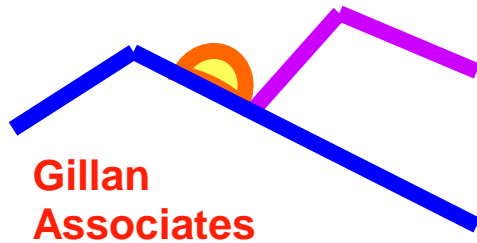


What Gets Lost in the IP Transition?



**Joe Gillan
NASUCA
November 18, 2013
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What Gets Lost in the IP Transition?

- Competition?
- A unknown number of consumer devices/uses?
- Comparable urban and rural services?

YOU MATTER!!!!!!

- This is the largest “regulatory ask” in history.
- The transition raises issues of fact – facts that have to first be DISCOVERED, and then ANALYZED.
- The federal process makes it difficult to learn what you are not told, and to verify what you are.

April 18, 2007 - Verizon FCC Affidavit

Both Dr. Selwyn and Mr. Gillan claim that E911 listings data overstate the number of business access lines. But they fail to consider the various ways that E911 listings data *understate* competition for enterprise customers.

Declaration of William Taylor WC Docket No. 06-172

July 16, 2007 - Verizon Testimony

“...at the state level, ratios of business E-911 listings to access lines in the 2:1 neighborhood are not unexpected.”

Rebuttal Testimony of Harold E. West III

Case No. PUC-2007-00008

What Gets Lost in the IP Transition?

➤ Competition?

February 24, 2012 – FCC Comment

“Verizon currently has one agreement in place covering its FiOS Digital Voice VoIP traffic, and we are negotiating others.”

February 25, 2013 – FCC Comment

“Verizon currently has one agreement in place covering its FiOS Digital Voice VoIP traffic, and Verizon will continue to negotiate IP voice interconnection agreements in good faith and hopes to enter into more agreements for this traffic going forward.”

June 26, 2013

2 In compliance with that directive, Verizon MA submitted on May 30, 2013, its voluntary commercial agreement covering its FiOS Digital Voice VoIP traffic, which Verizon has referenced in certain FCC filings. That agreement is ***** Begin Proprietary***** [REDACTED]

***** End Proprietary***** To the contrary, it primarily ***** Begin Proprietary***** [REDACTED]

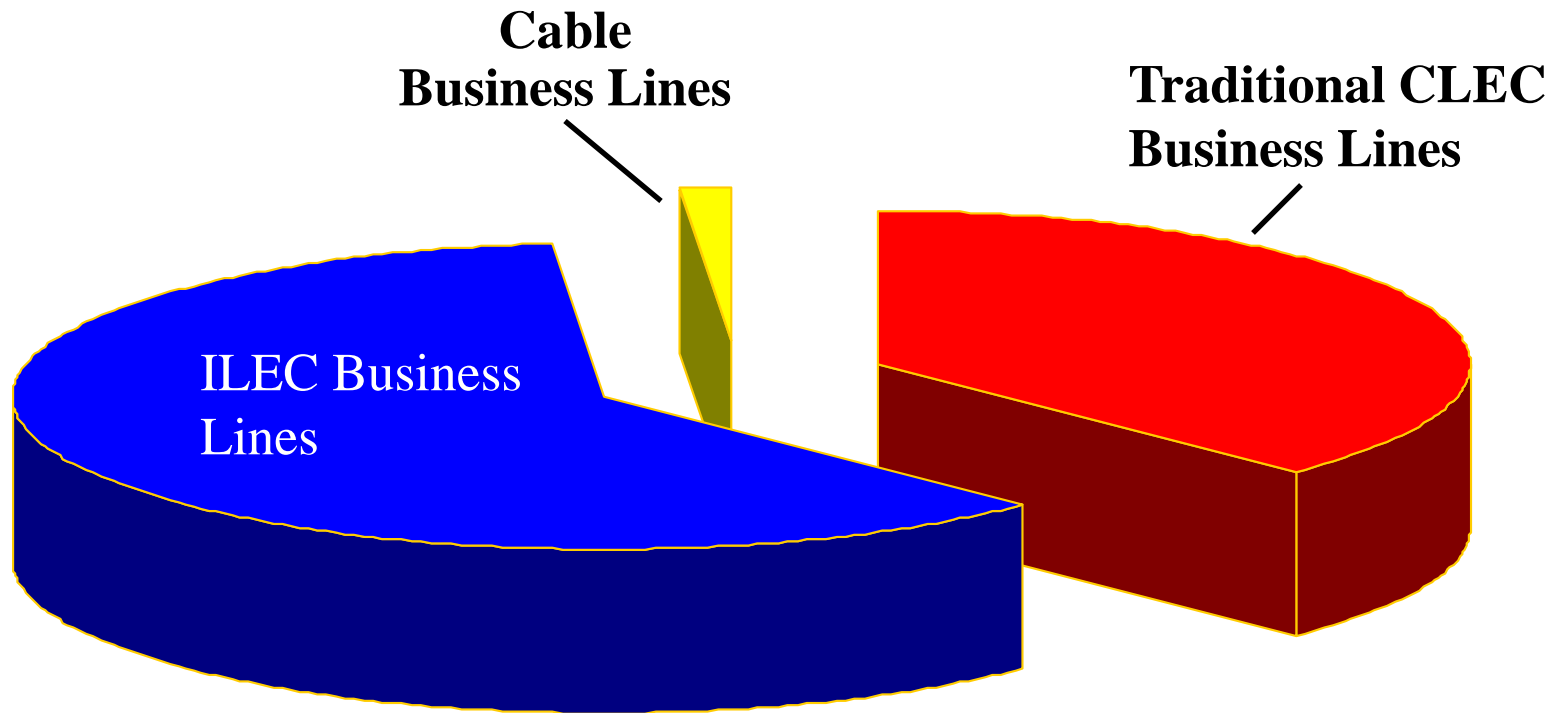
[REDACTED] ***** End Proprietary***** Verizon MA also submitted an agreement that provides ***** Begin Proprietary*****

