

FCC FACT SHEET*

Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment
Second Report and Order – WC Docket No. 17-84

Background: Removing regulatory barriers that unnecessarily delay a carrier’s transition from legacy networks and services to broadband networks and services, or increase the cost of that transition, is vital to encouraging deployment of next-generation networks and to closing the digital divide.

By lowering such barriers, this *Second Report and Order* would accelerate the deployment of next-generation networks and services, speed the transition from legacy networks and services to next-generation networks and services, and eliminate Commission regulations that unnecessarily raise costs and slow broadband deployment.

What the Report and Order Would Do:

- Streamline the section 214(a) discontinuance process by:
 - Reducing the comment and automatic-grant timeframes for certain applications where discontinuing the legacy voice or lower-speed data service is unlikely to cause harm;
 - Forbearing from applying section 214(a) and part 63 discontinuance requirements for services with no customers and no reasonable requests for service for the preceding 30 days; and
 - Eliminating unnecessary education and outreach requirements for carriers discontinuing legacy voice services that were adopted in 2016.
- Streamline the network change notification process by:
 - Eliminating unnecessary and burdensome or redundant notification requirements; and
 - Facilitating rapid restoration of communications networks in the face of natural disasters and other unforeseen events.
- Make non-substantive corrections and updates to the Commission’s rules necessitated by the actions taken in the November 2017 *Wireline Infrastructure Order* and the actions to be taken in this *Second Report and Order*.

*This document is being released as part of a “permit-but-disclose” proceeding. Any presentations or views on the subject expressed to the Commission or its staff, including by email, must be filed in WC Docket No. 17-84, which may be accessed via the Electronic Comment Filing System (<https://www.fcc.gov/ecfs/>). Before filing, participants should familiarize themselves with the Commission’s *ex parte* rules, including the general prohibition on presentations (written and oral) on matters listed on the Sunshine Agenda, which is typically released a week prior to the Commission’s meeting. See 47 CFR §1.1200 *et seq.*

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of
Accelerating Wireline Broadband Deployment by
Removing Barriers to Infrastructure Investment
WC Docket No. 17-84

SECOND REPORT AND ORDER*

Adopted: []

Released: []

By the Commission:

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* This document has been circulated for tentative consideration by the Commission at its June 2018 open meeting. The issues referenced in this document and the Commission’s ultimate resolution of those issues remain under consideration and subject to change.

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I. INTRODUCTION

1. Removing regulatory barriers causing unnecessary costs or delay when carriers seek to transition from legacy networks and services to broadband networks and services is an important piece of our work to encourage deployment of next-generation networks and to close the digital divide. In this Report and Order, we continue to act on our commitment by further reforming regulatory processes that unnecessarily stand in the way of this important transition that benefits the American public.

2. The actions we take today focus on further streamlining our processes by which carriers discontinue outdated services, eliminating unnecessary and burdensome or redundant requirements, and helping ensure that our network change notification rules take into account the challenges carriers face in the wake of catastrophic and unforeseen events. Providing additional opportunities for streamlined treatment for discontinuance and grandfathering of legacy voice and lower-speed data services and forbearing from applying our discontinuance requirements to services no longer being used by any customers, with appropriate limitations to protect consumers and the public interest, will allow carriers to more quickly redirect resources to next-generation networks and for the public to receive the benefits of those new networks.

II. BACKGROUND

3. The Commission initiated this proceeding last spring by adopting a *Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment (Wireline Infrastructure Notice)* seeking comment on a number of potential regulatory reforms to our rules and procedures regarding pole attachments, copper retirement, and discontinuances of legacy services.¹

4. On November 16, 2017, the Commission adopted a *Report and Order, Declaratory Ruling, and Further Notice of Proposed Rulemaking (Wireline Infrastructure Order)* enacting reforms to our pole attachment, network change disclosure, and discontinuance processes to better enable providers to invest in next-generation networks.² At the same time, the Commission adopted the *Wireline Infrastructure Further Notice* and sought comment on additional steps to streamline our network change and discontinuance processes, including with respect to discontinuing legacy voice services.³ At this time, in the interest of removing barriers to broadband infrastructure deployment as quickly as possible, we focus specifically on continuing to reform our discontinuance and network change notification rules. We are committed to and working toward addressing other important issues raised by the *Wireline Infrastructure Further Notice* and for which the Commission’s Broadband Deployment Advisory Committee offered recommendations, including revisions to our pole attachment rules. We expect to address those issues in the near future.⁴

¹ *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment, 32 FCC Rcd 3266 (2017) (*Wireline Infrastructure Notice*).

² *See Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, Report and Order, Declaratory Ruling, and Further Notice of Proposed Rulemaking, 32 FCC Rcd 11128 (2017) (*Wireline Infrastructure Order* or *Wireline Infrastructure Further Notice*).

³ *See id.* at 11187-94, paras. 156-59, 163-77.

⁴ *See id.* at 11188-89, 11194, paras. 160-62, 178-79.

III. REPORT AND ORDER

A. Further Streamlining the Section 214(a) Discontinuance Process

5. Today, we take additional steps to eliminate unnecessary regulatory burdens when carriers decide to replace legacy voice and lower-speed data services with improved technological alternatives. The reforms we adopt here, like those adopted late last year,⁵ reflect the reality of today's marketplace and the decreasing demand for legacy voice and lower-speed data services as customers move towards more advanced competing alternatives.⁶ As demand for legacy services declines, expediting the discontinuance process for such services will allow carriers to focus their resources on providing next-generation IP-based services.⁷ The revisions we make today to our rules implementing the section 214(a) discontinuance approval process⁸ decrease needless costs and delay in transitioning from legacy voice services and lower-speed data services to next-generation IP-based services so that customers can receive innovative services that meet their needs.

6. At the outset, we reiterate that section 214(a)'s discontinuance obligations apply to interstate voice and data telecommunications services,⁹ and to interconnected VoIP service to which the Commission has extended section 214(a)'s discontinuance requirements.¹⁰ They do not apply to any carrier's provision of information services or to data or other services offered on a private carriage basis.

1. Expediting Applications that Grandfather, or Discontinue Previously-Grandfathered, Data Services at Speeds Below 25/3 Mbps

7. To encourage carriers to transition to next-generation technologies, we revise our rules to provide streamlined treatment for lower-speed services in circumstances where the carrier already provides replacement data services at speeds of at least 25 Mbps/3 Mbps. Specifically, we streamline our discontinuance processes for applications seeking to (i) grandfather data services with download/upload speeds below 25 Mbps/3 Mbps, and (ii) subsequently discontinue on a permanent basis such data services once they have been grandfathered for at least 180 days.¹¹ Previously, the Commission adopted streamlined comment and automatic grant periods of 10 and 25 days, respectively, for applications to grandfather voice and data services below 1.544 Mbps.¹² We now extend this same streamlined treatment

⁵ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11160-76, paras. 80-127.

⁶ See, e.g., Verizon Wireline FNPRM Comments at 3; CenturyLink Wireline FNPRM Comments at 12; *Wireline Infrastructure Order*, 32 FCC Rcd at 11160, 11162, paras. 81, 86.

⁷ *Id.*

⁸ See 47 U.S.C. § 214(a); 47 CFR § 63.71(a)(5)(i)-(ii). As a matter of convenience, unless otherwise noted, in this Report and Order, we use the terms "discontinue" or "discontinuance" as a shorthand for the statutory language "discontinue, reduce, or impair."

⁹ See Letter from Katharine R. Saunders, Managing Assoc. General Counsel, Fed. Regulatory and Legal Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, at 2 (filed Apr. 26, 2018) (Verizon Apr. 26, 2018 *Ex Parte* Letter).

¹⁰ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11160, para. 80; see also *IP-Enabled Services*, Report and Order, 24 FCC Rcd 6039, 6047, para. 14 (2009); Verizon Wireline FNPRM Comments at 1-2, 3; Verizon Wireline NPRM Comments at 34 n.101. Our rules governing the discontinuance process do not preempt state requirements regarding the discontinuance of intrastate services. See 47 U.S.C. § 261(c); Pennsylvania PUC Wireline FNPRM Comments at 10, 12; Verizon Wireline FNPRM Comments at 3 n.8.

¹¹ See 47 CFR § 63.60(d) ("Grandfather means to maintain the provision of a service to existing customers while ceasing to offer that service to new customers."); *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11161 n.288.

¹² See 47 CFR § 63.71(k); *Wireline Infrastructure Order*, 32 FCC Rcd at 11161, para. 84.

to applications seeking to grandfather data services with speeds below 25 Mbps/3 Mbps,¹³ so long as the applying carrier provides replacement data services at speeds of at least 25 Mbps/3 Mbps throughout the affected service area. The Commission also previously adopted streamlined comment and automatic grant periods of 10 and 31 days, respectively, for applications to permanently discontinue data services below 1.544 Mbps, provided the Commission has previously authorized such services to be grandfathered for at least the prior 180-day period.¹⁴ We now revise our rules to provide the same expedited 10-day comment and 31-day automatic grant periods to all previously-grandfathered data services with download/upload speeds below 25 Mbps/3 Mbps.

8. The record strongly supports extending this streamlined processing to these additional grandfathered and previously-grandfathered data services.¹⁵ Most importantly, these streamlining measures meet our objective of providing carriers with incentives to develop and deploy higher-speed data services at or above 25 Mbps/3 Mbps.¹⁶ Expediting the discontinuance process for additional data services provided that the carrier offers replacement data services at or above our specified speed threshold will spur the ongoing technology transition to next-generation IP-based services and promote competition in the market for higher-speed replacement services.¹⁷

9. We reject some commenters' suggestion that extending the streamlined treatment to this class of data services "does not strike the appropriate balance between providing carriers flexibility and ensuring that customers have access to adequate alternatives."¹⁸ Because carriers seeking to use this streamlined process must provide replacement data services at speeds of at least 25 Mbps/3 Mbps throughout the affected service area, concerns about adequate alternatives are misplaced. Moreover, as other commenters recognize, extending our expedited discontinuance process to cover additional grandfathered and previously-grandfathered data services below 25 Mbps/3 Mbps protects existing customers in the same manner as our expedited process for grandfathered and previously-grandfathered low-speed legacy voice and data services.¹⁹ Existing customers will be grandfathered and they will have

¹³ We recognize that data services subject to section 214 discontinuance authority typically have symmetrical upload and download speeds. See *Business Data Services in an Internet Protocol Environment et al.*, Report and Order, 32 FCC Rcd 3459, 3463, 3474, paras. 6, 30 (2017) (*BDS Order*). We nevertheless specify a non-symmetrical speed threshold here to provide maximum flexibility to carriers to the extent they now or in the future offer any non-symmetrical common carrier data service having download speeds less than 25 Mbps and upload speeds less than 3 Mbps that is subject to our discontinuance rules.

¹⁴ See 47 CFR § 63.71(k)(4); see also *Wireline Infrastructure Order*, 32 FCC Rcd at 11164-65, paras. 93-94.

¹⁵ See CenturyLink Wireline FNPRM Comments at 12-14; ITTA Wireline FNPRM Comments at 15-17; Verizon Wireline FNPRM Comments at 14-15; AT&T Wireline FNPRM Comments at 2-3; ADTRAN Wireline FNPRM Comments at 3-4; USTelecom Wireline FNPRM Reply at 5-6; Verizon Wireline FNPRM Reply at 9-11; see also ITTA Wireline NPRM Comments at 22-23.

¹⁶ See, e.g., CenturyLink Wireline FNPRM Comments at 13; USTelecom Wireline FNPRM Reply at 6; see also *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11188, para. 157. But see IRREGULATORS Wireline NPRM Reply at 9-12 (asserting that there is no proof that deregulation results in carriers investing the freed-up resources in broadband deployment).

¹⁷ See CenturyLink Wireline FNPRM Comments at 13; ITTA Wireline FNPRM Comments at 15-17; USTelecom Wireline Reply at 6; see also *Wireline Infrastructure Order*, 32 FCC Rcd at 11162, 11165, paras. 87, 95.

¹⁸ Windstream Wireline FNPRM Comments at 2; see also UTC Wireline FNPRM Reply at 8.

¹⁹ See, e.g., ITTA Wireline FNPRM Comments at 16; Verizon Wireline FNPRM Comments at 14. Commenters also note that more flexible speed thresholds are justified by the fact that grandfathering has no impact on existing services. See CenturyLink Wireline FNPRM Comments at 13-14; see also *infra* para. 14 (explaining why Windstream's and Ad Hoc's reiterated concerns are unfounded); Windstream Wireline FNPRM Comments at 2-3; Ad Hoc Wireline FNPRM Reply at 14-16. We have thus heeded concerns that we proceed with caution in extending relief to higher speed data services. See Greenlining Wireline FNPRM Comments at 1.

sufficient time to raise concerns, if any, about the carrier's grandfathering plans if they are impacted.²⁰ What's more, the grandfathering period provides customers a far longer actual notice period and opportunity to transition to alternative services than our existing, more general, streamlined processing rules.²¹ It also provides us with sufficient time to conduct a thorough examination as to whether the proposed discontinuance would adversely affect the present or future public convenience and necessity during the application review process.

10. Carriers, of course, remain free to seek approval to discontinue a data service below 25 Mbps/3 Mbps without first grandfathering such service. But if they choose to do so, they are not eligible for the further streamlined processing we adopt today for previously-grandfathered data services below this speed threshold. Our further streamlining actions reflect common-sense reforms that balance the needs of customers and carriers in fulfilling our section 214(a) discontinuance obligations.²²

11. The Commission proposed the 25 Mbps/3 Mbps threshold in the *Wireline Infrastructure Further Notice* to encourage and incentivize carriers seeking to discontinue lower-speed services to deploy and offer data services meeting our current benchmark for fixed advanced telecommunications capability under section 706 of the Act.²³ A data service having download/upload speeds of 25 Mbps/3 Mbps "enables users to originate and receive high quality voice, data, graphics, and video telecommunications."²⁴ If the discontinuing carrier offers replacement data services at speeds of at least 25 Mbps/3 Mbps, then the streamlined discontinuance process serves as an additional tool to close the digital divide by ensuring customers in the affected area have access to fixed services offering advanced telecommunications capability.²⁵ We find that limiting the extension of expedited treatment for grandfathered and previously-grandfathered services to data services below 25 Mbps/3 Mbps strikes the appropriate balance at this time to provide regulatory relief to incentivize carriers to transition from the provision of legacy or lower-speed data services and allow them to free up resources to devote to higher-speed more advanced services.²⁶ We thus decline at present to extend these same streamlining measures to certain higher-speed data services²⁷ or "all data services regardless of speed."²⁸ We proceed incrementally to focus regulatory relief where it is most needed first—on lower-speed data services for

²⁰ *Wireline Infrastructure Order*, 32 FCC Rcd at 11163, para. 88.

²¹ See 47 CFR § 63.71(a)(5)(i) (non-dominant carriers), § 63.71(a)(5)(ii) (dominant carriers).

²² See, e.g., ITTA Wireline FNPRM Comments at 16; ADTRAN Wireline FNPRM Comments at 3-4; USTelecom Wireline FNPRM Reply at 5-6; see also *Wireline Infrastructure Order*, 32 FCC Rcd at 11162, para. 87.

²³ See *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11187-88, para. 156; see also *Inquiry Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion*, GN Docket No. 17-199, 2018 Broadband Deployment Report, FCC 18-10, paras. 5-6, 15, 21 (2018) (*2018 Broadband Deployment Report*) (maintaining the 25 Mbps/3 Mbps speed as the benchmark for advanced telecommunications capability for fixed services); *Connect America Fund*, Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 5949, 5959, para. 24 (2016) (establishing 25 Mbps/3 Mbps as the baseline performance standard for Phase II as it is the highest speed adopted by a majority of fixed broadband subscribers).

²⁴ *2018 Broadband Deployment Report* at 6, para. 15 (citing 47 U.S.C. § 1302(d)(1)).

²⁵ See *id.* at 2-3, 44-49, paras. 5-6, 79-93.

²⁶ *Wireline Infrastructure Order*, 32 FCC Rcd at 11164, para. 92.

²⁷ CenturyLink Wireline FNPRM Comments at 12 (proposing that the Commission extend streamlined treatment to grandfathered data services up to 45 Mbps in both directions).

²⁸ Verizon Wireline FNPRM Comments at 14; Verizon Wireline FNPRM Reply at 9; see also AT&T Wireline FNPRM Comments at 2-3; CenturyLink Wireline FNPRM Comments at 13; AT&T Wireline FNPRM Reply at 10; USTelecom Wireline FNPRM Reply at 6.

which customer demand is rapidly declining.²⁹

12. Similarly, we decline requests to apply an expedited discontinuance process where the proposed replacement data services are below 25 Mbps/3 Mbps as long as the discontinuing carrier offers “another data service of at least the same . . . speed throughout the affected service area as the service being discontinued.”³⁰ Allowing carriers that do not commit to provide replacement data services having speeds of at least 25 Mbps/3 Mbps to qualify for this streamlined treatment would not encourage carriers to deploy and offer data services meeting at least our current benchmark speed threshold for fixed advanced telecommunications capability of 25 Mbps/3 Mbps.³¹ As the Commission has explained, data services having download/upload speeds of 25 Mbps/3 Mbps “enable[] users to originate and receive high quality voice, data, graphics, and video telecommunications”—capabilities that consumers demand.³² We recognize commenter concerns that a higher-speed data service may be more costly than a service providing speeds of less than 25 Mbps /3 Mbps.³³ However, this is precisely the type of concern that can be addressed during the section 214 discontinuance public comment period.³⁴

13. In the *Wireline Infrastructure Further Notice*, the Commission proposed specifying that the replacement data service at or above 25 Mbps/3 Mbps that an applicant must provide to qualify for streamlined treatment must be of “equivalent quality.”³⁵ We decline to adopt the “equivalent quality” descriptive language in the condition to qualify for streamlined treatment. In proposing that the replacement data service be of “equivalent quality,” the Commission did not intend to impose new rigid or prescriptive requirements on replacement services at or above 25 Mbps/3 Mbps that a carrier must meet to obtain streamlined processing to grandfather these additional data services.³⁶ We do not intend to modify our existing precedent governing the requirements of a replacement service³⁷ or how we analyze and evaluate a carrier’s application under our traditional five-factor test.³⁸ We agree that including the

²⁹ See, e.g., ITTA Wireline FNPRM Comments at 16; USTelecom Wireline NPRM Comments at 31-33; AT&T Wireline NPRM Comments at 41-42.

³⁰ CenturyLink Wireline FNPRM Comments at 13; see also AT&T Wireline FNPRM Comments at 2-3; ITTA Wireline FNPRM Comments at 17.

³¹ See *2018 Broadband Deployment Report* at 6, 8-9, paras. 15, 21; see also ITTA Wireline NPRM Comments at 23 n.56; Power & Communication Contractors Ass’n Wireline NPRM Comments at 2.

³² *2018 Broadband Deployment Report* at 6, 8-9, paras. 15, 21.

³³ See Windstream Wireline FNPRM Comments at 2-3.

³⁴ 47 CFR § 61.71(k)(1); see also Appx. A, revised § 63.71(l). We also note that while the cost of the replacement service might be outweighed by other considerations, the Commission will consider whether the price for the replacement service is so high as to be unaffordable to most users. See *Verizon Telephone Companies Section 63.71 Application to Discontinue Expanded Interconnection Service Through Physical Collocation*, Order, 18 FCC Rcd 22737, 22751, para. 27 (2003) (*Verizon Expanded Interconnection Order*); see also Greenlining Wireline NPRM Comments at 12; Century Wireline NPRM Comments at 41.

³⁵ See *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11187-88, para. 156.

³⁶ See Verizon Wireline FNPRM Comments at 15. We note that no commenter objects to Verizon’s request that we eliminate this qualifier in extending streamlined processing to additional data services below 25 Mbps/3 Mbps.

