determine that it is appropriate to adopt any or all of the proposed criteria, should we include an exemption for some or all of them for rural LECs, as proposed by TCA?”).


19 NPRM at para. 75 (“We conclude that we have authority pursuant to sections 201(b) and 251(c)(5) of the Act to adopt the proposed revisions to the network change disclosure rules regarding the types of information that must be contained in copper retirement notices.”); see 47 U.S.C. § 251(c)(5).


21 See Local Competition Order at para. 1262 (“Congress generally intended the requirements in section 251 to apply to carriers across the country, but Congress recognized that in some cases, it might be unfair or inappropriate to apply all of the requirements to smaller or rural telephone companies.”).
where larger companies have chosen not to.\textsuperscript{22} While the Commission stated the rural exemption is an “exception rather than the rule,” that does not grant the Commission authority to override the exemption and impose obligations on small, rural carriers that would otherwise be exempt.\textsuperscript{23}

The Commission asks if a rural exemption is applied, whether it should apply to all criteria or only certain criteria.\textsuperscript{24} Pursuant to the existing rural exemption, if a rural LEC has not had its rural exemption terminated by its state commission then the notice requirements do not apply.\textsuperscript{25} The ARC supports applying this rural exemption to all new notice requirements. The ARC also believes that the Commission should exempt small, rural carriers that have lost their exemption. As the Commission is aware, rural LECs often have extremely limited options available in rural areas.\textsuperscript{26} The ARC has repeatedly discussed with the Commission that rural LECs simply cannot continue to face mounting regulatory obligations in an era of decreasing support and revenue.\textsuperscript{27} The ARC does not believe that there is any justification for the smallest carriers, who serve some of the most expensive and difficult to reach places in the country, to suddenly be subject to onerous notice requirements solely to upgrade their existing technology.\textsuperscript{28}

\begin{flushright}
\textsuperscript{22} 47 U.S.C. § 251(f).
\textsuperscript{23} \textit{Local Competition Order} at para. 1262.
\textsuperscript{24} \textit{NPRM} at para. 235 (“If so, should that exemption apply to all criteria? Or should the exemption apply to only certain criteria and, if so, which ones?”).
\textsuperscript{26} \textit{NPRM} at para. 235 (“We note that certain commenters assert that rural LECs should be exempt from any criteria for evaluating substitute services because of the often very limited options available in rural locales.”).
\textsuperscript{27} \textit{See}, \textit{e.g.}, \textit{Connect America Fund, et al.}, WC Docket No. 10-90, \textit{et al.}, Comments of Alaska Rural Coalition, before the FCC (Jan. 18, 2012) at 16 (“It defies public policy to impose additional administrative obligations to retain necessary support at the same time the Commission is decreasing critical support of operations expenses. The burden on small, rural companies is already difficult to manage. There is simply no margin or budget for more paperwork.”).
\textsuperscript{28} \textit{Connect America Fund, et al.}, WC Docket No. 10-90, \textit{et al.}, Comments of the Alaska Rural Coalition, before the FCC (Aug. 8, 2014) at 32 (“Rate of return carriers serve the lease populated, highest cost areas of the Nation.”).
\end{flushright}
IV. The Commission’s changes to the Section 214 discontinuance procedures are too heavily skewed towards interconnected carriers.

Section 214 requires telecommunications carriers and VoIP providers to obtain Commission authority prior to discontinuation of a service to a community or part of a community.\textsuperscript{29} The Commission notes that the rules are designed to ensure customers are fully informed of changes that will reduce/end service, ensure Commission oversight of such changes, and provide an orderly transition of service.\textsuperscript{30} In evaluating a Section 214 request, the Commission examines factors such as the availability and adequacy of alternatives.\textsuperscript{31} The Commission now seeks additional comment on its proposed changes to the regulations underlying Section 214.\textsuperscript{32} The ARC believes the Commission’s proposed changes go too far in expanding carrier responsibilities with minimal-to-no increase in customer benefit.

A. Extending notice timelines serves little purpose.

The Commission seeks additional comment regarding modifications to § 63.71, which outlines the procedures a carrier must follow in order to discontinue service.\textsuperscript{33} The Commission asks whether it should require advance notice of any discontinuance,\textsuperscript{34} and whether it should

\textsuperscript{29} 47 U.S.C. § 214(a).

