

**STATEMENT OF
CHAIRMAN TOM WHEELER**

Re: *Technology Transitions*, GN Docket No. 13-5, *Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers*, RM-11358, *Special Access for Price Cap Local Exchange Carriers*, WC Docket No. 05-25, *AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services*, RM-10593.

The Commission is committed to promoting the opportunities of the technology transitions and unleashing new waves of innovation and consumer benefits. Today, we adopt a Report and Order, Order on Reconsideration and Further Notice of Proposed Rulemaking that establish clear rules of the road to give providers the certainty they need to invest, while protecting consumers, competition and public safety in this time of change. Today's updates to our copper retirement process and Section 214 discontinuance process will accelerate and facilitate the transition from copper-based, analog services to more efficient fiber- and IP-based networks and services. It is a move from legacy services, to the innovative services of the future.

In order to encourage these technology transitions, consumers must know they are protected in a manner similar to what they knew in the analog era. Thus, if a carrier intends to cease maintaining its copper and provide legacy voice and data services using only fiber facilities, our rules require that they inform their customers about what they are doing and why they are doing it. Customers should understand the options available to them before the copper network is removed.

Moreover, carriers may not let their legacy networks silently "die on the vine." To avoid any issues related to so-called "*de facto* retirement," it simply is necessary for the carrier to provide appropriate notice to customers, interconnected carriers, and others when it does not intend to continue maintaining its copper network.

The point is not to hamper copper retirement. To the contrary, we want to facilitate the transition to fiber- and IP-based networks, which is why, consistent with longstanding policy, our new rules would NOT require FCC approval before carriers retire copper networks, as long as no service is discontinued, reduced or impaired.

Today's action also preserves competitive choices as the technology transitions move forward. Access to legacy voice and data services purchased at wholesale from incumbent telcos has been a mainstay of competitive services provided to schools, health-care facilities, businesses, and other small- and medium-sized institutions across the nation. Competitive providers rely on these inputs to serve hundreds of thousands of businesses and other enterprise customers at competitive rates, often offering customized services not offered by incumbents. Consumers win when these businesses and organizations have choice for communications services because these entities are able to provide more, better services and products at lower cost. Competitive carriers and the customers that depend on them should not lose access to such connectivity because of a change in technology.

To address this, we will require that—if legacy services are discontinued—replacement services be offered at rates, terms and conditions that are reasonably comparable to those of the legacy networks. This would be an interim solution pending the completion of a broader wholesale access proceeding. FCC staff is working hard to complete that proceeding, and parties from across industry are motivated to participate in this effort.

Moreover, Congress has mandated in section 214 of the Communications Act that a carrier may not discontinue service until the FCC determines that doing so will not adversely affect the public interest. Just as we want to arm consumers with information, we believe in providing greater clarity for providers, and the fact is that the Commission has not codified the criteria used to evaluate and compare replacement and legacy services. Today's Further Notice of Proposed Rulemaking sets us on a path to fix this problem by proposing standards we would use as part of our review, and we seek more focused comment on the specific criteria to be used.

The Commission is committed to helping consumers and providers alike reap the benefits of technology transitions. These clear rules of the road will give providers the certainty they need to invest, while protecting consumers, competition and public safety in this time of rapid change.

Collectively, today's actions will ease the transition to modern networks and facilitate the introduction of new and innovative services to consumers and businesses, while preserving our core values of competition and consumer protection, which have long defined the relationship between Americans and the networks we use to communicate.