³⁷ For example, Commission precedent does not require that a replacement service constitute a like-for-like alternative to the service being discontinued. See, e.g., *Rhythm Links Inc. Section 63.71 Application to Discontinue Domestic Telecommunications Servs.*, Order, 16 FCC Rcd 17024, 17028, para. 10 (2001) (*Rhythm Links Order*) (noting that “the FCC has never required that every customer be able to obtain fully satisfactory, perfect substitute service, but only a reasonable substitute so that a discontinuance does not result in an unreasonable degree of customer hardship”).

³⁸ In determining whether a discontinuance will harm the public interest, the Commission has traditionally utilized a five-factor balancing test to analyze a section 214(a) discontinuance application: (1) the financial impact on the common carrier of continuing to provide the service; (2) the need for the service in general; (3) the need for the

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“equivalent quality” descriptor in the condition requiring the carrier’s availability of a replacement data service at or above 25 Mbps/3 Mbps would inject unintended uncertainty into this streamlined process and could lead to further confusion given the absence of a similar descriptor as a condition for grandfathering data services below 1.544 Mbps. We clarify that the adequacy of the alternative data service offered by the carrier will continue to be evaluated like any other replacement data service under our rules—according to our traditional five-factor test,³⁹ and consistent with precedent.⁴⁰

14. Finally, Windstream and Ad Hoc urge us again to incorporate specific prescribed safeguards in any further streamlining of data service applications to protect grandfathered business customers.⁴¹ The Commission rejected these same recommendations in its most recent wireline infrastructure item because they are inconsistent with the goal of streamlining processes and because businesses—like other consumers—benefit overall when carriers invest in deployment of next-generation services rather than outdated technologies.⁴² There is nothing in the current record that leads us to a different conclusion. We therefore decline to adopt these proposals here, as the Commission did just over six months ago.⁴³

2. Forbearing from Applying Discontinuance Approval Obligations for Services with No Customers

15. We forbear from applying the discontinuance⁴⁴ approval obligations set forth in section 214(a) of the Act and section 63.60 through 63.602 of our rules to carriers choosing to discontinue services for which the carrier has had no customers and no reasonable requests for service for at least the immediately preceding 30 days.⁴⁵ In so doing, we relieve carriers of the burden of filing discontinuance applications and leave them free to focus their funding and attention on newer, more popular services rather than maintain a service for which there is no demand during the pendency of a discontinuance application.

16. The Act requires us to forbear from applying any requirement of the Act or of our regulations to a telecommunications carrier or telecommunications service if and only if we determine that: (1) enforcement of the requirement is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that telecommunications carrier or

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particular facilities in question; (4) increased charges for alternative services; and (5) the existence, availability, and adequacy of alternatives. *See Verizon Expanded Interconnection Order*, 18 FCC Rcd at 22742, para. 8; *Technology Transitions et al.*, Declaratory Ruling, Second Report and Order, and Order on Reconsideration, 31 FCC Rcd 8283, 8303-04, paras. 61-62 (2016) (*2016 Technology Transitions Order*).

³⁹ *See Verizon Expanded Interconnection Order*, 18 FCC Rcd at 22742, para. 8.

⁴⁰ *See Rhythm Links Order*, 16 FCC Rcd at 17028, para. 10.

⁴¹ *See* Windstream Wireline FNPRM Comments at 3 (requesting that “existing customers should be able to make moves, additions, and changes” to the grandfathered service); Ad Hoc Wireline FNPRM Reply at 14-16; Ad Hoc Wireline NPRM Comments at 16-17.

⁴² *See Wireline Infrastructure Order*, 32 FCC Rcd at 11163-64, 11167, paras. 90, 105.

⁴³ *See id.*

⁴⁴ To be clear, our forbearance here also includes reductions or impairments. *See supra* note 8.

⁴⁵ *See* AT&T Wireline NPRM Comments at 48-49; CenturyLink Wireline NPRM Comments at 45. When we refer to services without customers in this subsection, we are referring to applications for services having both no existing customers *and* no reasonable request for the service for the preceding 30-day period. *See* 47 CFR § 63.71(g), (k)(5). The Commission exercised its ancillary authority to extend discontinuance obligations to interconnected VoIP providers. *See IP-Enabled Services*, Report and Order, 24 FCC Rcd 6039, 6047, para. 14 (2009). We see no reason to treat interconnected VoIP services subject to our discontinuance authority prior to today differently than telecommunications services having no customers for the purpose of this forbearance relief. *See* 47 CFR § 63.60(a).

telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory; (2) enforcement of that requirement is not necessary for the protection of consumers; and (3) forbearance from applying that requirement is consistent with the public interest.⁴⁶ In making the public interest determination, we must also consider, pursuant to section 10(b) of the Act, “whether forbearance from enforcing the provision or regulation will promote competitive market conditions.”⁴⁷ As discussed below, we find that the criteria for forbearance are satisfied here.

17. *Section 10(a)(1)*. We agree with commenters that “[w]hen a service has no customers, it necessarily follows that the section 214 discontinuance processes are not necessary to ensure just and reasonable and nondiscriminatory terms of service . . . for the simple reason that customers have demonstrated by their actions in the marketplace that they do not need or want the service.”⁴⁸ Thus, we find enforcement of the discontinuance requirements in this context could hardly be “necessary” when, in fact, there are “no subscribers who pay charges or who are subject to ‘practices’ or other terms.”⁴⁹

18. *Section 10(a)(2)*. We find that enforcement of the discontinuance obligations in this context is not necessary to protect consumers. Section 214(a)’s discontinuance provision is meant to prevent communities from being deprived of critical links to the larger public communications infrastructure.⁵⁰ When a service with no existing customers is eliminated, it follows that “no community or part of a community would be cut off from the public communications infrastructure.”⁵¹ Moreover, although a key component of the section 214(a) discontinuance process is notifying all affected customers, we agree with AT&T that attempts at customer notice “would be futile in the context of services without existing customers.”⁵²

19. CWA’s assertion that it is only through Commission review and public comment during the discontinuance process that the Commission can determine whether a service has no customers is at odds with our experience with discontinuance applications for services identified as having no customers.⁵³ To date, we have not received a single comment in opposition to any application to discontinue service with no customers. We previously took more incremental steps to streamline discontinuance obligations for certain services with no customers,⁵⁴ and the record does not identify any

⁴⁶ 47 U.S.C. § 160(a).

⁴⁷ *Id.* § 160(b).

⁴⁸ AT&T Wireline FNPRM Comments at 4; *see also* CenturyLink Wireline FNPRM Comments at 14-15; ITTA Wireline FNPRM Comments at 18; Verizon Wireline FNPRM Reply at 8.

⁴⁹ NTCA Wireline FNPRM Comments at 11.

⁵⁰ *See, e.g., Lincoln Cty. Tel. Sys., Inc.*, Memorandum Opinion and Order, 81 F.C.C.2d 328, paras. 11-12 (1980) (citing the legislative history and observing that the original purpose of § 214(a)’s discontinuance provision was to prevent a loss of telegraph service to critical wartime institutions resulting from, for example, particular stations); *Western Union Tel. Co.*, Memorandum Opinion and Order, 74 F.C.C.2d 293, paras. 6-7 & n.4 (1979) (same); *see also* AT&T Wireline FNPRM Comments at 4-5.

⁵¹ AT&T Wireline FNPRM Comments at 5; *see also* USTelecom Wireline FNPRM Reply at 7.

⁵² AT&T Wireline FNPRM Comments at 5.

⁵³ *See* CWA Wireline FNPRM Comments at 6.

⁵⁴ In the *Wireline Infrastructure Order*, the Commission revised its rules so that applications to discontinue legacy voice and data services below 1.544 Mbps that have had no customers and no reasonable requests for service for at least 30 days would be automatically granted 15 days after acceptance for filing absent further action by Commission staff to remove the application from streamlined treatment. *See Wireline Infrastructure Order*, 32 FCC Rcd at 11168-70, paras. 108-11 (reducing the auto-grant period from 31 days to 15 days and reducing the timeframe within which a carrier must not have had any customers or request for service from 180 days to 30 days); *see also* 2016 *Technology Transitions Order*, 31 FCC Rcd at 8309, para. 77 (adopting rule section 63.71(g) which came from “AT&T’s common sense proposal that a [s]ection 214 discontinuance application be eligible for automatic grant

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harms that arose as a result. Moreover, there is no evidence in the current record that services without customers are likely to be in demand sometime in the future.⁵⁵ Therefore, we find that neither current nor future customers will be harmed by forbearing from applying discontinuance obligations for services with no customers.

20. *Section 10(a)(3) and 10(b)*. We agree with commenters that forbearance from the discontinuance approval requirements for services with no customers will serve the public interest by “eliminating superfluous regulation that slows the transition to more modern services” with growing demand for services that customers want to purchase.⁵⁶ We also find that forbearance in this instance will promote competitive market conditions by enabling carriers to redirect resources from services with no demand to more rapidly bringing next-generation services and networks to all customers⁵⁷ or “other endeavors where the public interest is expressed through consumer demand.”⁵⁸ Freeing carriers to invest in services people want, instead of services nobody wants, promotes competition and benefits the public.

21. Our decision to forbear from the discontinuance requirements for services with no customers, obviates our need to consider further streamlining applications for discontinuance of services with no customers. For the same reason, it obviates the rationale for the Commission’s previous decision to streamline applications for certain services with no customers.⁵⁹ We therefore remove sections 63.71(g) and (k)(5) which created varying degrees of streamlining for discontinuance applications for services with no customers.

3. Eliminating 2016 Outreach Requirements

22. We also eliminate the uncodified education and outreach mandates adopted in the *2016 Technology Transitions Order* applicable to carriers discontinuing TDM voice services.⁶⁰ The record confirms that these requirements⁶¹ are unduly burdensome in light of current marketplace incentives and carriers’ normal business practices of providing their customers with timely and necessary information regarding replacement voice services in a technology transition.⁶² Moreover, existing regulatory

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without any further showing if the applicant can demonstrate that the service has zero customers in the relevant service area and no requests for service in the last six months”).

⁵⁵ See ITTA Wireline FNPRM Comments at 19.

⁵⁶ CenturyLink Wireline FNPRM Comments at 15; *see also, e.g.*, ITTA Wireline FNPRM Comments at 18.

⁵⁷ *See, e.g.*, AT&T Wireline FNPRM Comments at 5; NTCA Wireline FNPRM Comments at 11; ITTA Wireline FNPRM Comments at 18; CenturyLink Wireline NPRM Comments at 15.

⁵⁸ ITTA Wireline FNPRM Comments at 18.

⁵⁹ 47 CFR §§ 63.71(g), (k)(5).

⁶⁰ *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11193-94, paras. 176-77; *see also 2016 Technology Transitions Order*, 31 FCC Rcd at 8348-52, paras. 179-86. These education and outreach requirements are not yet in effect because they have not been approved by the Office of Management and Budget (OMB). *See 2016 Technology Transitions Order*, 31 FCC Rcd at 8365, para. 213 (noting these requirements require approval by OMB).

⁶¹ These mandates include: (1) the development and dissemination of Commission-prescribed educational materials to all affected customers containing specific information about the replacement service; (2) the creation of an accessible telephone hotline, staffed 12 hours per day, to answer questions regarding the transition; and (3) designated staff, trained in disabilities access issues, to answer consumer questions about the technology transition. *2016 Technology Transitions Order*, 31 FCC Rcd at 8350, para. 181; *see also id.* at 8350-52, paras. 182-85 (further explaining specific detailed requirements for each of the mandates).

⁶² *See, e.g.*, ADTRAN Wireline FNPRM Comments at 7; AT&T Wireline FNPRM Comments at 8; CenturyLink Wireline FNPRM Comments at 18-20; NTCA Wireline FNPRM Comments at 9-11; Verizon Wireline FNPRM Comments at 11-12; Verizon Wireline FNPRM Reply at 7-8. ITTA Wireline FNPRM Reply at 1-6; Verizon

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requirements ensure that such information is available to consumers.

23. We agree with commenters that argue that service providers have strong marketplace incentives to communicate with, and educate, customers about replacement services related to their technology transitions.⁶³ As the Commission found in the *Wireline Infrastructure Order*, intermodal competition encourages carriers to communicate with customers to retain them and stay competitive.⁶⁴ The record here further substantiates this finding⁶⁵ and belies the claims that marketplace competition or carriers' existing customer relationships may not ensure that carriers provide the information required by the rules.⁶⁶ Indeed, one opponent of eliminating the outreach requirements specifically acknowledges that carriers have made "comprehensive, and multi-faceted" efforts to educate and inform consumers in a technology transitions situation even before the adoption of the 2016 requirements.⁶⁷ Another opponent mistakenly credits the 2016 outreach mandates with helping achieve the "relatively smooth and seamless" technology transitions in its state.⁶⁸ However, because the 2016 outreach requirements are not yet effective,⁶⁹ the commenter's observations actually demonstrate that carriers engage in effective customer communications about their technology transitions without the need for mandatory prescriptive requirements. Opponents of eliminating the 2016 outreach requirements fail to offer any examples of "any actual harms for the requirements to redress."⁷⁰

24. In the face of carriers' incentives to communicate with customers, one-size-fits-all

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Wireline FNPRM Reply at 7-8; USTelecom Wireline FNPRM Reply at 8; *see also* ITTA Wireline NPRM Comments at 21.

⁶³ *See* Verizon Wireline FNPRM Comments at 11-12; ADTRAN Wireline FNPRM Comments at 7; CenturyLink Wireline FNPRM Comments at 19; NTCA Wireline FNPRM Comments at 10; ITTA Wireline FNPRM Reply at 2; USTelecom Wireline FNPRM Reply at 8; Verizon Wireline FNPRM Reply at 7; ITTA Wireline NPRM Comments at 21. *But see* TDI et al. Wireline FNPRM Reply at 9 (contending "the Commission should not rely on market competition to ensure that carriers meet the same standards required by the rules"); Pennsylvania PUC Wireline FNPRM Reply at 14 (stating that "based upon our experience with technology transitions, the Pa. PUC states that the Commission should not anticipate that residential consumers will continue to be well-informed about copper retirements impacting their service absent Commission-imposed notice obligations").

⁶⁴ *Wireline Infrastructure Order*, 32 FCC Rcd at 11147, para. 45 (finding in conjunction with copper retirements, that "incumbent LECs have strong incentives to work closely with their retail customers in order to retain their business given the competition they face from competitive LECs, cable providers, and wireless providers"). This finding is not surprising, as even the *2016 Technology Transitions Order* acknowledged carriers "strong business incentives to answer customers' questions in a competent and timely manner." *2016 Technology Transitions Order*, 31 FCC Rcd at 8352, para. 184; *see also* ITTA Wireline FNPRM Reply at 3 n.12.

⁶⁵ *See, e.g.*, AT&T Wireline FNPRM Comments at 8 (contending "[c]arriers have an interest to ensure that their customer-facing staff and customers on legacy voice services are fully educated about alternative services in order to win future business"); Verizon Wireline FNPRM Comments at 12 (stating "providers already have systems in place to communicate with customers who are transitioning from copper facilities to fiber, even if those customers can continue to obtain POTS voice service over their new facilities").

⁶⁶ *See* TDI et al. Wireline FNPRM Reply at 9; Pennsylvania PUC Wireline FNPRM Reply at 14.

⁶⁷ *See* CWA Wireline FNPRM Comments at 3-5 (referring to AT&T's extensive consumer outreach efforts in West Delray Beach, FL and Carbon Hill, AL in conjunction with its technology trials prior to adoption of the 2016 outreach mandates); TDI et al. Wireline FNPRM Reply at 8.

⁶⁸ Pennsylvania PUC Wireline FNPRM Reply at 14.

⁶⁹ *Supra* note 60.

⁷⁰ *See* ITTA Wireline FNPRM Reply at 3-4 & n.17 (explaining that the outreach requirements have yet to become effective and that in the over one-and-a-half years that has elapsed since the rules were adopted, "neither PK nor CWA has produced "one example of harm from insufficient notice of a discontinuance under the still-applicable pre-existing rules").

regulatory intrusion is unnecessarily burdensome. We disagree with those commenters that claim that the 2016 requirements provide consumers with “the minimum amount of information” they need to transition from legacy to alternative services and provide carriers “with a flexible blueprint to follow.”⁷¹ The record demonstrates that the 2016 outreach obligations translate to a long list of inflexible and burdensome mandates.⁷² We are therefore persuaded by those commenters that argue that the outreach requirements impose real, and in some cases, quite burdensome, costs on service providers.⁷³

25. Furthermore, our discontinuance obligations⁷⁴ and accessibility⁷⁵ and 911 rules⁷⁶ also protect customers by requiring their carriers to provide timely and necessary information regarding replacement voice services when those carriers seek to cease offering legacy TDM voice service.⁷⁷ For example, our rules require carriers seeking to discontinue a legacy voice service to provide substantially similar information about available replacement service alternatives in their application, including price, as the separate outreach requirement mandates.⁷⁸ The Commission also puts discontinuance applications on public notice, thus triggering its discontinuance review process which gives affected customers the opportunity to comment or object to the application.⁷⁹ Carriers also must ensure, through accessible call centers and customer support—akin to the 2016 telephone hotline accessibility requirement—that information about their voice services and accessibility features are accessible to individuals with disabilities at no additional cost.⁸⁰

⁷¹ CWA Wireline FNPRM Comments at 4.

⁷² See, e.g., ITTA Wireline FNPRM Reply at 4 (contending the Commission followed up with “at least seven references to what carriers discontinuing legacy retail service ‘must’ or are ‘required’ to do or say, covering a minimum of 14 new obligations”).

⁷³ See ADTRAN Wireline FNPRM Comments at 7; NTCA Wireline FNPRM Comments at 9-11 (explaining the burden on small carriers of “[t]he costs of producing specialized materials, staffing dedicated telephone lines at extended hours, developing staff training and implementing other measures as currently required by the Commission are not appropriate to the needs of small providers that are often based in the same communities as the subscribers they serve”); ITTA Wireline FNPRM Reply at 3; see also CenturyLink Wireline FNPRM Comments at 18-19; Verizon Wireline FNPRM Comments at 12; ITTA Wireline NPRM Comments at 21. .

⁷⁴ See 4 CFR §§ 63.71(a), 63.505.

⁷⁵ See 47 U.S.C. §§ 255 (accessibility requirements for telecommunications services and equipment), 617 (accessibility requirements for advanced communications services and equipment); 47 CFR pts 6, 7, and 14. The Commission extended section 255 accessibility requirements to interconnected VoIP services in 2007. See *IP Enabled Services et al.*, Report and Order, 22 FCC Rcd 11275 (2007).

⁷⁶ See 47 CFR §§ 9.5 (interconnected VoIP providers), 20.18 (commercial mobile radio service (CMRS) providers), 64.3001 (telecommunications carriers).

⁷⁷ See, e.g., Verizon Wireline FNPRM Comments at 12 n.45; Verizon Wireline FNPRM Reply at 7 n.24, 8 n.28; ITTA Wireline FNPRM Reply at 2; ITTA NPRM Comments at 21; see also Letter from Katharine Saunders, Counsel to Verizon, to Marlene Dortch, Secretary, FCC, WC Docket No. 17-84, at 1-2 (filed Oct. 19, 2017) (Verizon Oct. 19, 2017 Wireline *Ex Parte* Letter) (indicating carriers are already conscious of accessibility obligations when designing and testing replacement products related to a legacy voice service discontinuance).

⁷⁸ See, e.g., 47 CFR §§ 63.505(e)-(k).

⁷⁹ See 47 CFR §§ 63.71(f).

