

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. § 160(c) to Accelerate Investment in Broadband and Next-Generation Networks*, WC Docket No. 18-141; *2000 Biennial Review Separate Affiliate Requirements of Section 64.1903 of the Commission's Rules*, CC Docket No. 00-175.

This item applies the Commission's forbearance authority in a straightforward, thorough, and reasoned manner, and I fully support it. As a general matter, the item recognizes the very different competitive and regulatory landscape that has emerged since certain requirements at issue were introduced, and rightfully forbears from imposing obligations that disparately burden certain silos of providers or are duplicative and unnecessary. While extremely limited in scope, these actions are strongly justified as a matter of public policy.

I am particularly pleased that we forbear from enforcing the obligation to maintain a separate long-distance affiliate for independent rate-of-return local exchange carriers. This is a fairly costly and time-consuming burden, particularly for small carriers, and the resources dedicated to it could be used much more productively. Don't get me wrong: I am strongly in favor of ensuring the proper allocation of costs by rate-of-return providers, as necessary, and I have worked hard to eliminate waste, fraud, and abuse in the high-cost program. However, to the extent that there is no evidence of the rule's effectiveness in preventing misallocation of long-distance costs to special access services, and that our other safeguards are sufficient to monitor this diminishing subset of carriers, we should rightfully move on.

I thank the staff from the Wireline Competition Bureau for their meticulous forbearance analysis. Of course, the true heavy lifting on the larger petition will come in a future item, and I look forward to deciding the remaining issues in due course.