

**STATEMENT OF
COMMISSIONER AJIT PAI
APPROVING IN PART AND CONCURRING IN PART**

Re: *Petition of USTelecom for Forbearance Under 47 U.S.C. § 160(c) from Enforcement of Certain Legacy Telecommunications Regulations et al.*, WC Docket Nos. 12-61, 10-132, 09-206, 08-225, 08-190, 07-273, 07-204, 07-139, 07-21, 05-342, CC Docket Nos. 02-39, 00-175, 95-20, 98-10

It's amazing (and somewhat disturbing) what you can find when you crack open Title 47 of the U.S. Code of Federal Regulations. Take the Commission's rules on basic property records and continuing property records.¹ These rules require a company to label each and every piece of central office equipment, from a million-dollar switch down to a \$10 plug-in circuit board, to track how much it cost to buy, and to detail exactly where it's located (with specificity, meaning where on what shelf in which room in which building). If the \$10 plug-in circuit board lasts 30 years, the company has to keep records for 30 years and update them each time the plug-in circuit board moves.² The only silver lining? These rules burden only a subset of companies (*i.e.*, incumbent local exchange carriers) and cover only regulated assets (*i.e.*, plant for the public switched telephone network).

Or ponder Commission rule 64.1903, which requires a telephone company that offers long-distance service to do so through a separate affiliate—the old structural separation requirement crafted in the 1980s.³ Of course, it doesn't apply if a company entered the telephone business after 1996. Or is a reseller. Or a cable operator. Or a commercial mobile radio service provider. Or a mobile satellite service provider. Or an interconnected Voice-over-Internet-Protocol service provider. Or one of the three Bell operating companies. In other words, we still have structural separation requirements, but only for the independent companies that encompass a fraction of the market and were never part of Ma Bell in the first place.

Or consider the comparably efficient interconnection (CEI) requirements, a regulatory penumbra around rule 64.702 created by the *Computer Inquiry III* orders of the late 1980s. Under this regime, when a telephone company wants to “enhance” its basic telephone service, such as by letting customers dial *98 to access voicemail,⁴ it must post a CEI plan that goes through a multi-step checklist designed to protect non-facilities-based narrowband competitors. Although the Commission intended the filing of CEI plans to be an interim measure⁵ designed to protect the then-nascent enhanced services industry, the requirement remains on our books over two decades later. And while independent voicemail, facsimile services, and the like may be worthwhile services, one can only wonder why the Commission should spend its limited resources protecting these narrowband, legacy industries in the era of ubiquitous broadband and mobile apps.

No more—or at least not much longer. Today we establish a process to relieve carriers of some of these outdated rules so long as they draw up, file, and get FCC approval of a compliance plan that better matches the Commission's needs with the carrier's obligations. We also launch several rulemakings aimed at repealing and streamlining other rules.

I will be the first to admit that I wish we had gone further, faster. For example, much sooner than

¹ 47 C.F.R. § 32.2000(e), (f).

² See Letter from Bennett L. Ross, Counsel for United States Telecom Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 12-61, at 15 (Apr. 18, 2013).

³ 47 C.F.R. § 64.1903.

⁴ See, e.g., Amendment to Comparably Efficient Interconnection Plan for Voice-Mail Services for AT&T Inc.'s Operating Companies, available at https://ebiznet.att.com/cei/plans/amendment_vm_plan_star98_113012.doc.

⁵ *Amendment of Section 64.702 of the Commission's Rules and Regulations*, CC Docket No. 85-229, Further Notice of Proposed Rulemaking, 13 FCC Rcd 6040, 6077, para. 61 (1998).

fifteen months after the petition was filed, I would have granted the same relief to independent carriers that we previously afforded AT&T, Verizon, and Qwest—especially as no one opposed that part of the petition.

But today’s order is a product of bipartisan compromise, an important first step that holds out the hope for continuing reform. As the proverb goes, “a journey of a thousand miles begins with a single step.” I look forward to continuing to working with my colleagues as we continue this journey.

Finally, I want to thank the Commission staff who spent countless hours working on this item, including Julie Veach, Claude Aiken, Eric Bash, Michele Berlove, Bill Dever, Lisa Gelb, Victoria Goldberg, Kalpak Gude, Athula Gunaratne, Paul Hartman, Sherry Herauf, Diane Griffin Holland, John Hunter, Alex Johns, William Kehoe, Christopher Killion, Doug Klein, Robert Krinsky, Greg Kwan, Sean Lev, Travis Litman, Marcus Maher, Carol Matthey, Jodie May, Rodney McDonald, Betsy McIntyre, Claudia Pabo, Wesley Platt, Jennifer Prime, Marv Sacks, Deena Shetler, Chris Sova, Steve Steckler, Jamie Susskind, Suzanne Tetreault, Matthew Warner, Rodger Woock, Suzanne Yelen, David Zesiger, and Cathy Zima. Your dedication to rigorous analysis and the public interest will be all the more necessary as the Commission proceeds with the rulemakings we launch today to reform our accounting systems. But take heart; as a sage government employee once said, “It ain’t government work if you don’t have to do it twice.”⁶

⁶ Jerry Gergich, *Parks and Recreation* (ep. 418, 2012).