⁸⁰ See 47 CFR §§ 6.11 (accessible information and documentation requirements for telecommunications service providers and interconnected VoIP services existing prior to October 7, 2010); 14.20(d) (requiring that the information and documentation provided to customers by advanced communications service providers is accessible). Carriers must also train customer service representatives to communicate with individuals with disabilities in order to comply with our accessibility rules. See 47 CFR §§ 6.11(c), 14.20(d); see also 47 CFR § 14.31(b)(2) (requiring carriers to annually—or more frequently, if necessary to update—provide the Commission a certification identifying the name and contact details of designated personnel within their organization to serve as points of contact for

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26. If customers facing a discontinuance of their legacy voice service do not believe that they have sufficient information about a replacement service from a carrier seeking Commission approval to discontinue a legacy voice service, then they can raise these issues in objections to the carrier's discontinuance application and seek to have the Commission remove the application from streamlined processing. Thus, the discontinuance process provides an additional backstop that encourages carriers to communicate with their customers up-front. We agree with USTelecom that "there is no evidence in the record that existing applicable notice requirements are inadequate to notify consumers of service changes."⁸¹ Consequently, we find it unnecessary to continue to impose prescriptive outreach obligations when our rules already obligate carriers to ensure that customers are appropriately informed.⁸²

27. Thus while we agree with PK/CRS that "the test to eliminate these rules is not simply whether they impose cost but whether the public understands what is going on, [and] maintains critical services," our decision to eliminate these outreach rules meets that "test."⁸³ The record reflects that carriers' ongoing customer relationship experience best positions them, not the Commission, to understand and implement effective customer education and communications strategies, and other rules ensure that carriers make available necessary information regarding replacement voice services when those carriers seek to cease offering legacy TDM voice service.⁸⁴ We thus disagree with commenters that assert that the education requirements remain necessary⁸⁵ and that absent such requirements carriers are unlikely to provide the information customers need to understand the changes in their legacy voice

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inquiries or complaints about accessibility issues); Recordkeeping Compliance Certification and Contact Information Registry, <https://www.fcc.gov/general/advanced-communications-services-acs> and <http://apps.fcc.gov/rccci-search/search!companySearchDetails.action> (such contact information is available for each carrier on the Commission's advanced communications accessibility website). In developing training programs, carriers "are encouraged to consider topics on accessibility requirements, means of communicating with individuals with disabilities, commonly used adaptive technology, designing for accessibility, and solutions for accessibility and compatibility." *Implementation of Sections 716 and 717 of the Communications Act of 1934, as Enacted by the Twenty-First Century Communications and Video Accessibility Act of 2010 et al.*, Notice of Proposed Rulemaking, 26 FCC Rcd 3133, 3138, para. 9 & n.34 (2011) (discussing the implementation of 47 CFR § 6.11).

⁸¹ USTelecom Wireline FNPRM Reply at 8; *see also* ITTA Wireline FNPRM Reply at 3.

⁸² ITTA Wireline FNPRM Reply at 2; ITTA Wireline NPRM Comments at 21; *see also, e.g.*, ADTRAN Wireline FNPRM Comments at 7; AT&T Wireline FNPRM Comments at 7; Verizon Wireline FNPRM Comments at 12 n.45; USTelecom Wireline FNPRM Reply at 8 (all agreeing with ITTA's FNPRM Comments); Verizon Wireline FNPRM Reply at 7 n.24, 8 n.28. We reject the argument that we should retain the education and outreach requirements because "public safety and public welfare are at stake" when carriers transition from legacy TDM voice to IP-based or other voice technologies. CWA Wireline FNPRM Comments at 5; *see also* PK/CRS Wireline FNPRM Comments at 6 (asserting critical services must be maintained when carriers transition to their networks). These objections are irrelevant here because they concern the circumstances in which transitions are permitted, rather than education and outreach requirements concerning those transitions. We note that the Act and our existing rules protect vulnerable consumers during technology transitions—for instance, voice service providers have independent consumer protection obligations addressing important accessibility and public safety issues, even when they use IP to deliver their voice services. *See, e.g.*, 47 U.S.C. §§ 255, 617; 47 CFR pts. 6, 7, and 14; 47 CFR §§ 9.5, 20.18, 64.3001.

⁸³ *See* PK/CRS Wireline FNPRM Comments at 6.

⁸⁴ *See, e.g.*, ADTRAN Wireline FNPRM Comments at 7; AT&T Wireline FNPRM Comments at 8; CenturyLink Wireline FNPRM Comments at 19; NTCA Wireline FNPRM Comments at 9; ITTA Wireline FNPRM Reply at 2; Verizon Wireline FNPRM Reply at 7. CWA Wireline FNPRM Comments at 4; *see also* TDI et al. Wireline FNPRM Comments at 11; TDI et al. Wireline FNPRM Reply at 7-8; NASUCA Wireline FNPRM Reply at 12.

⁸⁵ *See* CWA Wireline FNPRM Comments at 4; PK/CRS Wireline FNPRM Comments at 6-7; TDI et al. Wireline FNPRM Comments at 10-11; TDI et al. Wireline FNPRM Reply at 7-8; Pennsylvania PUC Wireline FNPRM Reply at 14-15; NASUCA Wireline FNPRM Reply at 11-12.

services without these enforceable outreach requirements.⁸⁶

28. What's more, by eliminating these prescriptive and unnecessary requirements, we help accelerate the important and ongoing process of technology transitions to next-generation IP-based services and networks by significantly reducing additional costs and unnecessary regulatory burdens that would be imposed on carriers as part of this transition.⁸⁷ Eliminating unnecessary costs and burdens having scant apparent countervailing benefits,⁸⁸ frees up carrier resources to devote to a more rapid and efficient transition to next-generation networks and services. At the same time, we reiterate that we expect and encourage carriers to continue to collaborate with and educate their customers and state entities to ensure that customers are given sufficient time to accommodate the transition to new technologies, such that key functionalities are not lost during this period of change.⁸⁹

4. Streamlining Applications to Discontinue Legacy Voice Services

29. In the interest of further encouraging deployment of next-generation networks, we amend our rules to allow carriers to use either the "adequate replacement test"⁹⁰ or a new "alternative options test"⁹¹ to qualify for streamlined treatment of applications to discontinue legacy voice services. We also further streamline applications to grandfather legacy voice services at or above speeds of 1.544 Mbps.

30. *New Streamlining Option.* Under the new alternative options test, if a discontinuing carrier shows in its application that (1) it provides a stand-alone interconnected VoIP⁹² service throughout

⁸⁶ See PK/CRS Wireline FNPRM Comments at 6-7; see also CWA Wireline FNPRM Comments at 3-5; TDI et al. Wireline FNPRM Comments at 10-11; Pennsylvania PUC Wireline FNPRM Reply at 14.

⁸⁷ *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11194, para. 177.

⁸⁸ Apart from duplicating information already provided to customers through normal business practices or other Commission requirements, one carrier submits that this "exhaustive information" may so overwhelm its customers that they ignore it altogether. See CenturyLink Wireline FNPRM Comments at 19.

⁸⁹ *Wireline Infrastructure Order*, 32 FCC Rcd at 11149-50, paras. 48-50; see also TDI et al. Wireline FNPRM Reply at 8-9 (asserting some state entities, like Telephone Relay Service administrators, Equipment Distribution Program administrators, and public utility/service commissions already engage in consumer outreach or serve as a resource to these consumers when they have questions about their communications services or CPE); ITTA Wireline FNPRM Reply at 5; cf. Ohio PUC Wireline NPRM Comments at 4-5; Maryland OPC Wireline NPRM Comments at 5-6 (both describing collaboration between carriers and state entities).

⁹⁰ 47 CFR §§ 63.71(f), 63.602; *2016 Technology Transitions Order*, 31 FCC Rcd at 8304-06, paras. 63-67. Under the adequate replacement test, applications seeking to discontinue a legacy TDM-based voice service as part of a transition to a newer technology, such as VoIP, wireless, or some other advanced service (technology transition discontinuance applications), are required to satisfy a three-pronged test in order to be entitled to streamlined treatment. Specifically, the adequate replacement test requires a technology transition discontinuance application to "certify[] or show[] that one or more replacement service(s) offers all of the following: (i) substantially similar levels of network infrastructure and service quality as the applicant service; (ii) compliance with existing federal and/or industry standards required to ensure that critical applications such as 911, network security, and applications for individuals with disabilities remain available; and (iii) interoperability and compatibility with an enumerated list of applications and functionalities determined to be key to consumers and competitors." *2016 Technology Transitions Order*, 31 FCC Rcd at 8305, para. 65.

⁹¹ We clarify that we are not making any findings that the stand-alone interconnected VoIP service necessary for the discontinuing carrier to meet the first prong of the test and whatever alternative voice service(s) meets the second prong of the test are necessarily substitutes or in the same product market for all potential customers in the affected service area. Rather, we merely intend to ensure that under this streamlined test, the community has, at a minimum, at least one alternative voice service to the discontinuing carrier's replacement service, as distinguished from the adequate replacement test where only a single voice replacement service need be available to meet that test.

⁹² For purposes of the option for streamlined treatment of applications to discontinue legacy voice services that we adopt today, "stand-alone" means that a customer is not required to purchase a separate broadband service to access the voice service. "Interconnected VoIP" is defined in section 9.3 of our rules. See 47 CFR § 9.3. To be clear,

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the affected service area, and (2) at least one other stand-alone facilities-based voice service is available from another provider⁹³ throughout the affected service area, the discontinuance application will be entitled to 15-day comment and 31-day automatic grant processing periods unless the Commission notifies the applicant otherwise. These streamlined processing timeframes apply uniformly to all carriers meeting the alternative options test, regardless of whether the carrier is considered dominant or non-dominant with respect to the legacy voice service it is seeking to discontinue.⁹⁴

31. Importantly, the alternative options test complements, rather than replaces, the adequate replacement test adopted in the *2016 Technology Transitions Order*. Pursuant to the adequate replacement test, an applicant can receive streamlined treatment by demonstrating that a single adequate replacement service exists in the affected service area.⁹⁵

32. As the record, and our own data, clearly demonstrate, the number of switched access lines has “continued to plummet,” while the “number of interconnected VoIP and mobile voice subscriptions have continued to climb.”⁹⁶ The record also shows strong support for further streamlining the section 214(a) discontinuance process for legacy voice services for carriers in the midst of a technology transition.⁹⁷ By providing additional opportunities to streamline the discontinuance process

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while over-the-top VoIP can meet the definition of interconnected VoIP in section 9.3 of our rules, it does not satisfy the requirement of “stand-alone” for purposes of the alternative streamlined option we adopt today.

⁹³ The provider of the alternative stand-alone facilities-based voice service must be unaffiliated with the discontinuing carrier.

⁹⁴ Cf. *2016 Technology Transitions Order*, 31 FCC Rcd at 8290, para. 19 & n.43 (declaring that incumbent LECs are “non-dominant in their provision of interstate switched access services” but specifically not addressing their status with respect to their provision of special access services). Thus, for example, to the extent incumbent LECs offer enterprise voice services such as ISDN PRI over legacy TDM special access facilities for which they are still considered dominant and otherwise subject to the longer dominant carrier processing timeframes of 30/60 days, they now will be entitled to the 15/31 day processing periods under the option we adopt today. See, e.g., *Petition of AT&T Inc. for Forbearance Under 47 U.S.C. § 160(c) from Title II and Computer Inquiry Rules with Respect to Its Broadband Services*; *Petition of BellSouth Corporation for Forbearance Under Section 47 U.S.C. § 160(c) from Title II and Computer Inquiry Rules with Respect to Its Broadband Services*, Memorandum Opinion and Order, 22 FCC Rcd 18705-06, para. 1 & n.4 (2007) (specifically declining to extend forbearance from dominant carrier regulation to all traditional, TDM-based DS1 and DS3 special access services).

⁹⁵ See *2016 Technology Transitions Order*, 31 FCC Rcd at 8305, para. 65; 47 CFR § 63.71(f).

⁹⁶ AT&T Wireline NPRM Comments at 41 (citing FCC, Wireline Competition Bureau, Industry Analysis and Technology Division, Voice Telephone Services: Status as of June 30, 2016 at 2 (2017), https://apps.fcc.gov/edocs_public/attachmatch/DOC-344500A1.pdf); see also Verizon Apr. 26, 2018 *Ex Parte* Letter at 2. According to the most recent statistics released by the Commission’s Industry Analysis and Technology Division of the Wireline Competition Bureau, there were 58 million traditional “switched access” lines in service, 63 million interconnected VoIP subscriptions, and 341 million mobile subscriptions in the United States as of December 2016. FCC, Wireline Competition Bureau, Industry Analysis and Technology Division, Voice Telephone Services: Status as of December 31, 2016 at 2 (2018), https://apps.fcc.gov/edocs_public/attachmatch/DOC-349075A1.pdf. These figures represented a three-year compound annual growth rate of 10 percent for interconnected VoIP subscriptions and 3 percent for mobile voice subscriptions, while retail switched access lines declined at 12 percent per year over the same period. *Id.*; see also AT&T Wireline FNPRM Comments at 5-6; CenturyLink Wireline FNPRM Comments at 15-16; Verizon Wireline FNPRM Comments at 3-4; ADTRAN Wireline FNPRM Comments at 7; AT&T Wireline NPRM Comments at 41-42; Verizon Wireline NPRM Comments at 34-35; ITTA Wireline NPRM Comments at 18; USTelecom Wireline NPRM Comments at 37-38; AT&T Wireline NPRM Reply at 32-33; CenturyLink Wireline NPRM Reply at 21-22.

⁹⁷ See, e.g., Verizon Wireline FNPRM Comments at 11; AT&T Wireline FNPRM Comments at 5-7; CenturyLink Wireline FNPRM Comments at 15-18; ITTA Wireline FNPRM Comments at 10-20; NTCA Wireline FNPRM Comments at 8 (stating that “where customers can access from the respective carrier VoIP, as well as voice service from a second provider in the service area, only a streamlined process should apply”); ADTRAN Wireline FNPRM

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for legacy voice services, with appropriate limitations to protect consumers and the public interest, we allow carriers to more quickly redirect resources to next-generation networks, and the public to receive the benefit of those new networks.

33. Some commenters urge us to eliminate the adequate replacement test in favor of a simpler approach to streamlined treatment of applications to discontinue legacy voice services.⁹⁸ Others urge us to retain the adequate replacement test, expressing concerns about the potential impact on, for example, utilities and vulnerable populations.⁹⁹

34. We find the better course is to retain the adequate replacement test and give applicants the choice of seeking streamlined treatment under either the adequate replacement test or the alternative options test.¹⁰⁰ Applicants seeking streamlined treatment under the adequate replacement test must engage in testing and other regulatory compliance obligations to demonstrate the existence of at least one adequate replacement service.¹⁰¹ By contrast, applicants seeking streamlined treatment under the alternative options test must themselves offer stand-alone interconnected VoIP, and at least one other stand-alone facilities-based voice service must be available from another unaffiliated provider throughout the affected service area. Where only one potential replacement service exists, a carrier must meet the more rigorous demands of the adequate replacement test in order to receive streamlined treatment of its discontinuance application. But where there is more than one facilities-based alternative, at least one of which is a stand-alone interconnected VoIP offering provided by the discontinuing carrier, we expect customers will benefit from competition between facilities-based providers.¹⁰² The stand-alone interconnected VoIP service option required to meet the alternative options test embodies managed service quality and underlying network infrastructure,¹⁰³ and disabilities access¹⁰⁴ and 911 access

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Comments at 6-7; AT&T Wireline FNPRM Reply at 8-9; USTelecom Wireline FNPRM Reply at 7; Verizon Wireline NPRM Comments at 38-39.

⁹⁸ See, e.g., Verizon Wireline FNPRM Comments at 10-11; AT&T Wireline FNPRM Comments at 5-7; CenturyLink Wireline FNPRM Comments at 15-18; ITTA Wireline FNPRM Comments at 10-20; NTCA Wireline FNPRM Comments at 8 (stating that “where customers can access from the respective carrier VoIP, as well as voice service from a second provider in the service area, only a streamlined process should apply”); ADTRAN Wireline FNPRM Comments at 6-7; AT&T Wireline FNPRM Reply at 8-9; USTelecom Wireline FNPRM Reply at 7; AT&T Wireline NPRM Comments at 42-43; Verizon Wireline NPRM Comments at 38-39; Verizon Wireline NPRM Reply at 27-28; Letter from Katharine R. Saunders, Managing Assoc. General Counsel, Fed. Regulatory and Legal Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, at 3 (filed Aug. 24, 2017) (Verizon Aug. 24, 2017 *Ex Parte* Letter).

⁹⁹ See, e.g., NRECA Wireline FNPRM Comments at 3; TDI et al. Wireline FNPRM Comments at 2-3, 8-9; UTC Wireline NPRM Comments at 31-33; AARP Wireline NPRM Comments at 16; California PUC Wireline NPRM Comments at 35-36; TDI et al. Wireline NPRM Comments at 3-4; California Wireline NPRM Reply at 12.

¹⁰⁰ This action is consistent with the Commission’s requests for comment on ways to further streamline the discontinuance process for legacy voice services. See *Wireline Infrastructure Notice*, 32 FCC Rcd at 3295, paras. 95-96; *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11192-93, paras. 171-75.

¹⁰¹ See *supra* note 90; see also *2016 Technology Transitions Order*, 31 FCC Rcd at 8314, para. 91. In addition, the streamlined treatment afforded such carriers depends on whether they are treated as dominant or non-dominant with respect to the legacy voice service they are seeking to discontinue. 47 CFR § 63.71(f).

¹⁰² For example, where the alternative voice option is another facilities-based VoIP service offered by a competing wireline provider, consumers will benefit from both choice and competition between the two providers. See Mark Israel, Daniel Rubinfeld & Glenn Woroch, *Analysis of the Regressions and Other Data Relied Upon in the Business Data Services FNPRM and a Proposed Competitive Market Test*, at 39-40 (dated June 28, 2016) (filed June 28, 2016); see also Howard A. Shelanski, *Adjusting Regulation to Competition: Toward a New Model for U.S. Telecommunications Policy*, 24 Yale J. on Reg. 24, 92 (2007).

¹⁰³ See *2016 Technology Transitions Order*, 31 FCC Rcd at 8306, para. 69. The managed nature of the stand-alone interconnected VoIP service option embodies the concept articulated in the *2016 Technology Transitions Order* that “consumers expect and deserve a replacement that will provide comparable network quality and service

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requirements,¹⁰⁵ key components of the Commission's 2016 streamlining action.¹⁰⁶ The two parts of the alternative options test thus address commenters' concerns about potentially inadequate mobile wireless replacement services for customers requiring service quality guarantees¹⁰⁷ and their concerns that vulnerable populations will be unable to use specialized equipment for people with disabilities, such as TTYs or analog captioned telephone devices¹⁰⁸ or will be left without access to 911.¹⁰⁹ As a result, under either test, customers will be assured a smooth transition to a voice replacement service that provides capabilities comparable to legacy TDM-based voice services and, often, numerous additional advanced capabilities.¹¹⁰

35. We recognize that some commenters have advocated for an even simpler approach to qualifying for streamlined treatment of legacy voice discontinuance applications. Most notably, there is some support in the record for AT&T's recommendation that a discontinuing carrier only be required to show that any "fixed or mobile voice service, including interconnected VoIP" be available to qualify for

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performance." *Id.*; see also Verizon Oct. 19, 2017 Wireline *Ex Parte* Letter at 2 (describing the managed nature of Verizon's Fios Digital Voice).

¹⁰⁴ See 47 U.S.C. §§ 255 (requiring access to telecommunications services and interconnected VoIP services), 617 (requiring access to advanced communications services); 47 CFR pts. 6, 7, and 14.

¹⁰⁵ See 47 CFR §§ 64.3001 (telecommunications carriers), 9.5 (Interconnected VoIP providers), and 20.18 (Commercial Mobile Radio Service providers).

¹⁰⁶ See *supra* note 90. Because state commissions will continue to receive notices of planned discontinuances, see 47 CFR § 63.71(a); see also Verizon Wireline NPRM Comments at 32, they will also remain in a position "to bring to our attention the effects of discontinuances upon customers who may be unable themselves to inform us that they lack substitute service." *Implementation of Section 402(b)(2)(A) of the Telecom. Act of 1996; Petition for Forbearance of the Independent Tel. & Telecom. Alliance*, Report and Order and Second Memorandum Opinion and Order, 14 FCC Rcd 11364, 11381, para. 32 (1999) (*Section 402 Implementation Order*). In such instances, we have the ability to delay grant of discontinuance authorization if we believe customers would otherwise face an unreasonable degree of hardship. See *Policy and Rules Concerning Rates for Competitive Common Carrier Services and Facilities Authorizations Therefor*, First Report and Order, 85 F.C.C.2d 1, 49, para. 146 (1980) (*Competitive Carrier First Report and Order*).

