



Five Fundamentals for Protecting Consumers in Technology Transitions

The Phone Network is Transitioning

- The technology underlying our telephone network is changing. The communications infrastructure is moving from copper to Internet Protocol (IP), fiber, wireless, or some combination of new technologies.
- The transitions present opportunities for better services, but it must ensure the transitions are a true step forward for everyone. The values that guide us now will shape the future of our phone and broadband networks for years to come.
- Last November, the FCC voted 5-0 on a notice of proposed rulemaking for technology transitions, recognizing the importance of the fundamental values that underlie our network.
- At its August 6th Open Meeting, the Commission is expected to vote on **two Orders, as well as a Further Notice of Proposed Rulemaking**, that will further some of these goals. Based on information circulated, those items will address (1) battery back-up power; (2) ensuring consumers are informed and protected when their networks change; and (3) further examining what criteria should be used to evaluate and compare replacement and legacy services.

Why Do We Need a Framework?

- A framework of fundamental principles will help us evaluate policy proposals throughout the transition, to ensure we continue protecting the values we care about most in our network.
- When natural disasters wipe out copper networks and carriers want to rebuild with fixed wireless or VoIP service, a framework that takes core network values and functionality into account can help ensure those new services still protect consumers and that these services continue to operate according to consumers' expectations for a phone system.

The Network Compact: Five Fundamental Values

Service to All Americans

- We cannot become the first industrialized nation to step back from the goal of providing access to communications services to 100% of our residents.
- We must continue to ensure that all Americans, regardless of race, sex, income level, disability, or geographic distribution, can participate in our telecommunications networks.

Interconnection and Competition

- "Interconnection" is the requirement that any phone network attach to competing networks, so you can call anyone else on the network regardless of what phone company they use. This stops larger carriers from leveraging their customer base to edge out smaller competitors.
- Competing carriers often rely on wholesale inputs to offer businesses more choices and better prices for phone and data services.

Consumer Protection

- Customers should continue to enjoy privacy in their phone calls and know that their phone bills will comply with truth-in-billing rules.
- Customers must have some mechanism for recourse if carriers don't play by the rules.

Network Reliability

- Above all, the network must work, every time, in the same predictable and reliable way.
- When natural disasters strike, communications networks should be robust enough to withstand a storm, and damaged networks should be brought back online as soon as possible.
- When we move from self-powered services like traditional copper-based phone service to new networks that need battery backup, we must make sure consumers still have access during power outages.

Public Safety

- We should make sure the new networks continue to provide dependable 911 access, and should take advantage of new technologies to increase 911 capabilities.
- The use of IP-based technologies has increased the frequency and scale of “sunny-day” 911 outages. The FCC must have authority to prevent these outages and mitigate their impacts.

FCC’s Orders and FNPRM Address Several Important Issues, But Critical Work Remains To Be Done

Ensuring Battery Back-Up in Emergency Situations.

- Traditional phone services could power themselves through the copper line, so even when the power goes out, the phone networks still worked. New fiber, wireless, and IP-based services are not self-powered, so if the power goes down in a hurricane or for other reasons, the networks go out, too.
- The FCC’s Order would ensure a technical solution for 8 hours of standby backup power are available for consumer to purchase, either directly or from a third-party retailer, at the point of sale.
- We are supportive of general goal of ensuring back-up power the FCC’s Order endeavors to address; however, we retain concerns about the burden this places on the consumer – in particular low-income households – that we hope will be addressed in the future.

Informing and Protecting Consumers as Networks Change (Section 214(a)).

- Currently, when telephone providers change or discontinue a particular service, they are required to get permission from the FCC. This ensures that any new service is at least as good, if not better, than the one it is replacing.
- Many of the people who continue to use landlines are the ones most at risk if new services are inferior to existing ones – rural communities, the elderly, those with disabilities, and those whose power goes out often. Businesses are also heavily reliant on phone services to communicate with suppliers and customers.
- Happily, the FCC’s Order endeavors to protect at-risk consumers by requiring carriers give them notice, and provide notice to interconnecting carriers, when legacy networks are replaced with IP-based networks.
- However, the Commission has yet to establish a specific checklist by which to evaluate replacement networks to verify that they will meet consumer needs better or at least as well as the current networks.
- To that end, PK has asked the FCC to establish metrics to measure network comparability by evaluating replacement technologies by their reliability, capacity, call quality, functionality, interoperability, disabilities access, 911 service, security, and wireline coverage.

Tech Transitions Must Be Not Be An Upgrade for Some and A Downgrade For Others, But An Upgrade For All.

The FCC’s current proceedings are the critical next step in its ongoing efforts to pave the way for the deployment of next-generation communications networks while also protecting consumers and promoting competition. The FCC has already unanimously recognized the network’s fundamental values. However, as the transitions continue, we must not be complacent. We must be vigilant, ensuring that FCC enforces its rules to protect consumers, and constantly examining whether specific policies further the values that have always been at the core of the network. We can encourage technology transitions while also promoting the underlying policies that preserve affordable, reliable, and competitive access for all consumers.

