

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Wireline Competition Bureau Short Term
Network Change Notification filed by Verizon
New York Inc.

Report No. NCD-2353

Wireline Competition Bureau Short Term
Network Change Notification filed by Verizon
Virginia LLC.

Report No. NCD-2354

VERIZON NEW YORK INC. AND VERIZON VIRGINIA LLC RESPONSE

As of April of this year, fewer than forty of Verizon's customers in Ocean View, Virginia, and Belle Harbor, New York, remained on copper facilities. Customers in these two wire centers – which cover more than 15,000 homes – have already overwhelmingly made the decision to move to either Verizon's fiber-based services or to competitors. Completing the migration to Verizon's more advanced and reliable fiber facilities, and retiring the legacy copper loops and the switches in these wire centers, is not just a logical and efficient step, but it is also an incremental one. There has been no valid objection to the copper retirement filed by customers living or working in these areas or by providers serving them, and no request for an extension of time made. The claims raised by the very few commenters (none of which is specific to these two wire centers) have no merit under the circumstances here.

A. Fiber Brings Tremendous Advantages to The Customers and Communities In These Two Wire Centers, and There Is No Reason to Continue to Maintain Redundant Copper Facilities

Most of the customers remaining on copper-based services in these two wire centers today are purchasing plain old telephone service, or POTS. Following copper retirement, they

will continue to receive the same traditional POTS service over fiber on the same terms and conditions and at the same or better price as they received over copper. There is no change in the underlying features and functionalities in their service: voice mail, collect calling, and other features will continue to work just as they did over copper; customers will continue to be able to use fax machines, medical monitoring devices, and home alarms; and accessibility services – such as relay services used by customers who are deaf or hard of hearing – also will continue to work as before. There will be no change to customers’ ability to call 911: public safety answering points will receive the same E911 information as before.

To be clear: service received over fiber facilities is not the same thing as Verizon’s FiOS service. Fiber refers to a physical medium: a network made up of fiber optic cables. FiOS refers to particular Verizon branded voice, video, and data services – FiOS Digital Voice, FiOS TV, and FiOS Internet – that Verizon provides on an optional basis to customers over fiber. While millions of customers have elected to switch to Verizon’s best-in-class FiOS service – provisioned over fiber-optic cable – many others, including those who so choose in these two wire centers, receive the same traditional phone service, with the same features and at the same or better price, over Verizon’s advanced fiber network.

The move toward fiber here is nothing new. As customers and public entities have widely recognized, fiber is a safe, proven, and known technology with a track record of serving communities well. From the perspective of reliability, fiber is immune to many environmental factors that affect copper cable, including electrometric interference and radio-frequency interference. It is less susceptible to temperature fluctuations or weather conditions, meaning fiber is less likely to experience outages during weather events, homeland security incidents, or

other public safety emergencies. Fiber lines are generally more durable, do not corrode, have a much longer lifespan, and require fewer repairs than copper lines.

The reliability advantages of fiber directly benefit customers. For example, as a result of Verizon's programs in recent years to encourage customers experiencing repeated service issues with copper facilities to migrate to fiber, there have been approximately *one million* fewer repair or trouble-shooting dispatches than would have been required had these customers remained on copper facilities. This equates to one million instances in which customers have *not* experienced an outage or other problem with their service. And for many of those customers, this also equates to time savings, since they would not have to schedule repair appointments and take time out to meet a repair technician. While the resulting consumer welfare gains may be difficult to quantify precisely, to put this in perspective, if one million customers were able to avoid a repair visit with a four hour window, a conservative estimate of the consumer welfare gains from those avoided repairs would approach \$100 million.¹ Of course, there may be other ways to quantify the benefits as well, but regardless of the calculation the point is the same; the benefits to customers are significant and large. And the customer benefits from avoiding the outage or other service problem in the first place.