¹⁰⁷ See, e.g., NRECA Wireline FNPRM Comments at 6-7; AARP Wireline NPRM Comments at v, 11-12.

¹⁰⁸ See, e.g., TDI et al. Wireline FNPRM Comments at 2-3, 8-9; AARP Wireline NPRM Comments at 16; California PUC Wireline NPRM Comments at 35-36; TDI et al. Wireline NPRM Comments at 3-4; California Wireline NPRM Reply at 12.

¹⁰⁹ See, e.g., PK/CRS Wireline FNPRM Comments at 5; AARP Wireline NPRM Comments at 17; California Wireline NPRM Comments at 35-36; TDI et al. Wireline NPRM Comments at 3-4.

¹¹⁰ See, e.g., Verizon Oct. 19, 2017 Wireline *Ex Parte* Letter at 1-2 (describing Verizon's Fios Digital Voice Service, a managed interconnected VoIP service that offers the same functionality as legacy TDM-based voice service); Verizon Apr. 26, 2018 *Ex Parte* Letter at 2; Letter from John E. Benedict, V.P. Federal Regulatory Affairs & Regulatory Counsel, CenturyLink, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-84, at 2 (filed Oct. 20, 2017) (CenturyLink Oct. 20, 2017 Wireline *Ex Parte* Letter); CenturyLink Business, White Paper: The Business Benefits of VoIP, at 3-4 (2016), <http://www.centurylink.com/asset/business/enterprise/white-paper/business-benefits-voip-whitepaper-WP160048.pdf>; see also ITTA Wireline NPRM Comments at 18; cf. CenturyLink Wireline NPRM Comments at 35-36 (asserting that "the Commission should adopt a presumption that discontinuances are permitted in all cases where there exists a reasonably comparable retail alternative"); AARP Wireline NPRM Comments at 12 (stating that "to the extent that legacy TDM-based connections are replaced by fiber-to-the-premises (FTTP), AARP believes that it is much less likely that harms will arise, and will also provide evidence of good-faith efforts of carriers to advance technology deployment"). This action is also consistent with the Commission's finding in the Competitive Carrier proceeding that "simplifying applications for discontinuance of service, when service alternatives are likely to exist, is consistent with congressional intent." See *Competitive Carrier First Report and Order*, 85 F.C.C.2d at 43, para. 128.

streamlined treatment.¹¹¹ We do not think this approach strikes the right balance between facilitating the technology transition and our statutory obligation to ensure that “neither the present nor future public convenience and necessity will be adversely affected” by discontinuance of legacy voice services.¹¹² AT&T’s approach would allow further streamlined processing for discontinuance applications where only one replacement voice service is available, and where the replacement service could be *any* voice service, including over-the-top VoIP or mobile wireless. Consequently, it fails to ensure the availability of a voice replacement service in the community as a condition to obtaining streamlined treatment that sufficiently addresses commenters’ concerns raised in this proceeding about the characteristics of the replacement voice service, and it does not carry the added benefit of ensuring the availability of multiple alternatives to affected customers, whether present or future.

36. We also reject certain commenters’ requests that we make a generalized finding that discontinuing a legacy voice service in favor of any type of voice replacement service would not adversely affect the public convenience and necessity, effectively amounting to blanket discontinuance authority for legacy voice services.¹¹³ Likewise, to be clear, the alternative options test we adopt today makes no such generalized finding about the services meeting the two-part test, thereby eliminating any concern regarding such a potential finding.¹¹⁴ While a carrier may use the alternative options test to receive streamlined treatment of its discontinuance application, customers that have concerns about a particular carrier’s stand-alone interconnected VoIP replacement service may still file comments or objections to that carrier’s discontinuance application,¹¹⁵ and the Commission will evaluate those comments or objections to determine whether to remove the application at issue from streamlined processing for further evaluation under the traditional five-factor test. We determine whether approving a discontinuance application is in the public interest based on several factors, not just the adequacy of the replacement service.¹¹⁶ We decline to ignore the other factors, as commenters’ request would require, and reach a blanket public interest determination based on a single factor.

37. Finally, we are unpersuaded by commenter concerns that large enterprise or government customers will be adversely affected by further streamlined processing of legacy voice discontinuance applications that do not meet the adequate replacement test.¹¹⁷ By our actions today, like all our streamlining actions, we do not intend to disturb existing contractual obligations between carriers and

¹¹¹ AT&T Wireline NPRM Comments at 42-43; *see also* Verizon Wireline FNPRM Comments at 10; AT&T Wireline FNPRM Comments at 5-7; CenturyLink Wireline FNPRM Comments at 17; AT&T Wireline FNPRM Reply at 10; USTelecom Wireline FNPRM Reply at 7; Verizon Wireline FNPRM Reply at 6; Verizon Wireline NPRM Reply at 27-28.

¹¹² 47 U.S.C. § 214(a).

¹¹³ *See, e.g.*, AT&T Wireline FNPRM Comments at 7; ADTRAN Wireline FNPRM Comments at 6-7; ITTA Wireline FNPRM Comments at 11-12; USTelecom Wireline NPRM Comments at 37; AT&T Wireline NPRM Comments at 44-45; Verizon Wireline NPRM Reply at 26-27; ITTA Wireline NPRM Comments at 18; *see also* Verizon Wireline FNPRM Comments at 5-8; CenturyLink Wireline FNPRM Comments at 15-16; CenturyLink Wireline NPRM Comments at 39-40; NTCA Wireline NPRM Comments at 20.

¹¹⁴ *See, e.g.*, AICC Wireline NPRM Comments at 11-13.

¹¹⁵ *See infra* Appx. A, revised § 63.71(f)(1), (2)(ii).

¹¹⁶ *See Verizon Expanded Interconnection Discontinuance Order*, 18 FCC Rcd at 22742, para. 8; *see also* Windstream Wireline FNPRM Comments at 4.

¹¹⁷ *See, e.g.*, NRECA Wireline FNPRM Comments at 6-7; UTC Wireline FNPRM Comments at 7-8; UTC Wireline FNPRM Reply at 8-10; California PUC Wireline NPRM Comments at 36; Harris Corp. Wireline NPRM Comments at 2-4; Ad Hoc Wireline FNPRM Reply at 10-11, 13; Alliant et al. Wireline NPRM Reply at 6; UTC Wireline NPRM Reply at 35-36; NTIA *Ex Parte*, WC Docket No. 17-84, at 3-4 (filed Oct. 27, 2017) (NTIA Wireline Oct. 27, 2017 *Ex Parte*).

their customers.¹¹⁸ And as the Commission has found, carriers are accustomed to working with customers, such as government users, to avoid service disruptions.¹¹⁹ We have no reason to depart from the expectation that carriers will “continue to collaborate with their [enterprise or government] customers, especially utilities and public safety and other government customers, to ensure that they are given sufficient time to accommodate the transition to [next-generation services] such that key functionalities are not lost during this period of change.”¹²⁰ The record confirms such collaborations routinely occur.¹²¹ Moreover, as with all discontinuance applications, customers are able to file comments in opposition to a discontinuance application and seek to have the Commission remove the application from streamlined processing.¹²²

38. *Streamlining Additional Grandfathering Applications.* We also further streamline our discontinuance processes for applications seeking to grandfather legacy voice services. As discussed above, last fall the Commission adopted streamlined comment and automatic grant periods of 10 and 25 days, respectively, for applications seeking to grandfather legacy voice services at speeds below 1.544 Mbps.¹²³ We now extend this same streamlined processing to applications seeking to grandfather *any* legacy voice service, including enterprise voice services such as T1 CAS and Integrated Service Digital Network (ISDN) used for voice.¹²⁴ The record supports this action.¹²⁵

39. As the Commission found in the *Wireline Infrastructure Order*, compliance with our section 214(a) discontinuance rules imposes costs on carriers and diverts carriers’ resources away from investment in deploying next-generation networks and services.¹²⁶ Moreover, as existing customers will be entitled to maintain their legacy voice services, they will not be harmed by grandfathering applications.¹²⁷ Once that carrier seeks to permanently discontinue the grandfathered legacy voice service, streamlined processing is only available if that carrier meets either the alternative options test we adopt today or the adequate replacement test adopted in 2016.

¹¹⁸ See, e.g., *BDS Order*, 32 FCC Rcd 3459, 3533, para. 170. Large enterprise and government customers generally enter into negotiated contracts for the provision of telecommunications services given their unique requirements. See, e.g., Verizon Apr. 26, 2018 *Ex Parte* Letter at 3.

¹¹⁹ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11168, para. 106.

¹²⁰ *Id.* at 11149, para. 48.

¹²¹ See, e.g., Verizon Wireline FNPRM Reply at 7; USTelecom Wireline NPRM Comments at 34-35; CenturyLink Oct. 20, 2017 Wireline *Ex Parte* Letter at 4.

¹²² See 47 CFR § 63.71(f); *infra* Appx. A, revised § 63.71(f)(1).

¹²³ See *supra* para. 7.

¹²⁴ See, e.g., *Technology Transitions et al.*, GN Docket No. 13-5 et al., Petition for Reconsideration or Clarification of the National Telecommunications and Information Administration, at 2, 6-7 (filed Oct. 12, 2016).

¹²⁵ See, e.g., CenturyLink Wireline FNPRM Comments at 16; CenturyLink Oct. 20, 2017 Wireline *Ex Parte* Letter at 4; *cf.* NTIA Wireline Oct. 27, 2017 *Ex Parte* at 6 (agreeing with the statement in the *Wireline Infrastructure Notice* that grandfathering “allows . . . customers to begin transition planning well in advance of an eventual service discontinuance,” but proposing grandfathering as a requirement for services provided to federal customers).

¹²⁶ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11162, para. 87; *see also* CenturyLink Wireline FNPRM Comments at 16.

¹²⁷ See, e.g., CenturyLink Oct. 20, 2017 Wireline *Ex Parte* Letter at 4; NTIA Wireline Oct. 27, 2017 *Ex Parte* at 5; *see also* CWA Wireline FNPRM Comments at 2-3; PK/CRS Wireline FNPRM Comments at 7; NASUCA Wireline FNPRM Reply at 12. When a carrier chooses to grandfather a legacy voice service to its existing customers, it effectively chooses to notify those customers twice of its ultimate intent to discontinue their service—once when the carrier provides notice of its grandfathering application and once when it provides notice of its application to permanently discontinue the service. Each application must separately comply with our section 214(a) discontinuance rules.

40. *Other Issues—Forbearance.* We reject certain commenters’ proposal that we forbear from applying section 214(a)’s discontinuance requirements to carriers seeking to transition from legacy voice services to next-generation replacement services. The criteria necessary to satisfy a grant of forbearance are not met at this time.¹²⁸

41. Commenters seeking forbearance assume the ubiquitous availability of next-generation advanced services.¹²⁹ However, this assumption does not bear out in many rural areas of this country,¹³⁰ thus implicating our statutory obligation to ensure that “[c]onsumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.”¹³¹ The Commission has previously recognized Congress’ concern that “discontinuance by the only carrier serving a market . . . would leave the public without adequate communications service.”¹³² We thus find that forbearance would not “promote competitive market conditions”¹³³ because it would eliminate our ability to ensure the existence of any alternatives.¹³⁴ Moreover, if we forbear from our section 214(a) discontinuance requirements, we will be unable to ensure that there is adequate notice of a planned discontinuance, regardless of the availability of multiple alternatives.¹³⁵ And should we forbear from requiring that discontinuing carriers file applications and related certifications before discontinuing service, we would lose the opportunity to ensure the accuracy of carriers’ own determinations regarding, among other things, the reliability and affordability of the replacement services and the availability of those services to all affected customers.¹³⁶ Thus, on this record, enforcement of our section 214(a) discontinuance requirements is “necessary for the protection of

¹²⁸ 47 U.S.C. § 160(a); *see also supra* para. 16.

¹²⁹ *See, e.g.*, Verizon Wireline FNPRM Comments at 9; ADTRAN Wireline FNPRM Comments at 6-7; NRECA Wireline FNPRM Comments at 4-5; Verizon FNPRM Reply at 6; Verizon Wireline NPRM Comments at 35-36; CenturyLink Wireline NPRM Comments at 39-40; ITTA Wireline NPRM Comments at 22; CenturyLink Wireline NPRM Reply at 23; Verizon Aug. 24, 2017 Wireline *Ex Parte* Letter at 3; *cf.* NTCA Wireline NPRM Comments at 19-20 (arguing that replacing a legacy service with an advanced service that provides greater capabilities should not be considered a discontinuance of service).

¹³⁰ *See* NRECA Wireline FNPRM Comments at 4-5; NASUCA Wireline FNPRM Reply at 9-11; *see also* ADTRAN Wireline FNPRM Comments at 2-3; Illinois Elec. Coop. Wireline FNPRM Comments at 3.

¹³¹ 47 U.S.C. § 254(b)(3).

¹³² *Competitive Carrier First Report and Order*, 85 F.C.C.2d at 43, para. 128; *see also Section 402 Implementation Order*, 14 FCC Rcd at 11380, para. 29 (declining to adopt blanket exit authority “[b]ecause of the potential impact on consumers of the discontinuance, reduction, or impairment of service by a carrier”); *cf.* Verizon Wireline FNPRM Comments at 7-8 (“An individual provider’s discontinuance of an individual service offering does not discontinue, reduce, or impair ‘service’ to a community so long as the affected community can still obtain comparable service from either that provider or elsewhere in the marketplace.”).

¹³³ 47 U.S.C. § 160(b).

¹³⁴ *See* NRECA Wireline FNPRM Comments at 4-6. We reject NTCA’s argument that we should look only to whether a discontinuance will result in the cessation of voice service for the same reasons we reject forbearance. *See* NTCA Wireline FNPRM Comments at 8.

¹³⁵ *See Section 402 Implementation Order*, 14 FCC Rcd at 11380, para. 30; *Rhythms Links*, 16 FCC Rcd at 17026, para. 5; *see also* TDI et al. Wireline FNPRM Comments at 9.

¹³⁶ *See, e.g.*, CWA Wireline FNPRM Comments at 5-6; Windstream Wireline FNPRM at 4; Greenlining Wireline FNPRM Comments at 2; TDI et al. Wireline FNPRM Comments at 8-9; NASUCA Wireline FNPRM Reply at 8; *see also* NRECA Wireline FNPRM Comments at 6-7.

consumers”¹³⁷ and forbearance would not be consistent with the public interest,¹³⁸ making forbearance from those requirements inappropriate at this time.¹³⁹

42. *Other Issues—Notice Only.* For the same reason that we decline to forbear from section 214(a), we reject commenters’ proposal that we require no more than a notice to the Commission that affected customers have been “properly notified” about the transition or about the alternative services available in the affected service area.¹⁴⁰ Requiring a simple notice to the Commission rather than an application seeking Commission authorization of the planned discontinuance would abrogate our responsibility under section 214(a) to ensure that the discontinuance will not adversely affect the present or future public convenience or necessity.¹⁴¹

B. Network Change Disclosure Reforms

43. Today, recognizing significant changes in the marketplace and technology over the past several years, we take additional actions to further reduce unnecessary and redundant regulatory burdens and delay on incumbent LECs when making network changes while continuing to ensure that interconnecting carriers have adequate information and time to accommodate such changes. We also eliminate unnecessary notice requirements pertaining to the connection of customer premises equipment (CPE) to the public switched telephone network (PSTN). And we take action to ensure that carriers can expeditiously return their communications networks to working order in the face of events beyond their control. Finally, we retain the way in which the Commission calculates the waiting period for short-term network change notices.

1. Eliminating Section 51.325(a)(3)

44. We eliminate the provision in section 51.325 of our rules requiring incumbent LECs to provide public notice of network changes that “will affect the manner in which customer premises equipment is attached to the interstate network.”¹⁴² As the record demonstrates, incumbent LECs’ engagement and collaboration with CPE manufacturers today renders this separate notice requirement unnecessary.¹⁴³

45. When the Commission adopted section 51.325(a)(3), it was concerned that an incumbent LEC controlling the underlying transmission facilities that also had affiliates engaged in the manufacture

¹³⁷ 47 U.S.C. § 160(a)(2); *see also* NRECA Wireline FNPRM Comments at 4-5.

¹³⁸ 47 U.S.C. § 160(a)(3); *see also* NASUCA Wireline FNPRM Reply at 10.

¹³⁹ *Cf. Section 402 Implementation Order*, 14 FCC Rcd at 11380, para. 29. Indeed, because the service at issue is basic telephone service, we must be given the opportunity to scrutinize whether the planned discontinuance would result in an unreasonable degree of consumer hardship, *see Rhythms Links*, 16 FCC Rcd at 17028, para. 10, including considering “the availability of reasonable substitutes, and whether customers have had a reasonable opportunity to migrate.” *Id.* at 17027, para. 8.

¹⁴⁰ *See* CenturyLink Wireline NPRM Comments at 39; *see also* ITTA Wireline FNPRM Comments at 12-14; ITTA Wireline NPRM Comments at 17-18.

¹⁴¹ *See* 47 U.S.C. § 214(a); *see also supra* para. 41; Windstream Wireline FNPRM Comments at 4-5; TDI et al. Wireline FNPRM Comments at 9-10; CWA Wireline FNPRM Comments at 5-6; Pennsylvania PUC Wireline FNPRM Reply at 11-12; NASUCA FNPRM Reply at 8.

¹⁴² *See* 47 CFR § 51.325(a)(3).

¹⁴³ *See* AT&T Wireline FNPRM Comments at 8-10; ADTRAN Wireline FNPRM Comments at 4-5; ITTA Wireline FNPRM Comments at 7-9; NTCA Wireline FNPRM Comments at 6-7; Verizon Wireline FNPRM Comments at 16-17; AT&T Wireline FNPRM Reply at 6-8; USTelecom Wireline FNPRM Reply at 4; Verizon Wireline FNPRM Reply at 12-13; AT&T Wireline NPRM Comments at 35-37; *see also infra* para. 47.

of CPE might give those affiliates a competitive advantage.¹⁴⁴ This is no longer the case. The record confirms that incumbent LECs no longer have the same control of the PSTN, nor do they enjoy the market power they did two decades ago with respect to the manufacture of CPE.¹⁴⁵

46. We find that CPE manufacturers, including those engaged in providing essential communications equipment and assistive technologies, will have the same access to information when changes to a provider's network or operations have the potential to render certain devices incompatible to ensure their ability to develop new compatible equipment.¹⁴⁶ Significantly, no CPE manufacturer opposes the elimination of section 51.325(a)(3). Indeed, the only CPE manufacturer that submitted comments on this issue supports its elimination.¹⁴⁷

47. The role played by the Administrative Council for Terminal Attachments (ACTA) in overseeing the adoption of specific technical criteria for terminal equipment further justifies elimination of section 51.325(a)(3).¹⁴⁸ The Commission established ACTA, a non-governmental entity whose membership fairly and impartially represents all segments of the telecommunications industry,¹⁴⁹ for the express purpose of privatizing the standards development and terminal equipment approval processes for the connection of CPE to the PSTN and certain private-line services.¹⁵⁰ Through ACTA, incumbent LECs and other service providers work collaboratively with CPE manufacturers, independent testing labs, and other interested industry segments, to openly share the information necessary to ensure CPE compliance and compatibility with the incumbent LEC and other service providers' networks.¹⁵¹ ACTA

¹⁴⁴ See *Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services; 1998 Biennial Regulatory Review—Review of Computer III and ONA Safeguards and Requirements*, Report and Order, 14 FCC Rcd 4289, 4322-23, para. 52 (1999) (*1999 Computer III Remand Order*); see also AT&T Wireline FNPRM Comments at 12; Verizon Wireline FNPRM Comments at 16; AT&T Wireline NPRM Comments at 36.

