

**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-2376

VERIZON RESPONSE¹

The residents of the Orchard Park wire center at issue here have already overwhelmingly made the decision to move to either Verizon's fiber-based services or to competitors, and only a declining single digit percentage of customers remain on copper facilities. Completing the migration to Verizon's more advanced and reliable fiber facilities, and retiring the legacy copper loops and the switches in this wire center, 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 only commenter, an industry advocacy group, are not specific to this wire center, and have no merit under the circumstances here.

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

Most of the customers remaining on copper-based services in this wire center 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

¹ This response is filed on behalf of Verizon New York Inc. ("Verizon").

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.

Most of the other services that customers are purchasing in this wire center are also supported on fiber facilities. For those few customers at issue purchasing broadband Internet services, FiOS Internet will offer them the ability to receive more than they are getting today. And customers will continue to be able to buy DS1 and DS3 level services as they do today, just over the fiber network.² While there may be one or more obsolete, narrowband services that are incompatible or unavailable over fiber, we will work closely with those customers to address their particularized needs, and will file separately any applicable Section 214 applications to discontinue those particular services.

To be clear: phone 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, including 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 this

² Indeed, DS3 services are today only available over fiber.

wire center, 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, and 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.³ 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

³ This values customers' time based on the national average hourly wage of \$24.45. 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*, <http://www.bls.gov/news.release/empsit.t19.htm> (last update July 3, 2014) (calculating average wage at \$24.45).

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 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 Sections 51.325 and 51.333,⁴ 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 the one comment submitted contain the information required under Section 51.333(c) to

⁴ 47 C.F.R. §§ 51.325, 51.333.

substantiate a proper objection. No commenter submitted specific reasons why it could not accommodate these changes by the stated implementation dates six months after filing,⁵ nor did any explain what steps it was taking to accommodate these changes. Nor did any commenter submit comments or objections specific to compliance with these changes in the wire centers, nor did residents of these areas raise concerns. Instead, the sole commenter reiterated only its same general contentions about the broader network transitions or about copper retirement more generally. Those claims are misplaced here.

The Alarm Industry Communications Committee (AICC) continues to assert that the Commission's long-standing network change and copper retirement notification process is not sufficient and argues that copper retirement will result in a reduction or impairment of service and thus should be reviewed under Section 214.

First, as noted previously,⁶ AICC's claims have already been addressed and rejected by the Commission when it established the procedures 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

⁵ Verizon plans to retire the copper facilities in Orchard Park on or after December 25, 2014.

⁶ See, e.g., Verizon New York Inc. and Verizon Virginia LLC Response, *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, at 5-6 (May 28, 2014); Verizon New England d/b/a Verizon Massachusetts, *et al.* Response, *Wireline Competition Short Term Network Change Notifications*, Report Nos. NCD-2365, NCD-2372, and NCD-2373, at 5-8 (July 14, 2014).

with access to narrowband capabilities over fiber.⁷ Far from finding the move from copper to fiber an “impairment” to a particular service that could possibly require a separate filing under Section 214, the Commission specifically addressed and rejected proposals that would require affirmative regulatory approval prior to the retirement of any copper loop facilities.⁸ 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.⁹ Pursuant to these rules,¹⁰ 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 enhancing the networks that they intend to use to serve their customers, to the detriment of consumers.¹¹

AICC offers no new evidence of any changed circumstances that would justify revisiting those procedures or findings now (and the Commission could not do so absent a new rulemaking

⁷ 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, 18 FCC Rcd 16,978, ¶¶ 273, 281 (2003) (“TRO”).

⁸ TRO, ¶ 281.

⁹ *Id.*

¹⁰ See 47 C.F.R. § 51.333.

¹¹ 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 17,663, ¶ 1256 (2011).

in any event), nor does it argue that Verizon failed to comply with them here. Indeed, nearly four years ago, AICC's chairman acknowledged the changing communications infrastructure and encouraged alarm companies to work with new technologies, noting that "POTS will transition to a combination of wired and VoIP technology," and advising alarm companies and dealers that because of the increased use of fiber, wireless, and cable, the "[b]roader wired and wireless "pipes" into a home or business will afford ample bandwidth to security systems for virtually any application we can consider."¹²

Further, AICC admits that Verizon has already 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.¹³ AICC continues to offer no evidence – and indeed, there is none – that that certification is invalid, improper, or limited in scope, or that Verizon's network varies in material ways across the country. Nor does AICC dispute that Verizon technicians are trained to install fiber facilities so as to properly permit the alarm line seizure function, or dispute that millions of customers across the country currently use alarm systems with fiber-based systems that have this functionality.

AICC cannot dispute that 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, or that many of these customers may already use alarm systems that function appropriately on

¹² Louis T. Fiore, *Averting an Alarm Communications Gap*, SECURITY SALES & INTEGRATION (Aug. 31, 2010), <http://www.securitysales.com/article/averting-an-alarm-communications-gap/POTS> (last visited July 30, 2014).

¹³ Verizon made its certification in response to New York City's 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*. That certification is more stringent than the NFPA 72 standard referenced.

platforms other than copper. And AICC also concedes – as it must – that Verizon is offering affected consumers in this wire center even more control over back-up battery for traditional voice customers during commercial power outages by making available a battery back-up for voice services that uses standard D Cell batteries.¹⁴ These batteries are widely available and replaceable, which allows the customer to extend the amount of battery back-up. AICC also does not dispute that Verizon provides customers with information about the back-up battery option on four separate occasions: when customers receive a notification letter about the migration; when they speak to a representative about migration; from the technician who migrates their service; and, in their written welcome package.

Instead, AICC now claims that a back-up option that uses these commonly available D Cell batteries is “not an acceptable power source,”¹⁵ pointing to a photograph of two double-A batteries in what appears to be a television remote that it alleges have not been properly maintained and replaced. AICC appears to assert that the millions of consumers across the country who are now using these batteries should instead be relying on rechargeable batteries and monitoring services provided by their member companies. But even setting aside the incongruity of its example of double-A batteries (which are not a part of the offered back-up solution for our fiber-based services), AICC’s claim ignores the widespread use of safety devices such as smoke detectors and carbon monoxide detectors that rely on the same standard, over-the-counter D Cell (or 9-volt or double-A) batteries. These widely available batteries are commonly and safely used by consumers in a wide variety of products, and offering them as a battery back-up alternative here only gives consumers more control over their options.

¹⁴ See, e.g., AICC Comments, *Wireline Competition Bureau Short Term Network Change Notification filed by Verizon New York Inc.*, Report No. NCD-2376, at 4-5 (July 23, 2014).

¹⁵ *Id.* at 4.

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