\textsuperscript{30} Technology Transitions, et al., GN Docket No. 13-5, et al., Notice of Proposed Rulemaking and Declaratory Ruling, FCC 14-185 (rel. Nov. 25, 2014) (“Copper Retirement Notice”) at para. 23 (“The discontinuance rules are designed to ensure that customers are fully informed of any proposed change that will reduce or end service, to ensure appropriate oversight by the Commission of such changes, and to provide an orderly transition of service, as appropriate.”).

\textsuperscript{31} Copper Retirement Notice at para. 25 (“In evaluating a section 214 discontinuance application, the Commission generally considers a number of factors, including the existence, availability, and adequacy of alternatives.”).

\textsuperscript{32} NPRM at para. 238 (“Accordingly, we seek further comment on whether we should update section 63.71, including the costs and benefits of any changes.”).

\textsuperscript{33} NPRM at para. 238 (“Accordingly, we seek further comment on whether we should update section 63.71, including the costs and benefits of any changes.”); \textit{see} 47 C.F.R. § 63.71.

\textsuperscript{34} NPRM at para. 238 (“Should we require advance notice of discontinuance or are the existing procedures in section 63.71 sufficient?”).
align the timing of notices of discontinuance with notices of copper retirement. The ARC reiterates that the rural exemption must remove these obligations from most rural carriers. For those carriers that do not retain the rural exemption, the ARC agrees with the Commission that it must “strike the right balance between the planning needs of competitive carriers... and the need for incumbent LECs to be able to move forward in a timely fashion with their business plans.” However, the ARC does not agree that the notice timelines must be extended in order to strike that balance. There is very little reason why a residential retail customer requires 90 days prior notice of copper retirement. Similarly, 180 days for interconnected carriers and non-residential retail customers is excessive. Interconnected carriers are sophisticated entities that are capable of quickly assessing the impact of the discontinuance and the modifications required. The Commission cannot state that it supports transitioning to IP networks at the same time it requires carriers give 6 months of notice to interconnected carriers that are not upgrading. The ARC urges the Commission to refocus on striking a balance and to reduce these onerous notice periods.

The Commission also seeks comment on whether email should be explicitly allowed for the purposes of discontinuance notification. The ARC agrees with the Commission that “email may be the preferred method of notice” for some customers. However, the ARC also notes that it is the carriers themselves, not the Commission, that are best suited to determining the most

35 NPRM at para. 238 (“While we seek comment on those proposals, we also seek comment on whether to align timing for notices of discontinuance with notices of copper retirement. In the Order, we extend the notice of copper retirement to interconnecting carriers and non-residential retail customers to at least 180 days and the notice period to residential retail customers to at least 90 days based upon our conclusion that these time periods strike the right balance between the planning needs of competitive carriers and customers and the need for incumbent LECs to be able to move forward in a timely fashion with their business plans.”).

36 NPRM at para. 238.

37 NPRM at para. 239 (“We also seek comment on whether we should revise our rules to explicitly allow email based notice or other forms of electronic or other notice of discontinuance to customers.”).

38 NPRM at para. 239.
efficient method of providing notification. The ARC urges the Commission to allow rural LECs
the flexibility to give notice to customers in the method the carrier believes is most efficient,
whether through email, written notice, bill inserts, or publication.

B. **Tribal governments must be consulted.**

The Commission asks whether it should extend the notice requirements to include Tribal
governments. Specifically, the Commission intends to extend the notice requirements to “any
Tribal Nations in the state in which discontinuance, reduction, or impairment of service is
proposed regardless of the reason for the discontinuance.” The ARC fully supports consistent
engagement with Tribal Nations and ensuring that Americans living on Tribal lands are given
proper notice of service changes, but believes the proposed regulation is vague and at odds with
current practice.

All of the land in Alaska is designated as Tribal land. Many of the ARC’s member
companies are cooperatives, and many have a majority of their Board of Directors, ownership,
and employees who are Tribal members. Carriers serving Tribal lands are required to
meaningfully engage with Tribal governments at least annually. The ARC continues to fully

---

39 NPRM at para. 240 (“We therefore seek comment on including notice to Tribal governments as
part of our section 214 discontinuance application process.”).

40 NPRM at para. 240.

41 See Connect America Fund, et al., WC Docket No. 10-90, et al., Report and Order and Further
Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) at note 197 (“Throughout this
document, ‘Tribal lands’ include any federally recognized Indian tribe’s reservation, pueblo or colony,
including... Alaska Native regions established pursuant to the Alaska Native Claims Settlements Act (85
Stat. 688)...”).

