

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
Paperwork Reduction Act Comments on Draft FCC Form 481	)	OMB Control No. 3060-0986
	)	

**PAPERWORK REDUCTION ACT COMMENTS OF  
VERIZON AND VERIZON WIRELESS**

Verizon<sup>1</sup> agrees with the Paperwork Reduction Act<sup>2</sup> comments and Petition for Reconsideration/Clarification filed by USTelecom that explain the numerous deficiencies with the Commission’s proposed Form 481. The draft Form 481 is inconsistent with Section 54.313 and the *USF/ICC Transformation Order*<sup>3</sup> and imposes significant burdens on high-cost funding recipients that are unnecessary to comply with the Commission’s rules.<sup>4</sup> The draft Form 481 therefore does not meet the requirements of the Paperwork Reduction Act and should be revised and re-submitted.

*Service Quality and Consumer Protection Certification Requirements.* The *USF/ICC Transformation Order* and its implementing rule require eligible telecommunications carriers (ETCs) to certify that they are “complying with applicable service quality standards and

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<sup>1</sup> In addition to Verizon Wireless, the Verizon companies participating in this filing are the regulated, wholly owned subsidiaries of Verizon Communications Inc. (“Verizon”).

<sup>2</sup> 44 U.S.C. § 3501-3520.

<sup>3</sup> *Connect America Fund, et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011), *pets. for review pending sub nom. In re FCC 11-161*, No. 11-9581 (10<sup>th</sup> Cir. filed Dec. 18, 2011) (“*USF/ICC Transformation Order*”).

<sup>4</sup> Federal Communications Commission, *Information Collection(s) Being Reviewed by the Federal Communications Commission, Comments Requested*, OMB Control No. 3060-0986, 78 Fed. Reg. 12750 (Feb. 25, 2013).

consumer protection rules.”<sup>5</sup> Other than for wireless competitive ETCs, however, the Commission has never explained the meaning of the requirement – and the Instructions to proposed Form 481 do not do so, either. In the absence of further explanation, it is impossible for ETCs to make this certification as set forth on draft Form 481.<sup>6</sup> Instead, the Bureau should take a more flexible approach and allow ETCs to attach individualized certifications to the form, which has always been allowed for wireless ETCs.

A vague, broad certification requirement would be particularly problematic for incumbent local exchange carriers because they are often subject to a variety of service quality and customer service requirements at the state level. As an initial matter, it is unclear whether the Commission even intended to refer to such standards with this requirement – the Commission previously has concluded it would address the service quality commitments of carriers other than wireless competitive ETCs on a case-by-case basis.<sup>7</sup> The Commission specifically held that it would *not* get involved with state service quality proceedings through the ETC process.<sup>8</sup> Moreover, such state requirements often are aspirational – some impose no penalty if the LEC fails to meet them. Thus, it cannot be the rule that a carrier’s failure to achieve any state-determined service benchmark (which continuously change as new standards are set and service plans are adopted) would result in withdrawal of federal universal service support. As a result, allowing an individualized certification – rather than a simple check-box with broad, prescribed language – would be the most appropriate approach.

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<sup>5</sup> *USF/ICC Transformation Order*, at Appendix A; 47 C.F.R. §54.313(a)(5).

<sup>6</sup> See *FCC Form 481*, Draft Pending OMB Approval, at 4, [http://www.usac.org/\\_res/documents/hc/pdf/fcc/DRAFT-FCC-Form-481.pdf](http://www.usac.org/_res/documents/hc/pdf/fcc/DRAFT-FCC-Form-481.pdf) (2013) (“Draft FCC Form 481”).

<sup>7</sup> See *Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371, ¶ 28 (2005) (“*ETC Order*”).

<sup>8</sup> See *id.*

Emergency Functionality Certification Requirement. A similar problem exists with the vague language in the requirement that ETCs certify that the carrier “has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.”<sup>9</sup> The Commission has made clear that this requirement is subjective because “although an ETC may have taken reasonable precautions to remain functional during an emergency, the extreme or unprecedented nature of the emergency may render the carrier inoperable despite any precautions taken, including battery back-up and plans to reroute traffic.”<sup>10</sup> Moreover, the requirement was adopted in a proceeding focused on wireless carriers, and the Commission has never explained its applicability to wireline carriers or other types of ETCs.

As before, ETCs may need to formulate their precise certifications individually. The draft Form 481, however, includes only a simple check-box with the broad language quoted above. The form should be revised to allow carriers to supply their own certification language or, at minimum, an additional check-box to indicate that carriers have attached additional explanatory language to the form.

Affiliate Reporting Requirements. The Instructions require ETCs to report the name of “any corporate affiliates.”<sup>11</sup> Yet the *USF/ICC Transformation Order* requires the reporting of affiliate information specifically to increase accountability in the universal service programs “by simplifying the process of determining the total amount of public support received by each

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<sup>9</sup> 47 C.F.R. §§ 54.202(a)(2), 54.313(a)(6).

<sup>10</sup> *ETC Order*, ¶ 26.