¹⁴⁵ See AT&T Wireline FNPRM Comments at 9, 12; ADTRAN Wireline FNPRM Comments at 4; Verizon Wireline FNPRM Comments at 16; NTCA Wireline FNPRM Comments at 5; ITTA Wireline FNPRM Comments at 8; Verizon Wireline FNPRM Reply at 12; AT&T Wireline NPRM Comments at 36-37; see also *2000 Biennial Regulatory Review of Part 68 of the Commission's Rules and Regulations*, Report and Order, 15 FCC Rcd 24944, 24946, 24948, paras. 11 (2000) (*2000 Part 68 Biennial Review Order*).

¹⁴⁶ Cf. TDI et al. Wireline FNPRM Comments at 5-7; Pennsylvania PUC Wireline FNPRM Reply at 5-6; see also NASUCA et al. Wireline NPRM Comments at 13-14; NASUCA et al. Wireline NPRM Reply at 14-15; CWA Wireline NPRM Reply at 11; California PUC Wireline NPRM Comments at 32-34; AARP Wireline NPRM Reply at 9 (all arguing that consumers will be harmed should we eliminate section 51.325(a)(3) because they will not have the opportunity to modify or upgrade their CPE ahead of network changes). Incumbent LECs remain subject to sections 201 (interconnection) and 202 (non-discrimination) of the Act, and the Commission has held that the obligations imposed by these statutory provisions apply in the context of CPE. See *1999 Computer III Remand Order*, 14 FCC Rcd at 4323, para. 52. Moreover, CPE manufacturers have never been entitled to direct notice of network changes of any type, even those that might affect the compatibility of CPE. To the extent any manufacturers actively monitor carrier network change notice webpages or Commission announcements of network change notices, they will have the same access to these notices as they have always had.

¹⁴⁷ See ADTRAN Wireline FNPRM Comments at 5.

¹⁴⁸ See <https://www.part68.org/> (explaining the history and purpose of ACTA, which held its inaugural meeting in May 2001); *2000 Part 68 Biennial Review Order*, 15 FCC Rcd at 24946, 24954-57, paras. 5, 25-35; AT&T Wireline FNPRM Comments at 9-11.

¹⁴⁹ See *2000 Part 68 Biennial Review Order*, 15 FCC Rcd at 24961-62, paras.50-51.

¹⁵⁰ See *id.* at 24954-57, paras. 25-35.

¹⁵¹ *Id.* at 24946, 24962, paras. 2, 51; see also <https://www.part68.org/aboutMain.aspx>; AT&T Wireline FNPRM Comments at 13. Equipment manufacturers must also ensure that their products are registered in the ACTA database. See AT&T Wireline FNPRM Comments at 9-10.

must publish public notice of submitted technical criteria, and interested parties may appeal any aspect of those submissions to the Commission.¹⁵²

48. We similarly find that manufacturers will have the opportunity to develop modified or upgraded CPE ahead of network changes in the absence of section 51.325(a)(3), and thus that consumers will not be harmed.¹⁵³ Incumbent LECs facing increasing competition from a variety of sources must engage their customers and keep them fully informed if they hope to retain their business.¹⁵⁴ Because incumbent LECs no longer have a significant presence in the market for the manufacture of CPE,¹⁵⁵ and they wish to remain competitive in today's ever-changing marketplace,¹⁵⁶ they lack a significant incentive to hide changes to their networks that may impair the compatibility of CPE used by their customers.¹⁵⁷ And as the Commission found in eliminating the requirement that incumbent LECs provide direct notice to retail customers of planned copper retirements, incumbent LECs already must engage their retail customers as a normal business practice in order to install the equipment necessary to accommodate fiber lines,¹⁵⁸ at which time they also address CPE compatibility issues.¹⁵⁹

49. Unlike section 51.325(a)'s other delineated types of network changes that were adopted to protect interoperability and interconnection with other carriers' networks and facilities,¹⁶⁰ the Commission adopted section 51.325(a)(3) specifically to protect competitive CPE manufacturers.¹⁶¹ That rationale no longer justifies the rule. Some commenters misunderstand the history of section 51.325(a)(3) and erroneously assert that the Commission's intention in promulgating section 51.325(a)(3) was "to maintain interoperability and uninterrupted, high quality service to the public."¹⁶² While that was the

¹⁵² 2000 Part 68 Biennial Review Order, 15 FCC Rcd at 24962, para. 52; 47 CFR §§ 68.608, 68.614.

¹⁵³ Cf. TDI et al. Wireline FNPRM Reply at 4 (asserting that "[c]onsumers will not be able to modify or upgrade their CPE ahead of network changes if there is not CPE on the market that will work on the new network").

¹⁵⁴ See 47 CFR parts 6, 7, 14; see also *Wireline Infrastructure Order*, 32 FCC Rcd at 11147, paras. 47, 49; see also AT&T Wireline FNPRM Comments at 11; Verizon Wireline FNPRM Comments at 12; USTelecom Wireline FNPRM Reply at 8; cf. *supra* para. 23; CenturyLink Wireline FNPRM at 19 (noting that "carriers have every incentive to keep their customers informed about any changes to their service and how they will affect those customers"); NTCA Wireline FNPRM Comments at 9 (in the context of supporting elimination of consumer outreach and education requirements, noting that "[i]n a competitive marketplace, particularly where voice service may be obtained through a cable, wireless, or VoIP offering, it is in the full interest of providers to ensure that their customers have a sufficient understanding of their service offerings"); ADTRAN Wireline FNPRM Comments at 7 (in the context of supporting elimination of consumer outreach and education requirements, noting consumers' ready willingness to switch providers).

¹⁵⁵ See AT&T Wireline FNPRM Comments at 12; AT&T Wireline NPRM Comments at 36-37; ADTRAN Wireline FNPRM Comments at 4; Verizon Wireline FNPRM Comments at 16; NTCA Wireline FNPRM Comments at 6; ITTA Wireline FNPRM Comments at 8; Verizon Wireline FNPRM Reply at 12.

¹⁵⁶ See, e.g., CenturyLink Wireline FNPRM Comments at 19.

¹⁵⁷ See AT&T Wireline FNPRM Comments at 12-13.

¹⁵⁸ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11147, 11149-50, paras. 45, 49; see also *infra* para. 55; AT&T Wireline FNPRM Comments at 11; NTCA Wireline FNPRM Comments at 6-7.

¹⁵⁹ See, e.g., NTCA Wireline FNPRM Comments at 6-7.

¹⁶⁰ See *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 et al.*, Second Report and Order and Memorandum Opinion and Order, 11 FCC Rcd 19392, 19468-508, paras. 165-260 (1996) (*Second Local Competition Order*).

¹⁶¹ See 1999 *Computer III Remand Order*, 14 FCC Rcd at 4322-23, para. 52; see also AT&T Wireline FNPRM Comments at 12.

¹⁶² TDI et al. Wireline FNPRM Reply at 4 & n.11.

Commission's articulated intention when it adopted section 51.325 in 1996,¹⁶³ it was not until three years later that the Commission added subsection (a)(3).¹⁶⁴ When adding that new provision, the Commission was clear that "[t]he primary purpose of network information disclosure in this context is not to protect intercarrier interconnection, but rather to give competitive manufacturers of CPE adequate advance notice when a carrier intends to alter its network in a way that may affect the manner in which CPE is attached to the network."¹⁶⁵

50. Finally, our rules separately require that incumbent LECs and other service providers and equipment manufacturers ensure the accessibility and usability of their services and equipment by people with disabilities,¹⁶⁶ which of necessity requires collaboration between these two groups, as well as with individuals with disabilities and disability-related organizations.¹⁶⁷ In this regard, we expect that incumbent LECs and other service providers will communicate with state centers that distribute specialized customer premises equipment (SCPE) or peripheral devices commonly used by people with disabilities (such as TTYs and analog captioned telephones), as well as with state telecommunications relay service programs, to alert these entities when there is an expectation that legacy devices routinely used by people with disabilities may no longer work after network changes are in place. When accessibility and usability are not achievable or readily achievable, as applicable, incumbent LEC service providers have an independent obligation to ensure their services are compatible with assistive technologies, so any network change that would impact service accessibility would necessarily need to also ensure CPE compatibility.¹⁶⁸

2. Eliminating Section 68.110(b) Notice to Customers

51. We also eliminate the requirement that carriers give notice to customers of changes to their facilities, equipment, operations, or procedures "[i]f such changes can be reasonably expected to render any customer's terminal equipment incompatible with the communications facilities of the provider of wireline telecommunications . . . to allow the customer to maintain uninterrupted service."¹⁶⁹

¹⁶³ *Id.*

¹⁶⁴ See *1999 Computer III Remand Order*, 14 FCC Rcd at 4322-23, para. 52. See *1999 Computer III Remand Order*, 14 FCC Rcd at 4322-23, para. 52. When the Commission first adopted its part 51 network change disclosure rules in 1996, did not include section 51.325(a)(3) related to CPE. See *Second Local Competition Order*, 11 FCC Rcd at 19472, 19575, para. 173 & n.383, Appx. B; see also *1999 Computer III Remand Order*, 14 FCC Rcd at 4293, 4320-23, paras. 4, 48-53; 47 CFR § 51.325(a) (1996). At that time, a different section of the Commission's rules already required incumbent LECs, and other facilities-based carriers, to publicly disclose, *inter alia*, network information that would affect CPE compatibility. See 47 CFR § 64.702(d)(2) (1996) (codifying the then-existing *Computer II* "all carrier rule" that required that all carriers owning basic transmission facilities disclose to the public all information relating to network design "insofar as such information affects either intercarrier interconnection or the manner in which interconnected CPE operates"); see also *Amendment of Section 64.702 of the Commission's Rules and Regulations*, Memorandum Opinion and Order on Reconsideration, 84 F.C.C. 2d 50, 82-83, para. 95 (1980); see also 47 CFR § 64.702(d)(2). When the Commission subsequently relieved non-incumbent LEC facilities-based carriers of section 64.702(d)(2) obligations three years later, rather than retain CPE notice obligations just for incumbent LECs in part 64 of its rules, the Commission rolled the requirement into the part 51 network change disclosure rules by adding section 51.325(a)(3). See *1999 Computer III Remand Order*, 14 FCC Rcd at 4323, para. 53; see also AT&T Wireline FNPRM Comments at 12.

¹⁶⁵ *Id.*

¹⁶⁶ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11185-86, para. 153; see also *supra* para. 25; 47 CFR §§ 6.5, 14.20.

¹⁶⁷ See NASUCA Wireline FNPRM Reply at 14.

¹⁶⁸ See 47 CFR §§ 6.5(b)(2), 14.20(a)(3); see also *supra* note 75.

¹⁶⁹ 47 CFR § 68.110(b). Part 68 applies to all wireline providers, not just incumbent LECs. See *2000 Part 68 Biennial Review Order*, 15 FCC Rcd at 24968, para. 75.

We find that changes to the communications marketplace generally¹⁷⁰ and to the market for terminal equipment specifically¹⁷¹ render this over 42 year old notice requirement unworkable and unnecessary.¹⁷²

52. The rule made some sense when it was adopted in 1975 as part of the Commission's decision to require carriers to allow third party-manufactured terminal equipment to be directly connected to the network as long as the equipment met specific technical standards set forth by the Commission to prevent network harm.¹⁷³ As part of that regime, the Commission required telephone company customers to notify their provider before connecting any third-party terminal equipment to the network to ensure that the equipment had been registered with the Commission under its new part 68 rules.¹⁷⁴ At the same time, the Commission adopted the reciprocal section 68.110(b) requirement for telephone companies to notify those customers if the telephone company was making any changes to its operations that might affect the compatibility of the customer's third-party equipment.¹⁷⁵

53. Attachment of third-party equipment is now the norm. Customers are no longer required to notify their carriers of the CPE they connect to their providers' networks unless their carrier has specifically required that they do so.¹⁷⁶ Moreover, given the current universe of registered CPE that customers could potentially connect to their provider's network,¹⁷⁷ as commenters explain, carriers cannot reasonably know which of their subscribers use which, if any, of that equipment.¹⁷⁸ As a result, the only

¹⁷⁰ See *supra* paras. 45, 48.

¹⁷¹ See, e.g., AT&T Wireline FNPRM Comments at 12-13. Indeed, consumers have available to them a vast range of CPE devices and, in many cases, have the option of using converter boxes to the extent they choose to keep their analog CPE after their service has been migrated to IP. See AT&T Wireline FNPRM Comments at 13 (citing ATIS PSTN Transition Focus Group Assessment and Recommendations (ATIS-I-000034)). The terms "terminal equipment" and "customer premises equipment (CPE)" are used interchangeably. See, e.g., 2000 Part 68 Biennial Review Order, 15 FCC Rcd at 24994-95, para. 142 (referring to part 68 CPE registration); *Competition in the Interstate Interexchange Marketplace*, Report and Order, 6 FCC Rcd 5880, 5911, para. 186 & n.270 (1991).

¹⁷² See, e.g., AT&T Wireline FNPRM Comments at 8-9; ADTRAN Wireline FNPRM Comments at 5.

¹⁷³ See *Proposals for New or Revised Classes of Interstate and Foreign Message Toll Telephone Service (MTS) and Wide Area Telephone Service (WATS)*, First Report and Order, 56 F.C.C.2d 593, 598-99, para. 16 (1975) (*MTS and WATS Order*), modified in part, 57 F.C.C.2d 1216 (1976), *aff'd sub nom. North Carolina Util. Comm'n v. FCC*, 552 F.2d 1036 (4th Cir.), cert. denied, 434 U.S. 874 (1977); 2000 Part 68 Biennial Review Order, 15 FCC Rcd at 24947-49, paras. 7-10, 15; see also *Proposals for New or Revised Classes of Interstate and Foreign Message Toll Telephone Service (MTS) and Wide Area Telephone Service (WATS)*, Notice of Inquiry, Proposed Rulemaking, and Creation of Federal-State Joint Board, 35 F.C.C.2d 539, 540, para. 3 (1972); AT&T Wireline NPRM Comments at 36; ITTA Wireline NPRM Comments at 15.

¹⁷⁴ See *MTS and WATS Order*, 56 F.C.C.2d at 616; 47 CFR §.64.106 (1975).

¹⁷⁵ See *MTS and WATS Order*, 56 F.C.C.2d at 616; 47 CFR §.64.110(b) (1975). This notice requirement imposed no obligation on the carrier to refrain from or delay making its network change to accommodate its customer, nor was there any obligation on the part of the telephone company to ensure that other compatible CPE was available.

¹⁷⁶ See 47 CFR § 68.106; see also *Deregulatory Options and Streamlined Application Processing*, 50 Fed. Reg. at 47544, para. 5.47543, 47544, para. 5 (Nov. 19, 1985) (*Deregulatory Options and Streamlined Application Processing*). In 1985, the Commission relaxed the customer requirement to notify the telephone company upon the development of a robust CPE registration database, see *id.* at 47544-45, para. 7, but the corresponding notice to customers went unaddressed. See generally *id.* When the Commission revised the part 68 rules in 2001, it again did not address section 68.110(b). See generally 2000 Part 68 Biennial Review Order.

¹⁷⁷ There are tens of thousands of approved pieces of terminal equipment listed in the ACTA database. See <https://www.part68.org/tteSearch.aspx> (last searched Mar. 12, 2018).

¹⁷⁸ See, e.g., AT&T Wireline FNPRM Comments at 10; ADTRAN Wireline FNPRM Comments at 5; NTCA Wireline FNPRM Comments at 7; Verizon Wireline FNPRM Comments at 16; AT&T Wireline NPRM Comments at 36 ("It is unrealistic to require the ILEC to be able to predict whether a network change could possibly have a material effect on customer equipment that the ILEC is unaware of and is not itself provisioning and maintaining.");

(continued....)

way a carrier could be certain of complying with section 68.110(b) was if it notified each and every one of its customers whenever *any* service or network change was about to occur, an unduly burdensome and impractical requirement.

54. What's more, there are other safeguards in place to reduce the likelihood that manufacturers and customers will be left unaware of carriers' changes to their facilities, equipment, operations, or procedures that can be reasonably expected to render any terminal equipment incompatible with the carrier's facilities. Most significantly, ACTA's privatized, open, and balanced collaborative process among CPE manufacturers, service providers, testing laboratories, and other interested stakeholders¹⁷⁹ ensures the adoption of technical criteria for compatible CPE that accommodates service providers' network evolutions, thus avoiding customer service interruptions.¹⁸⁰

55. Also, the types of network or operational changes that could impact customers' CPE will still result in notice to customers. Specifically, our rules require customer notice of service discontinuances,¹⁸¹ and the Commission has found that carriers must as a business necessity communicate with customers regarding copper retirements.¹⁸² Further, carriers have strong incentives to keep their customers informed of technology transitions, including changes in their networks, that might affect CPE compatibility if they hope to retain their customers in today's competitive marketplace.¹⁸³ And as discussed earlier, other regulatory requirements are designed to ensure that covered services are accessible to and usable by individuals with disabilities, or compatible with SCPE and peripheral devices commonly used by individuals with disabilities, such as TTYs and analog captioned telephones.¹⁸⁴

56. We are unpersuaded by commenter concerns that, if we eliminate this rule, large enterprise customers will be "required to redesign their networks on the fly and after the fact" or that "the

(Continued from previous page) _____

Verizon Wireline NPRM Comments at 26; Frontier Wireline NPRM Comments at 25; AT&T Wireline NPRM Reply at 29; *see also* Verizon Wireline FNPRM Comments at 16. Indeed, the database was not established for the purpose of enabling carriers to identify the CPE used by particular customers. Rather, it was intended to allow consumers and providers to identify the supplier of a particular piece of equipment. *See 2000 Part 68 Biennial Review Order*, 15 FCC Rcd at 24980, para. 101.

¹⁷⁹ *See supra* para. 47; *see also 2000 Part 68 Biennial Review Order*, 15 FCC Rcd at 24945, 24948, paras. 2, 11; AT&T Wireline FNPRM Comments at 9-10.

¹⁸⁰ *See* AT&T Wireline NPRM Comments at 37; *see also* Verizon Wireline FNPRM Comments at 16; *cf.* TDI et al. Wireline FNPRM Comments at 5-6; Pennsylvania Wireline FNPRM Reply at 6 (both noting the importance of advance notice to CPE manufacturers of impending network changes).

¹⁸¹ *See* 47 CFR § 63.71(a).

¹⁸² *See Wireline Infrastructure Order*, 32 FCC Rcd at 11147-49, paras. 45-49.

¹⁸³ *See, e.g., id.* at 11147, para. 45; *see also* AT&T Wireline FNPRM Comments at 10-11; Frontier Wireline NPRM Comments at 26; NTCA Wireline FNPRM Comments at 7; *cf.* ITTA Wireline NPRM Comments at 21 (in the context of supporting elimination of the consumer education and outreach requirements that "even if the Commission's rules did not contain notice requirements, carriers would continue to have incentives due to marketplace forces to communicate with customers in connection with technology transitions when customers are impacted by such changes").