Fiber also provides performance advantages, as it offers significantly greater bandwidth and is much less sensitive to distance limitations than is copper. Because the fiber optic signal is a light rather than an electrical signal, there is very little signal loss during transmission, and data

¹ This values customers' time based on the national average hourly wage of \$24.31. See Bureau of Labor Statistics, Table B-3: Average hourly and weekly earnings of all employees on private nonfarm payrolls by industry sector, seasonally adjusted, *available at* <http://www.bls.gov/news.release/empsit.t19.htm> (last accessed May 27, 2014) (calculating average wage at \$24.31).

can move at higher speed and for greater distances. As a result, fiber can support much greater broadband and higher speed services than copper.

Fiber facilities are also more energy efficient than copper because they use laser light – not an electrical signal – reducing energy consumption and resulting in a greener network. And in instances such as those at issue here, the energy savings are particularly pronounced. Once the copper facilities and switch are retired, there is no longer a need to power two parallel networks as there is today. Instead, only the more efficient fiber network will consume energy going forward. Based on these benefits, communities throughout the United States have been clamoring for the benefits of all-fiber networks. The President has praised fiber deployment and investment; the Commission has had as a long-standing goal the encouragement of more widespread fiber deployment. Indeed, providers across the country have deployed fiber cables in their networks and to homes for decades.

B. There Are No Valid Objections to Verizon’s Copper Retirement and Network Change Notices

As required by the Commission’s long-standing procedures in 47 C.F.R. §§ 51.325 and 51.333, Verizon properly served and filed its network change and copper retirement notices. Not a single objection was filed by a telecommunications or information services provider, nor did any of the four comments submitted contain the information required under Section 51.333(c) to substantiate a proper objection. No commenter submitted specific reasons why it could not accommodate these changes by November 1, 2014, nor did any explain what steps it was taking to accommodate these changes. Nor did any commenter submit comments or objections specific to these two wire centers. Likewise, no residents of these areas raised concerns. Instead, commenters raised only general concerns about the broader network transitions or about copper retirement more generally. Those concerns are misplaced here.

The Alarm Industry Communications Committee (AICC or “Alarm Committee”) argues that the Commission’s long-standing network change notification process is not sufficient and asserts that copper retirement will result in a reduction or impairment of service and thus should be reviewed under Section 214. First, AICC’s claim has already been addressed and rejected by the Commission when it established the proceedings for copper retirement filings. Consistent with its other broadband policies, the Commission determined in the *TRO* that ILECs are permitted to retire copper facilities after deploying fiber, subject only to the obligations to comply with the Commission’s network disclosure rules and to provide competitive providers with access to narrowband capabilities over fiber.² Far from finding the move from copper to fiber an “impairment” subject to Section 214, the Commission specifically addressed and rejected proposals that would require affirmative regulatory approval prior to the retirement of any copper loop facilities.³ The Commission concluded that such proposals were “not necessary” and that the established network disclosure rules would best encourage all providers, including non-ILECs, to invest in broadband facilities.⁴ Pursuant to these rules,⁵ the Commission provided for a period of notice to the public and to interconnecting carriers, and created a specific time frame for objections that would both allow well-founded objections to be heard but also not delay retirement more than six months from the provider’s notice. The Commission acknowledged that requiring providers to retain copper or other facilities no longer needed to serve their customers would necessarily divert resources better spent deploying or

² See *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking ¶¶ 273, 281, 18 FCC Rcd 16,978 (Aug. 21, 2003) (“*TRO*”).

³ *TRO*, ¶ 281.

⁴ *Id.*

⁵ See 47 C.F.R. § 51.333.

enhancing the networks that they intend to use to serve their customers, to the detriment of consumers.⁶

Second, under the specific circumstances here, the Alarm Committee's more general contention about copper retirement is invalid. The Alarm Committee alleges that Verizon's fiber facilities are not comparable to its legacy copper for purposes of fire safety, and thus claims that the Commission should review copper retirements under Section 214. But Verizon has previously certified that its fiber optic network meets all of the criteria to be certified as equivalent to the legacy public switched telephone network with respect to its ability to transmit fire alarm signals from protected premises to an approved central station; that certification was accepted by the New York City Fire Department.⁷ And the Alarm Committee's contentions about the ability of alarms to work properly with fiber facilities, including the line seizure function, are misplaced. Verizon technicians are trained to install fiber facilities so as to properly permit the line seizure function, and indeed, millions of customers across the country use alarm systems with fiber-based systems that have this functionality.