<sup>11</sup> *Instructions for Completing 54.313 / 54.422 Data Collection Form*, Draft Pending OMB Approval, at 22, [http://www.usac.org/res/documents/hc/pdf/fcc/FCC-Form-481\\_Instructions.pdf](http://www.usac.org/res/documents/hc/pdf/fcc/FCC-Form-481_Instructions.pdf) (2013) (“Instructions”).

recipient, regardless of corporate structure.”<sup>12</sup> There is no basis to require the reporting of affiliates that are *not* recipients of USF support, and the instructions should be so limited.

*Outage Reporting Requirements.* The Instructions would define a reportable incident as an outage lasting at least 30 minutes *or* affecting at least ten percent of the end users in the service area or a 911 special facility.<sup>13</sup> However, the rule requires the outage to be at least 30 minutes in length *and* affecting at least 10 percent of end users or a 911 special facility.<sup>14</sup> The Bureau should revise the Instructions and Form to conform to the rule.

*Tribal Engagement Reporting Requirements.* The draft Form requires carriers to report on their compliance with the *Tribal Guidance Public Notice*.<sup>15</sup> While Verizon supports efforts to expand deployment of telecommunications services and broadband offerings in Tribal areas, significant questions have been raised regarding the legality of the specific language in the *Tribal Guidance Public Notice*.<sup>16</sup> Pending the resolution of those issues, carriers should not be required to certify compliance with the *Tribal Guidance Public Notice*. In any event, the Commission has not sought or obtained Paperwork Reduction Act approval for the data collections included in the *Tribal Guidance Public Notice*. As such, the Commission should not include certifications related to the *Tribal Guidance Public Notice* on Form 481. At minimum, the Form should make

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<sup>12</sup> *USF/ICC Transformation Order* ¶ 603.

<sup>13</sup> *See* Instructions at 15.

<sup>14</sup> *See* 47 C.F.R. § 54.313(a)(2)-(a)(2)(ii).

<sup>15</sup> *See Office of Native Affairs and Policy, Wireless Telecommunications Bureau, and Wireline Competition Bureau Issue Further Guidance on Tribal Government Engagement Obligation Provisions of the Connect America Fund*, Public Notice, 27 FCC Rcd 8176 (2012) (“*Tribal Guidance Public Notice*”). *See also* Draft FCC Form 481, at 9, Lines 920-29.

<sup>16</sup> *See, e.g., United States Telecom Association, Petition for Reconsideration*, WC Docket No. 10-90 (filed Dec. 29, 2011).

clear that carriers are not required to report on such compliance in 2013, since no proper approval was obtained during the 2012 reporting year.

*Voice and Broadband Offerings Reporting.* The draft Form 481 proposes to require carriers to report on their voice offerings in a manner that is more extensive and burdensome than necessary to fulfill the requirements in the *USF/ICC Transformation Order* and the rules.<sup>17</sup> Because only voice telephony service is supported by universal service, there is no basis for requiring carriers to report on bundled service offerings or measured-rate service. In addition, the requirement that ETCs report rates separately for each state, town, and exchange<sup>18</sup> serves no practical purpose and increases the burden of the reporting obligation, in contravention of the Paperwork Reduction Act. Instead, ETCs should be permitted to report prices at a consolidated geographic level.

Similarly, the draft Form is not clear but could be read to suggest that ETCs are required to report on price information for each of the ETC's broadband offerings.<sup>19</sup> Such a requirement would be beyond the scope of the *USF/ICC Transformation Order* and the Commission's rules. The *USF/ICC Transformation Order* requires only that ETCs "submit the price and capacity range (if any) for the broadband offering that meets the relevant speed requirement in their annual reporting."<sup>20</sup> This provision thus makes clear that ETCs that receive only frozen support, for which there is no "relevant speed requirement," are not required to submit broadband pricing information. For those ETCs that do receive support from a Connect America Fund program with a "relevant speed requirement," the Commission should amend the instructions to make

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<sup>17</sup> See Draft FCC Form 481 at 6.

<sup>18</sup> See *id.*

<sup>19</sup> See *id.* at 7.

<sup>20</sup> *USF/ICC Transformation Order* ¶ 594.

clear that ETCs are only required to report the price and capacity range for the specific service that “meets the relevant speed requirement.”

In addition, the requirement that carriers report broadband offerings down to the individual state, town, and exchange level<sup>21</sup> has no basis in the *USF/ICC Transformation Order* or the rules and needlessly increases the burden of the report. Here, too, ETCs should be permitted to report on a more aggregated geographic basis.

Multiple Officer Signatures. The draft form also ignores the burdens it creates by requiring officer certification signatures *seven* times. The form could meet the requirements of Section 54.313 with a single signature.<sup>22</sup>

Respectfully submitted,

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<sup>21</sup> See Draft FCC Form 481 at 7.

<sup>22</sup> See *USF/ICC Transformation Order* ¶ 581 (“We will also require that an officer of the company certify to the accuracy of the information provided and make the certifications required by new section 54.313.”).