¹⁸⁴ *See supra* paras 25, 50; 47 U.S.C. §§ 255, 617; 47 CFR Parts 6, 7, 14; 47 CFR §§ 9.5, 20.18, 64.3001; *see also, e.g.,* TDI et al., Wireline FNPRM Comments at 2-3, 5; Pennsylvania PUC Wireline FNPRM Reply at 6-7. And manufacturers of specialized equipment designed to ensure accessibility can refer to technical standards made available through ACTA to also ensure that their equipment is compatible with the network in accordance with part 68. *See generally* 47 CFR pt. 68. Regardless, mandated notice requirements do not affect whether customers will have to replace their devices. *See, e.g.,* AT&T Wireline NPRM Reply at 29; *cf.* Illinois Att'y Gen'l Wireline NPRM Reply at 10 (acknowledging that notice requirements "do...not prevent network change or investment [and] do not require preservation of legacy functions").

reliability and security of utility applications” will be undermined.¹⁸⁵ As the Commission has already found, such customers generally enter into contracts with their telecommunications carriers in which they can specify the amount of notice the carrier must provide about changes to its network.¹⁸⁶ We do not intend for our network change disclosure and section 214(a) discontinuance rules to disturb contractual obligations.¹⁸⁷ And incumbent LECs are now free, as all other telecommunications carriers always were, to engage their enterprise customers in advance of providing public notice of potential network changes that might affect terminal equipment compatibility.¹⁸⁸

3. Extending Streamlined Notice Procedures for *Force Majeure* Events to All Network Changes

57. Today, we extend to all types of network changes the streamlined notice procedures the Commission recently adopted for copper retirements when *force majeure* events occur.¹⁸⁹ The record overwhelmingly supports this action.¹⁹⁰ The same considerations that led the Commission to adopt *force majeure* copper retirement procedures apply equally to all network changes.¹⁹¹ Facilitating rapid restoration of communications networks in the face of natural disasters and other unforeseen events warrants swift removal of unnecessary regulatory barriers that inhibit incumbent LECs from restoring service as quickly as possible when networks are damaged or destroyed by events beyond the LECs’ control.¹⁹²

58. We find no reason in the record to further impede carriers’ efforts to restore service necessitating network changes other than copper retirements in the face of *force majeure* events. While CWA posits that these streamlined procedures may reduce Commission oversight “over network changes after immediate recovery efforts,”¹⁹³ the streamlined procedures we adopt today merely eliminate the

¹⁸⁵ Ad Hoc Wireline NPRM Reply at 8; UTC Wireline NPRM Comments at 29; *see also* Ad Hoc Wireline NPRM Reply at 7; Alliant et al. Wireline NPRM Reply at 6; UTC Wireline NPRM Reply at 5.

¹⁸⁶ *See Wireline Infrastructure Order*, 32 FCC Rcd at 11149, para. 47. As the Commission noted in the *Wireline Infrastructure Order*, it would be absurd to suggest that carriers “would risk public safety or fail to work cooperatively and diligently to accommodate critical needs of their public-safety related customers absent a mandatory Commission notice obligation.” *Id.*

¹⁸⁷ *See, e.g., Section 63.71 Application of Teleport Communications America, LLC and TC Systems, Inc. for Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Discontinue the Provision of Service*, Section 63.71 Application of AT&T, WC Docket No. 18-19, at 2 (filed Jan. 16, 2018), https://ecfsapi.fcc.gov/file/10116165952244/ATT_EPLSMAN_214app_011618%20%20%20final.pdf (noting that “AT&T will continue to provide existing services to existing customers until their existing term agreements expire or until the service is continued . . . whichever is later”); *see also supra* para. 37.

¹⁸⁸ *See Wireline Infrastructure Order*, 32 FCC Rcd at 11139-41, paras. 26-29

¹⁸⁹ *See* 47 CFR § 51.333(g); *Wireline Infrastructure Order*, 32 FCC Rcd at 11157, para. 71; *see also Wireline Infrastructure Order*, 32 FCC Rcd at 11191, para. 167. Throughout this section, we use the phrase “*force majeure*” to refer generally to the full range of unforeseen events outside incumbent LECs’ control, e.g., natural disasters, terrorist attacks, governmental mandates or unintentional third-party damage, that may give rise to unplanned network changes. *See* 47 CFR § 51.333(g)(1)(iv) & (2)(iii).

¹⁹⁰ *See, e.g.,* ADTRAN Wireline FNPRM Comments at 6; AT&T Wireline FNPRM Comments at 14; CenturyLink Wireline FNPRM Comments at 14; ITTA Wireline FNPRM Comments at 9-10; Verizon Wireline FNPRM Comments at 17-18; Verizon Wireline FNPRM Reply at 13-14; USTelecom Wireline Reply at 5; Pennsylvania PUC Wireline FNPRM Reply at 8.

¹⁹¹ *See Wireline Infrastructure Order*, 32 FCC Rcd at 11157-59, paras. 71-75.

¹⁹² *See id.* at 11157-58, paras. 71-72; *see also* ADTRAN Wireline FNPRM Comments at 6; AT&T Wireline FNPRM Comments at 14; CenturyLink Wireline FNPRM Comments at 14.

¹⁹³ CWA Wireline FNPRM Comments at 7.

advance notice and waiting period requirements in exigent circumstances. Incumbent LECs availing themselves of this limited relief must still comply with section 51.325(a)'s public notice requirement as soon as practicable.¹⁹⁴ Moreover, we agree that the safeguards included within the *force majeure* notice rule¹⁹⁵ ensure that only genuine *force majeure* events necessitating a network change will justify streamlined procedures.¹⁹⁶ Finally, should the network changes occurring from a *force majeure* event result in a discontinuance of service to customers in the affected area, section 63.63 dictates that the carrier remains subject to our discontinuance rules.¹⁹⁷

4. Retaining Current Calculation of Waiting Period for Short Term Network Changes

59. We retain the current rule that calculates the waiting period for short-term network change notices from the date the Commission issues its public notice after an incumbent LEC files its network change notification, and we decline to calculate the waiting period from the date of filing.¹⁹⁸ We agree with commenters that urge us to retain this rule to ensure sufficient and complete public notice of short-term network changes,¹⁹⁹ given the already short 10-day waiting period.²⁰⁰ Commencing the waiting period *at the same time* as an incumbent LEC files its network change notification, as proposed by AT&T and supported by others,²⁰¹ fails to provide Commission staff an opportunity to first review the notice for compliance with our rules or for unintentional errors, potentially “depriving notice recipients of information they need to accommodate the network change.”²⁰²

60. We reject ITTA's assertion that because the Commission retained a distinction between copper retirement notice rules and other types of network change notice rules,²⁰³ this difference alone constitutes a basis for deviating from how we calculate the commencement of the waiting period for each.²⁰⁴ The record demonstrates that the reasons we declined to revise the calculation of the waiting period for copper retirement notices²⁰⁵ similarly warrant retaining the long-standing way in which we calculate the waiting period for short-term network change notices as well.²⁰⁶ Reducing the already-short

¹⁹⁴ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11158-59, para. 75; 47 CFR § 51.333(g)(1)(ii), (g)(2)(i).

¹⁹⁵ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11158-59, paras. 75-77; 47 CFR § 51.333(g).

¹⁹⁶ See ITTA Wireline FNPRM Comments at 9-10.

¹⁹⁷ See 47 CFR § 63.63; cf. CWA Wireline FNPRM Comments at 7 (citing Verizon's use of a wireless replacement service when Superstorm Sandy destroyed its copper network on Fire Island, NY).

¹⁹⁸ See 47 CFR § 51.333(b); see also *Wireline Infrastructure Further Notice*, 32 FCC Rcd at 11189-90, paras. 163-64.

¹⁹⁹ See, e.g., Windstream Wireline FNPRM Comments at 5-6; INCOMPAS Wireline FNPRM Comments at 2-3; CWA Wireline FNPRM Comments at 6-7; NASUCA Wireline FNPRM Reply at 15; Pennsylvania PUC Wireline FNPRM Reply at 3-4.

²⁰⁰ 47 CFR § 51.333(b); see also INCOMPAS Wireline FNPRM Comments at 2.

²⁰¹ See AT&T Wireline FNPRM Comments at 34; ADTRAN Wireline FNPRM Comments at 4; ITTA Wireline FNPRM Comments at 6-7; USTelecom Wireline FNPRM Reply at 3-4.

²⁰² *Wireline Infrastructure Order*, 32 FCC Rcd at 11155, para. 65; see also CWA Wireline FNPRM Comments at 6-7; INCOMPAS Wireline FNPRM Comments at 2-3; Windstream Wireline FNPRM Comments at 5-6.

²⁰³ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11143, paras. 35-36.

²⁰⁴ See ITTA Wireline FNPRM Comments at 6-7.

²⁰⁵ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11155, para. 65.

²⁰⁶ See CWA Wireline FNPRM Comments at 6-7; INCOMPAS Wireline FNPRM Comments at 2-3; Windstream Wireline FNPRM Comments at 5-6; NASUCA Wireline FNPRM Reply at 15; Pennsylvania PUC Wireline FNPRM Reply at 4.

waiting period further limits the notice to interconnecting carriers, affecting their ability to accommodate the planned network change or to object, if necessary, to the timing of the planned network change.²⁰⁷ Staff has as much need to “routinely contact filers to clarify or correct information contained in filings or to add required information that is missing”²⁰⁸ for short-term network change notices as for copper retirements.²⁰⁹

61. Finally, we decline to adopt a requirement that the Commission release a public notice within a specified period of time after an incumbent LEC files a short-term network change notice.²¹⁰ In the *Wireline Infrastructure Order*, the Commission found that commenters had not identified “any specific instance in which a planned copper retirement had to be delayed due to the timing of our release of the relevant public notice.”²¹¹ Similarly, commenters here do not identify any instance in which a carrier has had to delay planned network changes because of the Commission’s failure to timely release a public notice after a LEC has filed its short-term network change notice. We therefore decline to adopt a rule to solve a non-existent problem.

C. Non-Substantive Changes to the Code of Federal Regulations

62. We also make certain non-substantive updates and corrections to our codified rules required by the actions we take today and actions taken in the *Wireline Infrastructure Order* and the *2016 Technology Transitions Order*.²¹² We find that notice and comment is unnecessary for rule changes that reflect prior Commission decisions that inadvertently were not reflected in the Code of Federal Regulations (CFR).²¹³ Similarly, we find notice and comment is not necessary for rule amendments to

²⁰⁷ See, e.g., INCOMPAS Wireline FNPRM Comments at 2-3; Pennsylvania PUC Wireline FNPRM Comments at 4; Windstream Wireline FNPRM Comments at 5-6; NASUCA Wireline FNPRM Reply at 15.

²⁰⁸ *Wireline Infrastructure Order*, 32 FCC Rcd at 11155, para. 65.

²⁰⁹ See, e.g., CWA Wireline FNPRM Comments at 6-7; INCOMPAS Wireline FNPRM Comments at 3; Pennsylvania PUC Wireline FNPRM Reply at 4; see also, e.g., Wireline Competition Bureau Short Term Network Change Notification Filed by Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE, WC Docket No. 18-7 (WCB Jan. 16, 2018); Wireline Competition Bureau Short Term Network Change Notification Filed by Bellsouth Telecommunications, LLC d/b/a AT&T Tennessee, Public Notice, Report No. 2736, WC Docket No. 17-283 (WCB rel. Oct. 18, 2017) (revision needed to clarify that the network change did not involve a copper retirement and thus was subject to short-term network change notice rules); Wireline Competition Bureau Network Change Notification Filed by AT&T Southwest, Public Notice, WC Docket Nos. 16-3 & 16-85 (WCB rel. Mar. 31, 2017) (revising notice to correct a typographical error); Wireline Competition Bureau Short Term Network Change Notification Filed by Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE, WC Docket No. 17-349 (WCB Jan. 8, 2017); Wireline Competition Bureau Short Term Network Change Notification Filed by Northern New England Telephone Operations LLC d/b/a FairPoint Communications – NNE, WC Docket No. 17-3 (WCB Jan. 13, 2017); Wireline Competition Bureau Short Term Network Change Notification Filed by Verizon North LLC, Public Notice, Report No. NCD-2467, WC Docket No. 15-182 (WCB rel. July 30, 2015) (notice not initially accessible on website); Wireline Competition Bureau Short Term Network Change Notification Filed by Verizon North LLC, Public Notice, Report No. NCD-2289 (WCB rel. Aug. 8, 2013).

²¹⁰ Cf. ADTRAN Wireline FNPRM Comments at 4; AT&T Wireline NPRM Comments at 34 (proposing this requirement).

²¹¹ See *Wireline Infrastructure Order*, 32 FCC Rcd at 11155, para. 65.

²¹² Section 553(b)(3)(B) of the Administrative Procedures Act permits agencies to issue rule changes without notice and comment upon a finding of good cause that notice and associated procedures are “impracticable, unnecessary, or contrary to the public interest.” See 5 U.S.C. § 553(b)(3)(B).

²¹³ See, e.g., *Connect American Fund et al.*, Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087, 3169, para. 224 (2016).

ensure consistency in terminology and cross references across various rules or to correct inadvertent failures to make conforming changes when prior rule amendments occurred.²¹⁴

63. In light of our elimination today of section 68.110(b) of our rules,²¹⁵ we redesignate that current rule's paragraph (c) as paragraph (b). In turn, we must adjust any cross-references to section 68.110(c) elsewhere in our rules to reflect its redesignation as 68.110(b). We thus make the necessary changes to such cross-reference in section 68.105(d)(4).²¹⁶ Similarly, in eliminating section 51.325(a)(3) today,²¹⁷ we redesignate paragraph (a)(4) of that section as paragraph (a)(3). We thus adjust the cross-references to section 51.325(a)(4) that appear in section 51.333(b)(2) and (f).²¹⁸

64. Additionally, in the *Wireline Infrastructure Order*, the Commission eliminated section 51.332 of our rules, pertaining to the copper retirement process.²¹⁹ A cross-reference to that rule appears in section 63.71(i).²²⁰ Rules governing the copper retirement process now appear in section 51.333.²²¹ We now revise section 63.71(i) to cross-reference section 51.333 rather than section 51.332.

65. We also make an administrative change to correct an inaccurate cross-reference in section 63.71(k)(1),²²² adopted in the *Wireline Infrastructure Order*, changing its reference to paragraph (k)(4) of that section to paragraph (k)(2). We find good cause for correcting this cross-reference without prior notice and comment because the inaccurate cross-reference will likely confuse and mislead applicants seeking to discontinue, reduce, or impair a legacy data service if not corrected promptly.

66. To shorten the number of unnecessary subsections in our rules, we also revise section 63.71(a) by combining paragraphs (a)(6) and (a)(7)²²³ into one consolidated new paragraph (a)(6). We also update any cross-references to paragraphs (a)(6) and (a)(7) in section 63.71(a)²²⁴ to reflect this consolidation. We similarly update any cross-references to section 63.60(h) in section 63.71²²⁵ to reflect the redesignation of paragraph (h) in section 63.60 as paragraph (i).²²⁶ This administrative change makes no substantive changes to the language or underlying requirements of the rule.

67. Finally, we correct an inadvertent error in the ordering clause of the *2016 Technology Transitions Order* specifying which revised rules adopted in that order require approval by the Office of Management and Budget (OMB) before they can become effective. In that ordering clause, the Commission indicated that the revision to section 63.19(a) required such approval.²²⁷ However, the revision in that rule, to change a cross-reference from section 63.601 to the then newly-adopted section

²¹⁴ *See id.*

²¹⁵ *Supra* Section III.B.2.

²¹⁶ 47 CFR § 68.105(d)(4).

²¹⁷ *Supra* Section III.B.1.

²¹⁸ 47 CFR § 51.333(b)(2), (f).

²¹⁹ *Wireline Infrastructure Order*, 32 FCC Rcd at 11141-55, paras. 31-66.

²²⁰ 47 CFR § 63.71(i).

²²¹ *See* 47 CFR § 51.333; *see also Wireline Infrastructure Order*, 32 FCC Rcd at 11200-01, Appx. B (setting forth revised section 51.333).

²²² 47 CFR § 63.71(k)(1).

²²³ 47 CFR § 63.71(a)(6)-(a)(7).

²²⁴ *See* 47 CFR § 63.71(f), (k).

²²⁵ *See* 47 CFR § 63.71(a)(6), (f), (h).

²²⁶ *See Wireline Infrastructure Order*, 32 FCC Rcd at 11202, Appx. A.

²²⁷ *2016 Technology Transitions Order*, 31 FCC Rcd at 8362, para. 213.

63.602,²²⁸ did not impact that section's reporting or recordkeeping requirements. It therefore does not fall within the purview of the Paperwork Reduction Act and does not require OMB approval.

IV. PROCEDURAL MATTERS

A. Congressional Review Act

68. The Commission will send a copy of this Report and Order, including a copy of the Final Regulatory Flexibility Certification, in a report to Congress and the Government Accountability Office pursuant to the Congressional Review Act.²²⁹ In addition, the Report and Order and this final certification will be sent to the Chief Counsel for Advocacy of the Small Business Administration (SBA), and will be published in the Federal Register.²³⁰

B. Final Regulatory Flexibility Analysis

69. As required by the Regulatory Flexibility Act of 1980 (RFA),²³¹ the Commission has prepared a Final Regulatory Flexibility Analysis (FRFA) relating to this Report and Order. The FRFA is contained in Appendix B.

C. Paperwork Reduction Act

70. The Report and Order contains modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13. It will be submitted to the Office of Management and Budget (OMB) for review under section 3507(d) of the PRA. OMB, the general public, and other Federal agencies are invited to comment on the new or modified information collection requirements contained in this proceeding. In addition, we note that pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, *see* 44 U.S.C. § 3506(c)(4), the Commission previously sought specific comment on how the Commission might further reduce the information collection burden for small business concerns with fewer than 25 employees.²³²

71. In this document, we have assessed the effects of reforming our network change notification and section 214(a) discontinuance rules, and find that doing so will serve the public interest and is unlikely to directly affect businesses with fewer than 25 employees.

V. ORDERING CLAUSES

72. Accordingly, IT IS ORDERED that, pursuant to sections 1-4, 10, 201, 202, 214, 251, and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-54, 160, 201, 202, 214, 251, and 303(r), this Second Report and Order IS ADOPTED.

73. IT IS FURTHER ORDERED that parts 51, 63, and 68 of the Commission's rules ARE AMENDED as set forth in Appendix A, and that any such rule amendments that contain new or modified information collection requirements that require approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act SHALL BE EFFECTIVE after announcement in the Federal Register of OMB approval of the rules, and on the effective date announced therein.

74. IT IS FURTHER ORDERED that this Report and Order SHALL BE effective 30 days after publication in the Federal Register, except for 47 CFR §§ 51.333(g), 63.71(f), (h)-(i), & (k)-(l),

²²⁸ *Id.* at 8363, Appx. A.

²²⁹ *See* 5 U.S.C. § 801(a)(1)(A).

²³⁰ *See* 5 U.S.C. § 605(b).

²³¹ *See* 5 U.S.C. § 603. The RFA, *see* 5 U.S.C. §§ 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 847 (1996). The SBREFA was enacted as Title II of the Contract with America Advancement Act of 1996 (CWAAA).

²³² *See Wireline Infrastructure Notice*, 32 FCC Rcd at 3306, para. 127.

which contain information collection requirements that have not been approved by OMB. The Federal Communications Commission will publish a document in the Federal Register announcing the effective date.

75. IT IS FURTHER ORDERED that section 63.19(a), as revised in the *2016 Technology Transitions Order*, shall be effective 30 days after publication of this Report and Order in the Federal Register.

76. IT IS FURTHER ORDERED that the Commission's Consumer & Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this Second Report and Order to Congress and the Government Accountability Office pursuant to the Congressional Review Act, *see* 5 U.S.C. § 801(a)(1)(A).

77. IT IS FURTHER ORDERED that the Commission's Consumer & Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this Second Report and Order, including the Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

APPENDIX A

Final Rules

For the reasons set forth above, Parts 51, 63, and 68 of Title 47 of the Code of Federal Regulations are amended as follows:

PART 51 – INTERCONNECTION

1. The authority for part 51 continues to read as follows:

Authority: 47 U.S.C. 151-55, 201-05, 207-09, 218, 220, 225-27, 251-54, 256, 271, 303(r), 332, 1302.

2. Amend section 51.325 by removing paragraph (a)(3) and redesignating paragraph (a)(4) as (a)(3).

4. Amend section 51.333 by revising paragraphs (b)(2), (f), and (g), to read as follows:

§51.333 Notice of network changes: Short term notice, objections thereto and objections to copper retirement notices.

* * * * *

(b) * * *

(2) *Copper retirement notice.* Notices of copper retirement, as defined in §51.325(a)(3), shall be deemed final on the 90th day after the release of the Commission's public notice of the filing, unless an objection is filed pursuant to paragraph (c) of this section, except that notices of copper retirement involving copper facilities not being used to provision services to any customers shall be deemed final on the 15th day after the release of the Commission's public notice of the filing. Incumbent LEC copper retirement notices shall be subject to the short-term notice provisions of this section, but under no circumstances may an incumbent LEC provide less than 90 days' notice of such a change except where the copper facilities are not being used to provision services to any customers.

