

**STATEMENT OF
COMMISSIONER GEOFFREY STARKS
CONCURRING IN PART AND DISSENTING IN PART**

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 18-141.

By adopting this order, the Commission removes an important part of the competitive landscape from the voice telephone market. Because of the Commission's action, incumbent carriers will no longer be required to make the copper "loops" that connect customer's homes and small businesses to communications networks available at regulated rates to carriers providing voice competition. The provisions that the Commission forbears from in this order are part of the framework put in place in the Telecommunications Act to ensure competition in communications markets. USTelecom filed a petition seeking forbearance from requirements that its members provide voice-grade copper loops connecting customer's homes and small businesses to telecommunications networks.

While these loops don't play the same role in local service competition that they did in the initial years after the Act was implemented, the record reflects that they still play an important role. In particular, availability of these loops under the current regulatory environment plays a key role in providing competition in several markets. One is the market for service to businesses that have nationwide locations where each location needs one or more line-powered voice lines for voice service, credit card processing, and for other purposes. Competition in this market depends on the availability of voice-grade copper loops in regions throughout the country to meet customer demand for this exact product. Another is the market for service to Federal government entities. Like the nationwide business market, Federal government entities frequently have locations throughout the US and have a need for reliable, line-powered service to multiple locations in multiple regions and jurisdictions. Competition in this market is sufficiently important that the Government Services Administration selected two competitive carriers as service providers under the new "Enterprise Infrastructure Solutions" (EIS) government purchasing contract to provide the option of lower prices and better customer service that comes with competition.

Unfortunately, today's order ignores the value of competition in these markets. I do not agree that the competition the order portrays is sufficient to warrant forbearing from the regulations in question altogether. However, I made requests to change the item that would have left the forbearance findings intact and would have only made changes to the transition periods included in the order. Specifically, I requested that the new ordering period for competitive carriers to acquire copper loops for use in serving non-governmental customers be extended to 18 months. This extension would permit companies providing competition in the nationwide business marketplace to make changes needed to prepare for the forbearance the Commission adopts today. Notably, this request did not seek to extend the overall time of the transition for these businesses and did not seek to change any forbearance finding. I also requested changes to the order to allow companies selected as vendors under the new GSA EIS contract to continue to provide competition in the marketplace, as envisioned by GSA. Specifically, the changes I requested would have allowed these companies to acquire new services for the four years remaining until the mandatory transition to the EIS contract takes place in 2023 and would have allowed them to use the copper loop services in question for that time period plus one additional year. Unfortunately, the Chairman's office did not agree with the reasonable and limited changes that I requested to ensure the presence of competition in the nationwide business and Federal government services marketplace. I am disappointed that we were not able to find a consensus path forward and so I respectfully dissent from the Order, except with respect to Puerto Rico, as I discuss below.

I am glad to once again have been able to work with the Chairman's office to negotiate a better path forward for Puerto Rico and concur in that portion of the item. The original draft order did not recognize any differences between Puerto Rico and the rest of the US and applied the same forbearance finding in both places. But, there are real, important, differences. Puerto Rico is still struggling to recover from the

devastation wrought by Hurricane Maria in 2017. Much of Puerto Rico's telecommunications network was destroyed in the storm and people went without communications for months.

As carriers continue the process of rebuilding in Puerto Rico, I believe that a significantly longer transition period before the granted forbearance takes effect is appropriate and I'm glad that this order now includes one. As with the recent order addressing USTelecom's forbearance requests related to transport, this longer transition period – five years instead of three – will give competitive carriers serving in Puerto Rico more time to continue their rebuilding and recovery efforts before the changes that will come with the forbearance have to factor into their business plans. This change will also save money for customers in Puerto Rico who are benefitting from competitive service as the prices for such services in Puerto Rico will not change due to the granted forbearance during the five-year transition period.

I recognize that a forbearance item like this one is complex, and I thank the staff of the Wireline Competition Bureau for their work in preparing it.