Additionally, in these wire centers, Verizon is rolling out a new way to give customers even more control over backup battery for our traditional voice customers during commercial

⁶ See FCC, *Connecting America: The National Broadband Plan*, at 48-49 (2010), <http://download.broadband.gov/plan/national-broadband-plan.pdf> (stating that incumbents forced to retain redundant copper networks would have reduced incentives to invest in and deploy next generation facilities) Relatedly, in the USF context the Commission has recognized that it makes no sense to support duplicative networks, and has accordingly proposed that support be limited to "[a] single fixed broadband connection" per residence/household. *Connect America Fund et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, ¶ 1256 (2011).

⁷ See New York City Bureau of Fire Prevention Office of Technology Management, Technology Management Bulletin # 03-2/2012, *The Use of Managed Facilities Voice Networks as Transmission Carriers of Fire Alarm System Signals to Central Station* (Mar. 2, 2012), http://www.nyc.gov/html/fdny/pdf/fire_prevention/otmb_03_2_2012.pdf ; FA-12: Managed Facilities Voice Networks Certification Form (Verizon New York Inc. filed Dec. 21, 2012).

power outages.⁸ In these wire centers, we will be making available a battery back-up for voice services that uses standard D Cell batteries that are more readily available and replaceable, and provides substantially longer back-up power, than the 12-volt sealed lead acid batteries that we used with most fiber installations.

NASUCA asks the Commission to stay these two limited copper retirements until the Commission completes a series of both current and contemplated proceedings that could take years to finish, and then to require unbundling of fiber under 47 U.S.C. § 251(d)(2) once it does permit copper retirements to go forward. NASUCA's requests are baseless. As noted above, in the *TRO* the Commission established rules for copper retirement and replacement by fiber-to-the-premises. In so doing, the Commission made a considered judgment, later confirmed by the D.C. Circuit, to withhold most unbundling obligations from fiber or other broadband facilities. The Commission expressly concluded that when copper was retired, other providers were not impaired except with respect to narrowband, voice-grade services, and were not entitled to broad unbundled access for purposes of providing broadband.⁹ The Commission concluded that its "decision to refrain from unbundling incumbent LEC next-generation networks...will stimulate facilities-based deployment" of broadband.¹⁰ In fact, Verizon and other providers relied on this

⁸ In some instances (although not all), services provided over copper facilities will continue to receive power during a commercial power outage. Our tariffs make clear that providing power is not part of the services we are offering, and that ultimately, the customer is responsible for providing power. As a courtesy, we have historically provided customers with the option of a 12 volt battery back-up for their voice services, consistent with the options provided by cable companies and other voice providers, even though increasingly we have learned from our customers that many choose not to obtain it, given their use of home phones that are cordless (requiring separate access to commercial power) and given their increased reliance on cell phones. Indeed, the overwhelming majority of customers today – whether they rely on cable, over-the-top service, or wireless – do not rely on a line-powered copper telephone.

⁹ See *TRO* ¶ 276.

¹⁰ *Id.* ¶ 272.

conclusion in investing tens of billions of dollars in fiber infrastructure, thus confirming the correctness of the Commission's decision that eschewing network sharing requirements would create incentives for investment.

There is no basis to stay or to seek to modify those existing rules either broadly or in these two wire centers, and no evidence that these rules are not working exactly as intended. The Commission's overriding concern was to encourage providers to invest in broadband facilities. Verizon has done so in rolling out fiber throughout these two wire centers. Suspending the copper retirement rules would effectively require incumbent LECs – and only incumbent LECs – to continue to maintain redundant or outdated facilities that they do not need to serve their customers. Such a drastic change would impose unnecessary costs, discourage investment in broadband, and cause consumer harm as providers face diminished incentives to deploy and enhance their networks.

Respectfully submitted,

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