* * * * *

(f) *Resolution of objections to copper retirement notices.* An objection to a notice that an incumbent LEC intends to retire copper, as defined in §51.325(a)(3) shall be deemed denied 90 days after the date on which the Commission releases public notice of the incumbent LEC filing, unless the Commission rules otherwise within that time. Until the Commission has either ruled on an objection or the 90-day period for the Commission's consideration has expired, an incumbent LEC may not retire those copper facilities at issue.

(g) *Limited exemption from advance notice and timing requirements—(1) Force majeure events.* (i) Notwithstanding the requirements of this section, if in response to a force majeure event, an incumbent LEC invokes its disaster recovery plan, the incumbent LEC will be exempted during the period when the plan is invoked (up to a maximum 180 days) from all advanced notice and waiting period requirements under this section associated with network changes that result from or are necessitated as a direct result of the force majeure event.

* * * * *

(iii) If an incumbent LEC requires relief from the notice requirements under this section longer than 180 days after it invokes the disaster recovery plan, the incumbent LEC must request such authority from the Commission. Any such request must be accompanied by a status report describing the incumbent LEC's progress and providing an estimate of when the incumbent LEC expects to be able to resume compliance with the notice requirements under this section.

* * * * *

(2) *Other events outside an incumbent LEC's control.* (i) Notwithstanding the requirements of this section, if in response to circumstances outside of its control other than a force majeure event addressed in paragraph (g)(1) of this section, an incumbent LEC cannot comply with the timing requirement set forth in paragraphs (b)(1) or (2) of this section, hereinafter referred to as the waiting period, the incumbent LEC must give notice of the network change as soon as practicable and will be entitled to a reduced waiting period commensurate with the circumstances at issue.

(ii) A short term network change or copper retirement notice subject to paragraph (g)(2) of this section must include a brief explanation of the circumstances necessitating the reduced waiting period and how the incumbent LEC intends to minimize the impact of the reduced waiting period on directly interconnected telephone exchange service providers.

(iii) For purposes of this section, circumstances outside of the incumbent LEC's control include federal, state, or local municipal mandates and unintentional damage to the incumbent LEC's network facilities not caused by the incumbent LEC.

PART 63 – EXTENSION OF LINES, NEW LINES, AND DISCONTINUANCE, REDUCTION, OUTAGE AND IMPAIRMENT OF SERVICE BY COMMON CARRIERS; AND GRANTS OF RECOGNIZED PRIVATE OPERATING AGENCY STATUS

1. The authority for part 63 continues to read as follows:

AUTHORITY: 47 U.S.C. 151, 154(i), 154(j), 160, 201–205, 214, 218, 403, and 571, unless otherwise noted.

2. Amend section 63.71 by revising paragraphs (a)(6), (f) through (i), and (k), removing paragraphs (a)(7) and (k)(5), and adding new paragraph (1) to read as follows:

§ 63.71 Procedures for discontinuance, reduction or impairment of service by domestic carriers.

(a) * * *

(6) For applications to discontinue, reduce, or impair an existing retail service as part of a technology transition, as defined in §63.60(i) of this part, except for applications meeting the requirements of paragraph (f)(2)(ii) of this section, in order to be eligible for automatic grant under paragraph (f) of this section:

(i) A statement that any service offered in place of the service being discontinued, reduced, or impaired may not provide line power;

(ii) The information required by §12.5(d)(1) of this chapter;

(iii) A description of any security responsibilities the customer will have regarding the replacement service; and

(iv) A list of the steps the customer may take to ensure safe use of the replacement service.

* * * * *

(f) (1) The application to discontinue, reduce, or impair service, if filed by a domestic, non-dominant carrier, or any carrier meeting the requirements of paragraph (f)(2)(ii), shall be automatically granted on the 31st day after its filing with the Commission without any Commission notification to the applicant unless the Commission has notified the applicant that the grant will not be automatically effective. The application to discontinue, reduce, or impair service, if filed by a domestic, dominant carrier, shall be automatically granted on the 60th day after its filing with the Commission without any Commission notification to the applicant unless the Commission has notified the applicant that the grant will not be automatically effective. For purposes of this section, an application will be deemed filed on the date the Commission releases public notice of the filing.

(2) An application to discontinue, reduce, or impair an existing retail service as part of a technology transition, as defined in §63.60(i) of this part, may be automatically granted only if:

(i) the applicant provides affected customers with the notice required under paragraph (a)(6) of this section, and the application contains the showing or certification described in §63.602(b) of this part; or

(ii) the applicant (1) offers a stand-alone interconnected VoIP service, as defined in § 9.3 of this chapter, throughout the affected service area, and (2) at least one other alternative stand-alone facilities-based wireline or wireless voice service is available from another unaffiliated provider throughout the affected service area. For purposes of this paragraph, “stand-alone” means that a customer is not required to purchase a separate broadband service to access the voice service.

(g) [Removed and reserved.]

(h) An application to discontinue, reduce, or impair an existing retail service as part of a technology transition, as defined in §63.60(i) of this part, except for an application meeting the requirements of paragraph (f)(2)(ii), (g), and (k) of this section, shall contain the information required by §63.602 of this part. The certification or showing described in §63.602(b) of this part is only required if the applicant seeks eligibility for automatic grant under paragraph (f)(2)(i) of this section.

(i) An application to discontinue, reduce, or impair a service filed by a competitive local exchange carrier in response to a copper retirement notice filed pursuant to §51.333 of this chapter shall be automatically granted on the effective date of the copper retirement; provided that:

* * * * *

(k) Notwithstanding paragraphs (a)(5), (a)(6), and (f) of this section, the following requirements apply to applications for legacy voice services or data services operating at speeds lower than 1.544 Mbps:

(1) Where any carrier, dominant or non-dominant, seeks to: (i) grandfather any legacy voice service; (ii) grandfather any data service operating at speeds lower than 1.544 Mbps; or (iii)

discontinue, reduce, or impair a legacy data service operating at speeds lower than 1.544 Mbps that has been grandfathered for a period of no less than 180 days consistent with the criteria established in paragraph (k)(2) of this section, the notice shall state: The FCC will normally authorize this proposed discontinuance of service (or reduction or impairment) unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments as soon as possible, but no later than 10 days after the Commission releases public notice of the proposed discontinuance. You may file your comments electronically through the FCC's Electronic Comment Filing System using the docket number established in the Commission's public notice for this proceeding, or you may address them to the Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, Washington, DC 20554, and include in your comments a reference to the § 63.71 Application of (carrier's name). Comments should include specific information about the impact of this proposed discontinuance (or reduction or impairment) upon you or your company, including any inability to acquire reasonable substitute service.

* * * * *

(3) An application filed by any carrier seeking to grandfather any legacy voice service or to grandfather any data service operating at speeds lower than 1.544 Mbps for existing customers shall be automatically granted on the 25th day after its filing with the Commission without any Commission notification to the applicant unless the Commission has notified the applicant that the grant will not be automatically effective.

* * * * *

(l) Notwithstanding paragraphs (a)(5), (a)(6), and (f) of this section, the following requirements apply to applications for data services operating at or above 1.544 Mbps in both directions but below 25 Mbps download, and 3 Mbps upload, provided that the carrier offers alternative data services in the affected service area at speeds of at least 25 Mbps download and 3 Mbps upload:

(1) Where any carrier, dominant or non-dominant, seeks to: (i) grandfather such data service; or (ii) discontinue, reduce, or impair such data service that has been grandfathered for a period of no less than 180 days consistent with the criteria established in paragraph (l)(2) of this section, the notice to all affected customers shall state: The FCC will normally authorize this proposed discontinuance of service (or reduction or impairment) unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments as soon as possible, but no later than 10 days after the Commission releases public notice of the proposed discontinuance. You may file your comments electronically through the FCC's Electronic Comment Filing System using the docket number established in the Commission's public notice for this proceeding, or you may address them to the Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, Washington, DC 20554, and include in your comments a reference to the § 63.71 Application of (carrier's name). Comments should include specific information about the impact of this proposed discontinuance (or reduction or impairment) upon you or your company, including any inability to acquire reasonable substitute service.

(2) For applications to discontinue, reduce, or impair such data service that has been grandfathered for a period of no less than 180 days, in order to be eligible for automatic grant under paragraph (l)(4) of this section, an applicant must include in its application a statement confirming that it received Commission authority to grandfather the service at issue at least 180 days prior to filing the current application.

(3) An application seeking to grandfather such a data service shall be automatically granted on the 25th day after its filing with the Commission without any Commission notification to the applicant unless the Commission has notified the applicant that the grant will not be automatically effective.

(4) An application seeking to discontinue, reduce, or impair such a data service that has been grandfathered under this section for 180 days or more preceding the filing of the application, shall be automatically granted on the 31st day after its filing with the Commission without any Commission notification to the applicant, unless the Commission has notified the applicant that the grant will not be automatically effective.

PART 68 – CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK

1. The authority for part 68 is amended to read as follows:

AUTHORITY: 47 U.S.C. 154, 303, 610.

2. Amend section 68.105 by revising paragraph (d)(4) to read as follows:

* * * * *

(4) The provider of wireline telecommunications services shall make available information on the location of the demarcation point within ten business days of a request from the premises owner. If the provider of wireline telecommunications services does not provide the information within that time, the premises owner may presume the demarcation point to be at the MPOE. Notwithstanding the provisions of §68.110(b) of this part, provider of wireline telecommunications services must make this information freely available to the requesting premises owner.

* * * * *

3. Amend section 68.110 by removing paragraph (b) and redesignating paragraph (c) as paragraph (b).

APPENDIX B

Final Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA),¹ an Initial Regulatory Flexibility Analysis (IRFA) was incorporated into the Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment (*Wireline Infrastructure Notice*) and into the Report and Order, Declaratory Ruling, and Further Notice of Proposed Rulemaking (*Wireline Infrastructure Order* or *Wireline Infrastructure Further Notice*) for the wireline infrastructure proceeding.² The Commission sought written public comment on the proposals in the *Wireline Infrastructure Notice* and in the *Wireline Infrastructure Further Notice*, including comment on the IRFAs. The Commission received no comments on the IRFAs. Because the Commission amends its rules in this Order, the Commission has included this Final Regulatory Flexibility Analysis (FRFA). This present FRFA conforms to the RFA.³

A. Need for, and Objectives of, the Rules

2. In the *Wireline Infrastructure Notice*, the Commission continued its efforts to close the digital divide by removing barriers to broadband infrastructure investment. To this end, the Commission proposed numerous regulatory reforms to existing rules and procedures regarding copper retirement, and discontinuances of legacy services.⁴ In so doing, the Commission sought to better enable broadband providers to build, maintain, and upgrade their networks, leading to more affordable and available Internet access and other broadband services for consumers and businesses alike. On November 16, 2017, the Commission adopted the *Wireline Infrastructure Order*, which adopted reforms to speed the replacement of copper with fiber and Internet Protocol (IP) technologies.⁵ In the accompanying *Further Notice of Proposed Rulemaking*, the Commission sought comment on additional steps to streamline the network change disclosure and discontinuance processes, including the process for transitioning legacy services to new advanced IP services.⁶

3. Pursuant to the objectives set forth in the *Wireline Infrastructure Notice*, this Second Report and Order (Order) adopts changes to Commission rules regarding section 214 discontinuance procedures, network change disclosures, and part 68 notice requirements. The Order adopts changes to the current section 214(a) discontinuance process to further streamline the review and approval process by: (1) extending the previously-adopted streamlined comment and automatic grant periods for applications seeking to grandfather or discontinue previously-grandfathered data services to certain higher-speed data services,⁷ (2) forbearing from section 214(a)'s discontinuance requirements for services with no customers,⁸ (3) eliminating the uncodified education and outreach mandates adopted in the 2016

¹ See 5 U.S.C. § 603. The RFA, see 5 U.S.C. §§ 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 847 (1996).

² *Acceleration Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, WC Docket No. 17-84, Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment, 32 FCC Rcd 3266 (2017) (*Wireline Infrastructure Notice*).

³ See 5 U.S.C. § 604.

⁴ See *Wireline Infrastructure Notice*, 32 FCC Rcd at 3266.

⁵ See *id.* at 11137-87, paras. 22-155.

⁶ See *id.* at 11187-94, paras. 156-159, 163-177.

⁷ See *supra* Section III.A.1.

⁸ See *supra* Section III.A.2.

Technology Transitions Order,⁹ (4) adopting an alternative to the “adequate replacement test” adopted in the *2016 Technology Transitions Order* for where the discontinuing carrier offers a stand-alone interconnected VoIP service throughout the affected service area and at least one other stand-alone facilities-based voice service is available throughout the affected service area,¹⁰ and (5) extending the streamlined comment and automatic grant periods of 10 and 25 days to applications seeking to grandfather all legacy voice services.¹¹ The Order also adopts changes to the Commission’s part 51 network change notification rules and part 68 rules pertaining to connecting terminal equipment to the public switched telephone network (PSTN) that eliminate unnecessary notice requirements pertaining to the connection of customer premises equipment to the PSTN, and reduce regulatory burdens and delay on incumbent LECs when making network changes while continuing to ensure that interconnecting carriers have adequate information and time to accommodate such changes.¹² Finally, the Order revises its network change disclosure rules to extend to all types of network changes the streamlined notice procedures the Commission recently adopted for copper retirements when *force majeure* and other unforeseen events occur.¹³ These additional steps will further the Commission’s goal of eliminating unnecessary regulatory burdens, decrease needless costs and delay in transitioning from legacy services to next-generation IP-based services, and better reflect the reality of today’s marketplace and the decreasing demand for legacy services as customers move towards more advanced competing alternatives.

B. Summary of Significant Issues Raised by Public Comments in Response to the IRFA

4. The Commission did not receive comments specifically addressing the rules and policies proposed in the IRFAs in either the *Wireline Infrastructure Notice* or the *Wireline Infrastructure Further Notice*.

C. Response to Comments by the Chief Counsel for Advocacy of the Small Business Administration

5. The Chief Counsel did not file any comments in response to this proceeding.

D. Description and Estimate of the Number of Small Entities to Which the Rules Will Apply

6. The RFA directs agencies to provide a description and, where feasible, an estimate of the number of small entities that may be affected by the final rules adopted pursuant to the Order.¹⁴ The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.”¹⁵ In addition, the term “small business” has the same meaning as the term “small-business concern” under the Small Business Act.¹⁶ A “small-

⁹ See *supra* Section III.A.3.

¹⁰ See *supra* Section III.A.4.

¹¹ See *supra* Section III.A.4.

¹² See *supra* Section III.B.1. and III.B.2.

¹³ See *supra* Section III.B.3.

¹⁴ See 5 U.S.C. § 604(a)(4).

¹⁵ See 5 U.S.C. § 601(6).

¹⁶ See 5 U.S.C. § 601(3) (incorporating by reference the definition of “small-business concern” in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies “unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register.”

business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.¹⁷

7. The changes to our section 214 discontinuance, network change notification, and part 68 customer notification rules will affect obligations on incumbent LECs and, in some cases, competitive LECs. Other entities that choose to object to network change notifications for copper retirement or section 214 discontinuance applications may be economically impacted by the rules in the Order.

8. *Small Businesses, Small Organizations, Small Governmental Jurisdictions.* Our actions, over time, may affect small entities that are not easily categorized at present. We therefore describe here, at the outset, three comprehensive small entity size standards that could be directly affected herein.¹⁸ First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the SBA’s Office of Advocacy, in general a small business is an independent business having fewer than 500 employees.¹⁹ These types of small businesses represent 99.9% of all businesses in the United States which translates to 29.6 million businesses.²⁰

9. Next, the type of small entity described as a “small organization” is generally “any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.”²¹ Nationwide, as of August 2016, there were approximately 356,494 small organizations based on registration and tax data filed by nonprofits with the Internal Revenue Service (IRS).²²

10. Finally, the small entity described as a “small governmental jurisdiction” is defined generally as “governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.”²³ U.S. Census Bureau data from the 2012 Census of Governments²⁴ indicates that there were 90,056 local governmental jurisdictions consisting of general purpose governments and special purpose governments in the United States.²⁵ Of this number there were

¹⁷ See 15 U.S.C. § 632.

¹⁸ See 5 U.S.C. § 601(3)-(6).

¹⁹ See SBA, Office of Advocacy, “Frequently Asked Questions, Question 1 – What is a small business?” <https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2017-WEB.pdf> (August 2017)

²⁰ See SBA, Office of Advocacy, “Frequently Asked Questions, Question 2- How many small business are there in the U.S.?” <https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2017-WEB.pdf> (August 2017).

²¹ 5 U.S.C. § 601(4).

²² Data from the Urban Institute, National Center for Charitable Statistics (NCCS) reporting on nonprofit organizations registered with the IRS was used to estimate the number of small organizations. Reports generated using the NCCS online database indicated that as of August 2016 there were 356,494 registered nonprofits with total revenues of less than \$100,000. Of this number, 326,897 entities filed tax returns with 65,113 registered nonprofits reporting total revenues of \$50,000 or less on the IRS Form 990-N for Small Exempt Organizations and 261,784 nonprofits reporting total revenues of \$100,000 or less on some other version of the IRS Form 990 within 24 months of the August 2016 data release date. See <http://nccsweb.urban.org/tablewiz/bmf.php> where the report showing this data can be generated by selecting the following data fields: Show: “Registered Nonprofit Organizations”; By: “Total Revenue Level (years 1995, Aug to 2016, Aug)”; and For: “2016, Aug” then selecting “Show Results”.

²³ 5 U.S.C. § 601(5).

²⁴ See 13 U.S.C. § 161. The Census of Government is conducted every five (5) years compiling data for years ending with “2” and “7.” See also Program Description Census of Government, <https://factfinder.census.gov/faces/affhelp/jsf/pages/metadata.xhtml?lang=en&type=program&id=program.en.COG#>

²⁵ See U.S. Census Bureau, 2012 Census of Governments, Local Governments by Type and State: 2012 - United States-State, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG02.US01>. Local governmental jurisdictions are classified in two categories - General purpose governments (county, municipal and town or township) and Special purpose governments (special districts and independent school districts).

37,132 general purpose governments (county²⁶, municipal and town or township²⁷) with populations of less than 50,000 and 12,184 special purpose governments (independent school districts²⁸ and special districts²⁹) with populations of less than 50,000. The 2012 U.S. Census Bureau data for most types of governments in the local government category shows that the majority of these governments have populations of less than 50,000.³⁰ Based on this data we estimate that at least 49,316 local government jurisdictions fall in the category of “small governmental jurisdictions.”³¹

11. *Wired Telecommunications Carriers.* The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”³² The SBA has developed a small business size standard for Wired Telecommunications Carriers, which consists of all such companies having 1,500 or fewer employees.³³ Census data for 2012 shows that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.³⁴ Thus, under this size standard, the majority of firms in this industry can be considered small.

²⁶ See U.S. Census Bureau, 2012 Census of Governments, County Governments by Population-Size Group and State: 2012 - United States-States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG06.US01>. There were 2,114 county governments with populations less than 50,000.

²⁷ See U.S. Census Bureau, 2012 Census of Governments, Subcounty General-Purpose Governments by Population-Size Group and State: 2012 - United States – States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG07.US01>. There were 18,811 municipal and 16,207 town and township governments with populations less than 50,000.

²⁸ See U.S. Census Bureau, 2012 Census of Governments, Elementary and Secondary School Systems by Enrollment-Size Group and State: 2012 - United States-States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG11.US01>. There were 12,184 independent school districts with enrollment populations less than 50,000.

²⁹ See U.S. Census Bureau, 2012 Census of Governments, Special District Governments by Function and State: 2012 - United States-States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG09.US01>. The U.S. Census Bureau data did not provide a population breakout for special district governments.

