

**OPENING REMARKS OF COMMISSIONER AJIT PAI AT  
FIRST TECHNOLOGY TRANSITIONS POLICY TASK FORCE WORKSHOP**

**March 18, 2013**

I'd like to start off by thanking all of our panelists for participating in today's workshop. Last summer, I called for the creation of this task force. And it is exciting, exactly eight months later, to see such a distinguished group of experts gathered at the Commission, ready to help us understand and grapple with the Internet Protocol (or IP) transition.

Today's workshop aims "to gather data and analysis to establish a factual baseline understanding" of the technological transitions that are revolutionizing the communications marketplace. I look forward to learning from the panelists as they help us reach that understanding. There are some things, however, that we already know.

We know, for example, that the IP transition is well underway. Through millions of individual choices, consumers are sending a clear message about the superiority of IP-enabled networks. Today, only one-third of U.S. households subscribe to plain old telephone service over the public-switched telephone network, and that number is dropping each year. Copper-wire networks operated by monopoly providers and providing TDM services are literally becoming history. Voice over IP (VoIP) service, by contrast, is on the rise. In 2011, there were almost 37 million VoIP subscriptions in the United States.

We at the FCC should do what we can to accelerate this transition. So I hope that this task force will develop a holistic set of recommendations for moving forward with the IP transition, and that these recommendations will be informed by certain core principles.

*First*, the FCC must ensure that vital consumer protections remain in place. For example, when consumers dial 911, they need to reach emergency personnel. It shouldn't matter whether they are using a landline, a wireless phone, or a VoIP application. *Second*, the Commission must make clear that obsolete 20th century economic regulation will not be imported into the IP world. To do that, we have to repeal the obsolete rules that were designed for the networks of yesteryear. *Third*, the FCC must be able to combat discrete market failures and anticompetitive harms. And *fourth*, we must stay within the bounds of our statutory authority.

In addition to holding workshops, there is another important step that we should take to gather data. We should conduct an All-IP Pilot Program that will allow forward-looking companies to choose a discrete set of wire centers where they could turn off their old TDM electronics and migrate consumers to an all-IP platform.

I hope that our panelists today will share their views on how we should structure the Pilot Program. A well-considered Pilot Program will enable us to make the broader IP transition with empirical data in hand. People have a lot of opinions about how the IP transition will affect consumers. But prediction is no substitute for practice. Or, as Albert Einstein put it, a "pretty experiment is in itself often more valuable than twenty formulae extracted from our minds."

In short, there is plenty for us to discuss. The stakes are high. If we at the Commission get this right, we will give the private sector the right incentives to build out next-generation networks, upgrade their equipment, and make more capital investment. And that, in turn, would mean faster and cheaper broadband, more jobs, and a brighter future for the American people. All of this is possible if we adopt a modernized, deregulatory framework for the all-IP world that lies just around the corner. Aided by the wisdom of today's panelists, I am hopeful that we will do just that.