42 Lifeline and Link Up Reform and Modernization, et al., WC Docket Nos. 11-42, 09-197, 10-90,
Reply Comments of the Alaska Rural Coalition, before the FCC (Sep. 30, 2015) (“ARC Lifeline Reply
Comments”) at 14 (“All of Alaska is designated as Tribal lands. GCI noted that Alaska has ‘the highest
percentage of Native population of any state.’ There are multiple ARC member companies that have a
majority of their Board, ownership, and employees who are Tribal members.”).

43 See Connect America Fund, et al., WC Docket No. 10-90, et al., Report and Order and Further
Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) at para. 604 (“ETCs serving Tribal
support this Tribal engagement requirement and strongly believes in closing the gap in service between Native Lands and Non-Native Lands.\textsuperscript{44} The Commission’s comments require carriers to give notice of discontinuance to Tribal Nations in the state.\textsuperscript{45} The ARC fully supports increasing communication and interaction between carriers and the Tribal governments they serve.

C. A case-by-case analysis of the good faith requirement is sufficient.

In the Order, the Commission eliminated the objection procedures previously available to interconnecting carriers upon receipt of a copper retirement notice, opting instead to adopt a requirement that ILECs work with interconnecting entities in good faith to ensure that those entities have the information needed to prevent disruption of service to their end user customers.\textsuperscript{46} The Commission asks whether there are specific criteria that should be used to evaluate good faith,\textsuperscript{47} and what recourse should be available if the carrier does not act in good faith.\textsuperscript{48} The ARC opposes an automatic extension beyond the 180-day notice requirement. As

\begin{itemize}
\item \textsuperscript{44} \textit{ARC Lifeline Reply Comments} at 6-7 ("All tribal lands lag behind other portions of the nation in broadband deployment. ‘High costs associated with constructing and maintaining a communications network on tribal lands complicate deployment and economic circumstances are a substantial barrier to adoption.’").
\item \textsuperscript{45} \textit{NPRM} at para. 240 ("We tentatively conclude that we should include any Tribal Nations in the state in which discontinuance, reduction, or impairment of service is proposed regardless of the reason for the discontinuance."). Appendix B clarifies that this obligation applies to "Tribal Nations with authority over the Tribal lands in which the discontinuance, reduction, or impairment of service is proposed." [Emphasis added]. \textit{NPRM} at 136.
\item \textsuperscript{46} \textit{NPRM} at para. 241 ("In the Order above, we eliminate the objection procedures previously available to interconnecting carriers upon receipt of a copper retirement notice and instead adopt a requirement that incumbent LECs work with interconnecting entities in good faith to ensure that those entities have the information needed to allow them to accommodate the transition with no disruption of service to their end user customers.").
\item \textsuperscript{47} \textit{NPRM} at para. 241 ("Should we provide specific objective criteria by which to evaluate this good faith requirement to ensure that all parties are aware of their respective rights and obligations?").
\item \textsuperscript{48} \textit{NPRM} at para. 241 ("And what recourse should be available to an interconnecting entity who believes that an incumbent LEC is not acting in good faith? If the Commission finds an incumbent LEC
\end{itemize}
stated earlier, 180 days is already an unnecessarily long notice period in the vast majority of cases. Adding an additional 90 days on top of that is excessive. The Commission should not create policies that prohibit carriers from transitioning to newer, more efficient technology. The ARC agrees that carriers should engage in good faith, but believes that a case-by-case analysis is the most appropriate method of determining this, rather than a hard line rule that unnecessarily extends deadlines.

V. Conclusion.

Technology transitions are a challenge for carriers serving rural and remote areas of the nation. The Commission should continue to support that transition rather than impose onerous obligations contrary to its stated goals. The ARC is concerned that the Commission is favoring interconnected carriers over ILECs in such an extreme manner that is will unnecessarily slow down the transition to IP-based networks. The Commission needs to strike an appropriate balance that allows carriers to upgrade their networks and remain responsive to the needs of their members. It is paramount that the Commission continue to exempt rural carriers from the most onerous obligations.
Respectfully submitted on this 26th day, October, 2015.

DYKEMA GOSSETT, PLLC
Attorneys for the Alaska Rural Coalition

By: /s/ Shannon M. Heim
    Shannon M. Heim
    Erik Levy
    4000 Wells Fargo Center
    90 South Seventh Street
    Minneapolis, MN 55402
    Telephone: (612) 486-1586
    Facsimile: (855) 223-7059
    Email: sheim@dykema.com
elevy@dykema.com