³⁰ See U.S. Census Bureau, 2012 Census of Governments, County Governments by Population-Size Group and State: 2012 - United States-States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG06.US01>; Subcounty General-Purpose Governments by Population-Size Group and State: 2012 - United States–States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG07.US01>; and Elementary and Secondary School Systems by Enrollment-Size Group and State: 2012 - United States-States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG11.US01>. While U.S. Census Bureau data did not provide a population breakout for special district governments, if the population of less than 50,000 for this category of local government is consistent with the other types of local governments the majority of the 38, 266 special district governments have populations of less than 50,000.

³¹ *Id.*

³² U.S. Census Bureau, 2012 NAICS Definitions, “517110 Wired Telecommunications Categories,” <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

³³ See 13 CFR § 120.201, NAICS Code 517110.

³⁴ 2012 U.S. Economic Census, NAICS Code 517110, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ2&prodT_ypt=table.

12. *Local Exchange Carriers (LECs)*. Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to local exchange services. The closest applicable NAICS Code category is for Wired Telecommunications Carriers, as defined in paragraph 11 of this FRFA. Under that size standard, such a business is small if it has 1,500 or fewer employees.³⁵ Census data for 2012 show that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.³⁶ The Commission therefore estimates that most providers of local exchange carrier service are small entities that may be affected by the rules adopted.

13. *Incumbent Local Exchange Carriers (incumbent LECs)*. Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange services. The closest applicable NAICS Code category is Wired Telecommunications Carriers as defined in paragraph 11 of this FRFA. Under that size standard, such a business is small if it has 1,500 or fewer employees.³⁷ According to Commission data, 3,117 firms operated in that year. Of this total, 3,083 operated with fewer than 1,000 employees.³⁸ Consequently, the Commission estimates that most providers of incumbent local exchange service are small businesses that may be affected by the rules and policies adopted. One thousand three hundred and seven (1,307) Incumbent Local Exchange Carriers reported that they were incumbent local exchange service providers.³⁹ Of this total, an estimated 1,006 have 1,500 or fewer employees.⁴⁰

14. *Competitive Local Exchange Carriers (competitive LECs), Competitive Access Providers (CAPs), Shared-Tenant Service Providers, and Other Local Service Providers*. Neither the Commission nor the SBA has developed a small business size standard specifically for these service providers. The appropriate NAICS Code category is Wired Telecommunications Carriers, as defined in paragraph 11 of this FRFA. Under that size standard, such a business is small if it has 1,500 or fewer employees. U.S. Census data for 2012 indicate that 3,117 firms operated during that year. Of that number, 3,083 operated with fewer than 1,000 employees.⁴¹ Based on this data, the Commission concludes that the majority of Competitive LECs, CAPs, Shared-Tenant Service Providers, and Other Local Service Providers are small entities. According to Commission data, 1,442 carriers reported that they were engaged in the provision of either competitive local exchange services or competitive access provider services.⁴² Of these 1,442 carriers, an estimated 1,256 have 1,500 or fewer employees. In addition, 17 carriers have reported that they are Shared-Tenant Service Providers, and all 17 are estimated to have 1,500 or fewer employees.⁴³

³⁵ See 13 CFR § 120.201, NAICS Code 517110,

http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ2&prodType=table.

³⁶ 2012 U.S. Economic Census, NAICS Code 517110,

http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ2&prodType=table.

³⁷ See 13 CFR § 120.201, NAICS Code 517110.

³⁸ 2012 U.S. Economic Census, NAICS Code 517110,

http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ2&prodType=table.

³⁹ See Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division, Trends in Telephone Service at 5-5, Tbl. 5.3 (2010), (*Trends in Telephone Service*).

⁴⁰ *Id.*

⁴¹ http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ5&prodType=table.

⁴² See Trends in Telephone Service at 5-5, Tbl. 5.3.

⁴³ *Id.*

In addition, 72 carriers have reported that they are Other Local Service Providers.⁴⁴ Of this total, 70 have 1,500 or fewer employees.⁴⁵ Consequently, the Commission estimates that most providers of competitive local exchange service, competitive access providers, Shared-Tenant Service Providers, and Other Local Service Providers are small entities that may be affected by the adopted rules.

15. *Interexchange Carriers (IXCs)*. Neither the Commission nor the SBA has developed a definition for Interexchange Carriers. The closest NAICS Code category is Wired Telecommunications Carriers as defined in paragraph 11 of this FRFA. The applicable size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees.⁴⁶ According to Commission data, 359 companies reported that their primary telecommunications service activity was the provision of interexchange services.⁴⁷ Of this total, an estimated 317 have 1,500 or fewer employees and 42 have more than 1,500 employees.⁴⁸ Consequently, the Commission estimates that the majority of interexchange service providers are small entities that may be affected by rules adopted.

16. *Other Toll Carriers*. Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to Other Toll Carriers. This category includes toll carriers that do not fall within the categories of interexchange carriers, operator service providers, prepaid calling card providers, satellite service carriers, or toll resellers. The closest applicable NAICS Code category is for Wired Telecommunications Carriers, as defined in paragraph 11 of this FRFA. Under that size standard, such a business is small if it has 1,500 or fewer employees.⁴⁹ Census data for 2012 shows that there were 3,117 firms that operated that year. Of this total, 3,083 operated with fewer than 1,000 employees.⁵⁰ Thus, under this category and the associated small business size standard, the majority of Other Toll Carriers can be considered small. According to Commission data, 284 companies reported that their primary telecommunications service activity was the provision of other toll carriage.⁵¹ Of these, an estimated 279 have 1,500 or fewer employees.⁵² Consequently, the Commission estimates that most Other Toll Carriers that may be affected by our rules are small.

17. *Wireless Telecommunications Carriers (except Satellite)*. This industry comprises establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves, such as cellular services, paging services, wireless internet access, and wireless video services.⁵³ The appropriate size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees. For this industry, Census data for 2012 show that there were 967 firms that operated for the entire year. Of this total, 955 firms had fewer than 1,000 employees.⁵⁴ Thus under this category and the associated size standard, the Commission estimates that the majority of wireless telecommunications carriers (except satellite) are small entities. Similarly, according to

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ 13 CFR § 121.201, NAICS code 517110.

⁴⁷ See Trends in Telephone Service at 5-5, Tbl. 5.3.

⁴⁸ *Id.*

⁴⁹ 13 CFR § 121.201, NAICS code 517110.

⁵⁰ http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ5&prodType=table.

⁵¹ See Trends in Telephone Service at 5-5, Tbl. 5.3.

⁵² *Id.*

⁵³ NAICS Code 517210. See <https://www.census.gov/econ/isp/sampler.php?naicscode=517210&naicslevel=6#>.

⁵⁴ http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ5&prodType=table.

internally developed Commission data, 413 carriers reported that they were engaged in the provision of wireless telephony, including cellular service, Personal Communications Service (PCS), and Specialized Mobile Radio (SMR) services.⁵⁵ Of this total, an estimated 261 have 1,500 or fewer employees.⁵⁶ Consequently, the Commission estimates that approximately half of these firms can be considered small. Thus, using available data, we estimate that the majority of wireless firms can be considered small.

18. *Cable Companies and Systems (Rate Regulation)*. The Commission has developed its own small business size standards for the purpose of cable rate regulation. Under the Commission's rules, a "small cable company" is one serving 400,000 or fewer subscribers nationwide.⁵⁷ Industry data indicate that there are currently 4,600 active cable systems in the United States.⁵⁸ Of this total, all but nine cable operators nationwide are small under the 400,000-subscriber size standard.⁵⁹ In addition, under the Commission's rate regulation rules, a "small system" is a cable system serving 15,000 or fewer subscribers.⁶⁰ Current Commission records show 4,600 cable systems nationwide.⁶¹ Of this total, 3,900 cable systems have fewer than 15,000 subscribers, and 700 systems have 15,000 or more subscribers, based on the same records.⁶² Thus, under this standard as well, we estimate that most cable systems are small entities.

19. *Cable System Operators (Telecom Act Standard)*. The Communications Act of 1934, as amended, also contains a size standard for small cable system operators, which is "a cable operator that, directly or through an affiliate, serves in the aggregate fewer than one percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed \$250,000,000 are approximately 52,403,705 cable video subscribers in the United States today.⁶³ Accordingly, an operator serving fewer than 524,037 subscribers shall be deemed a small operator if its annual revenues, when combined with the total annual revenues of all its affiliates, do not exceed \$250 million in the aggregate.⁶⁴ Based on available data, we find that all but nine incumbent cable operators are small entities under this size standard.⁶⁵ We note that the Commission neither requests nor collects

⁵⁵ See Trends in Telephone Service at 5-5, Tbl. 5.3.

⁵⁶ *Id.*

⁵⁷ 47 CFR § 76.901(e)

⁵⁸ Federal Communications Commission, Assessment and Collection of Regulatory Fees for Fiscal Year 2014; Assessment and Collection of Regulatory Fees for Fiscal Year 2013; and Procedures for Assessment and Collection of Regulatory Fees, 80 Fed. Reg. 66815 (Oct. 30, 2015) (citing August 15, 2015 Report from the Media Bureau based on data contained in the Commission's Cable Operations and Licensing System (COALS)). See www.fcc.gov/coals.

⁵⁹ See SNL KAGAN, <https://www.snl.com/interactiveX/MyInteractive.aspx?mode=4&CDID=A-821-38606&KLPT=8> (subscription required).

⁶⁰ 47 CFR § 76.901(c).

⁶¹ Federal Communications Commission, Assessment and Collection of Regulatory Fees for Fiscal Year 2014; Assessment and Collection of Regulatory Fees for Fiscal Year 2013; and Procedures for Assessment and Collection of Regulatory Fees, 80 Fed. Reg. 66815 (Oct. 30, 2015) (citing August 15, 2015 Report from the Media Bureau based on data contained in the Commission's Cable Operations and Licensing System (COALS)). See www.fcc.gov/coals.

⁶² *Id.*

⁶³ *Assessment and Collection of Regulatory Fees for Fiscal Year 2016, Notice of Proposed Rulemaking*, 31 FCC Rcd 5757, Appendix E para. 23 (2016) (citing Office of Management and Budget (OMB) Memorandum M-10-06, Open Government Directive, Dec. 8, 2009).

⁶⁴ 47 CFR § 76.901(f).

⁶⁵ *Assessment & Collection of Regulatory Fees for Fiscal Year 2016, Notice of Proposed Rulemaking*, 31 FCC Rcd 5757, Appendix E para. 23 (2016).

information on whether cable system operators are affiliated with entities whose gross annual revenues exceed \$250 million.⁶⁶ Although it seems certain that some of these cable system operators are affiliated with entities whose gross annual revenues exceed \$250,000,000, we are unable at this time to estimate with greater precision the number of cable system operators that would qualify as small cable operators under *the* definition in the Communications Act.

20. *All Other Telecommunications.* “All Other Telecommunications” is defined as follows: “This U.S. industry is comprised of establishments that are primarily engaged in providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation. This industry also includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems. Establishments providing Internet services or voice over Internet protocol (VoIP) services via client supplied telecommunications connections are also included in this industry.”⁶⁷ The SBA has developed a small business size standard for “All Other Telecommunications,” which consists of all such firms with gross annual receipts of \$32.5 million or less.⁶⁸ For this category, Census Bureau data for 2012 show that there were 1,442 firms that operated for the entire year. Of those firms, a total of 1,400 had annual receipts less than \$25 million.⁶⁹ Consequently, we conclude that the majority of All Other Telecommunications firms can be considered small.

E. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

21. *Section 214(a) Discontinuance Process.* The Order streamlines the discontinuance process for applications seeking to grandfather certain data services with speeds at or above 1.544 Mbps in both directions and to subsequently permanently discontinue such services once they have been grandfathered for at least 180 days. Specifically, the Order extends the previously-adopted streamlined comment and automatic grant period of 10 and 25 days, respectively, for applications to grandfather voice and data services below 1.544 Mbps, to applications to grandfather data services at or above speeds of 1.544 Mbps and with download/upload speeds below 25 Mbps/3 Mbps, provided the applying carrier offers data services at speeds of at least 25 Mbps/3 Mbps throughout the affected service area. The Order also extends previously-adopted streamlined comment and automatic grant periods of 10 and 31 days, respectively, for applications to permanently discontinue data services below 1.544 Mbps provided such services have been grandfathered for at least 180 days, to previously-grandfathered data services at or above speeds of 1.544 Mbps and with download/upload speeds below 25 Mbps/3 Mbps. The Order finds that these changes will incentivize carriers to provide higher-speed data services at or above the 25 Mbps/3 Mbps mark, without sacrificing the customer protections under the previous rules. The Order also forbears from section 214(a) discontinuance requirements for all services with no customers and no reasonable requests for service for at least 30 days. Carriers thus will not be required to file applications to discontinue such services. The Order finds enforcement of the section 214(a) discontinuance requirements is unnecessary to protect consumers when the service in question has no customers. It also finds that forbearance in such situations is consistent with the public interest. The Order also eliminates

⁶⁶ The Commission does receive such information on a case-by-case basis if a cable operator appeals a local franchise authority's finding that the operator does not qualify as a small cable operator pursuant to section 76.901(f) of the Commission's rules. See 47 CFR § 76.901(f).

⁶⁷ <https://www.census.gov/econ/isp/sampler.php?naicscode=517919&naicslevel=6>.

⁶⁸ 13 CFR § 121.201; NAICS Code 517919.

⁶⁹ U.S. Census Bureau, *2012 Economic Census of the United States*, Table EC0751SSSZ1, Information: Subject Series - Establishment and Firm Size: Receipts Size of Firms for the United States: 2012 NAICS Code 517919, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ1&prodTtype=table.

the uncodified education and outreach mandates adopted in the *2016 Technology Transitions Order* applicable to carriers discontinuing TDM voice services. These requirements have not yet been in effect because they have not been approved by OMB. The Order finds these mandates unnecessary, as customers already receive or can easily obtain from their carriers the information encompassed by these requirements. The Order further streamlines applications to discontinue legacy voice services by adopting an alternative to the “adequate replacement test” where (1) the discontinuing carrier offers a stand-alone interconnected VoIP service throughout the affected service area, and (2) there is at least one other stand-alone facilities-based voice service available throughout the affected service area. These applications will be treated in the same manner as other discontinuance applications. Customers will have 15 days from filing of the application to submit comments in response to the application, and the application will be automatically granted on the 31st day after filing unless the Commission notifies otherwise. Through this alternative to the “adequate replacement test,” the Commission incentivizes carriers to deploy broadband facilities and ensures that customers in the affected service area have multiple voice alternatives. Additionally, the Order extends the streamlined comment and automatic grant periods of 10 and 25 days to applications seeking to grandfather any legacy voice services.

22. *Network Change Notification and Part 68 Notification Requirement Reforms.* The Order adopts changes to the Commission’s part 51 network change notification rules to eliminate unnecessary notice requirements pertaining to the connection of customer premises equipment to the public switched telephone network, and to reduce regulatory burdens and delay on incumbent LECs when making network changes while continuing to ensure that interconnecting carriers have adequate information and time to accommodate such changes. The Order eliminates the section 51.325(a)(3) requirement that incumbent LECs provide public notice of network changes that will affect CPE connection to the interstate network. Section 51.325(a)(3) is no longer necessary to ensure that CPE manufacturers receive sufficient notice of incumbent LECs’ planned network changes that may affect CPE compatibility because incumbent LECs’ engagement and collaboration with CPE manufacturers today renders this separate notice requirement superfluous. Section 51.325(a)(3) was specifically adopted to protect competitive CPE manufacturers, and this rationale no longer justifies the rule. The Order also eliminates the section 68.110(b) requirement that carriers give notice to customers when changes to their facilities, equipment operations, or procedures can be reasonably expected to render any customer’s terminal equipment incompatible with the communications facilities of the provider. As with section 51.325(a)(3), changes to the marketplace render the purpose of this requirement obsolete. The Order revises section 51.333(g) to allow all types of network changes to be subject to streamlined notice procedures recently adopted for copper retirements when *force majeure* and other unforeseen events occur. This streamlined procedure eliminates the advance notice and waiting period requirements for incumbent LECs during exigent circumstances. Incumbent LECs will still be required to comply with section 51.325(a)’s public notice requirement, as well as standard discontinuance rules in the event such changes result in a discontinuance of services to customers in the affected area.

F. Steps Taken to Minimize the Significant Economic Impact on Small Entities and Significant Alternatives Considered

23. In this Order, the Commission modifies its section 214 discontinuance and network change disclosure rules to improve the efficiency of these processes, as well as to increase broadband deployment. It also eliminates unnecessary and burdensome section 214 discontinuance, network change disclosure, and part 68 notification regulations that inhibit carriers from implementing the transition to next-generation networks and IP-based broadband services. Finally, it forbears from section 214 discontinuance requirements in limited circumstances, thus further reducing the burden on carriers seeking to discontinue services for which they have no customers and have had no reasonable request for customers for the preceding 30 days. Overall, we expect the actions in this document will reduce burdens on the affected carriers, including any small entities.

24. *Section 214(a) Discontinuance Process.* The Order streamlines applications to grandfather data services with download/upload speeds below 25 Mbps/3 Mbps, provided the applying carrier offers data services at download/upload speeds of at least 25 Mbps/3 Mbps throughout the affected

service area by extending the previously streamlined public comment period of 10 days and automatic grant period of 25 days for all carriers seeking to grandfather these data services. For applications seeking authorization to discontinue services with download/upload speeds below 25 Mbps/3 Mbps that have previously been grandfathered for a period of 180 days, the Order extends the streamlined public comment period of 10 days and the auto-grant period of 31 days to all such applications. The Order finds that these changes do not sacrifice the customer protections under the previous rules. For applications to discontinue any service with no customers and no reasonable requests for service for at least 30 days, the Order finds that forbearance from section 214(a)'s discontinuance requirements is appropriate. The Commission finds enforcement of those requirements is not necessary to protect consumers, is consistent with the public interest, and will enable carriers to cease devoting resources to services no longer having any customer interest. The Order also eliminates the uncodified education and outreach requirements adopted in the *2016 Technology Transitions Order*, finding that these mandates are unnecessary as customers already receive or can easily obtain from their carriers the information encompassed by these requirements. The Order further streamlines applications to discontinue legacy voice services by adopting an alternative to the "adequate replacement test" where (1) the discontinuing carrier offers a stand-alone interconnected VoIP service throughout the affected service area, and (2) there is at least one other stand-alone facilities-based voice service available throughout the affected service area. These applications will be treated in the same manner as other discontinuance applications. Customers will have 15 days from filing of the application to submit comments in response to the application, and the application will be automatically granted on the 31st day after filing unless the Commission notifies otherwise. Through this alternative to the adequate replacement test, the Commission incents carriers to deploy broadband facilities and ensures that customers in the affected service area have competitive voice alternatives. Additionally, the Order extends the streamlined comment and automatic grant periods of 10 and 25 days to applications seeking to grandfather any legacy voice services.

25. *Network Change Notifications and Part 68 Notification Requirements.* The Order adopts network change notification rule revisions that eliminate the requirement that incumbent LECs provide public notice of network changes that "will affect the manner in which customer premises equipment is attached to the interstate network" and eliminates the requirement that carriers give notice to customers of changes to their facilities, equipment, operations, or procedures "[i]f such changes can be reasonably expected to render any customer's terminal equipment incompatible with the communications facilities of the provider of wireline telecommunications... to allow the customer to maintain uninterrupted service" because the Order finds these rules are unnecessary. The Order also finds that extending the streamlined notice procedures recently adopted for copper retirements when *force majeure* and other unforeseen events occur to all types of network changes reduces regulatory burdens and delay on incumbent LECs when making network changes. However, the Order further determines that these rules continue to ensure that interconnecting carriers have adequate information and time to accommodate such changes.

G. Report to Congress

26. The Commission will send a copy of the Second Report and Order, including this FRFA, in a report to be sent to Congress pursuant to the Congressional Review Act.⁷⁰ In addition, the Commission will send a copy of the Report and Order, including this FRFA, to the Chief Counsel for Advocacy of the SBA. A copy of the Order and FRFA (or summaries thereof) will also be published in the Federal Register.⁷¹

⁷⁰ See 5 U.S.C. § 801(a)(1)(A).

⁷¹ See 5 U.S.C. § 604(b).