[REDACTED] ***** End Proprietary*****].

November 24, 2013 – HO Ruling

Verizon MA entered into an agreement for the exchange of VoIP traffic over an IP network and is currently exchanging VoIP traffic under that agreement.

Threat to Business Competition



Source: USTELECOM, "Evidence of Voice Competition and ILEC Non-Dominance Mounts," April 2, 2013.

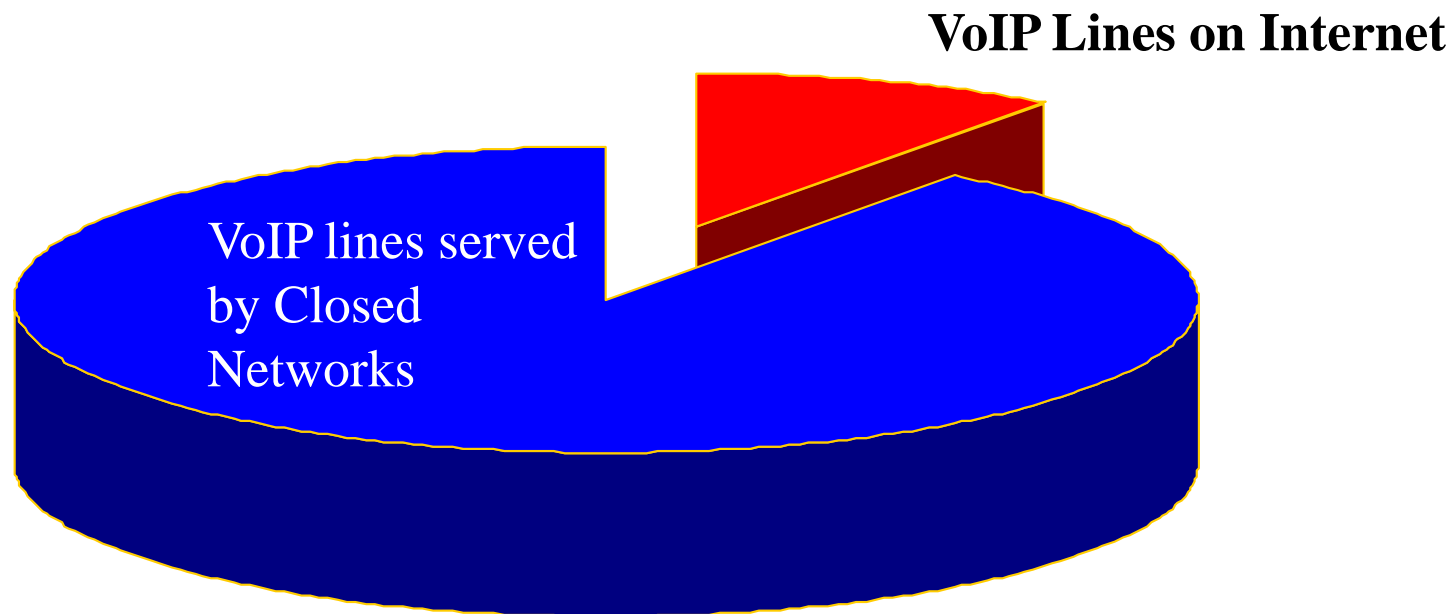
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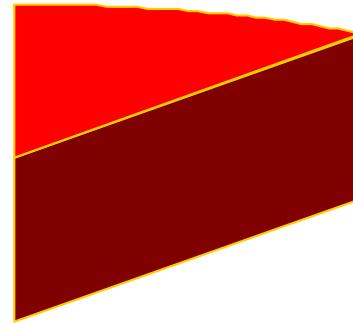
Most VoIP Services are Provided over Closed (Managed) Networks, Not the Internet



Source: USTELECOM, "Evidence of Voice Competition and ILEC Non-Dominance Mounts," April 2, 2013.

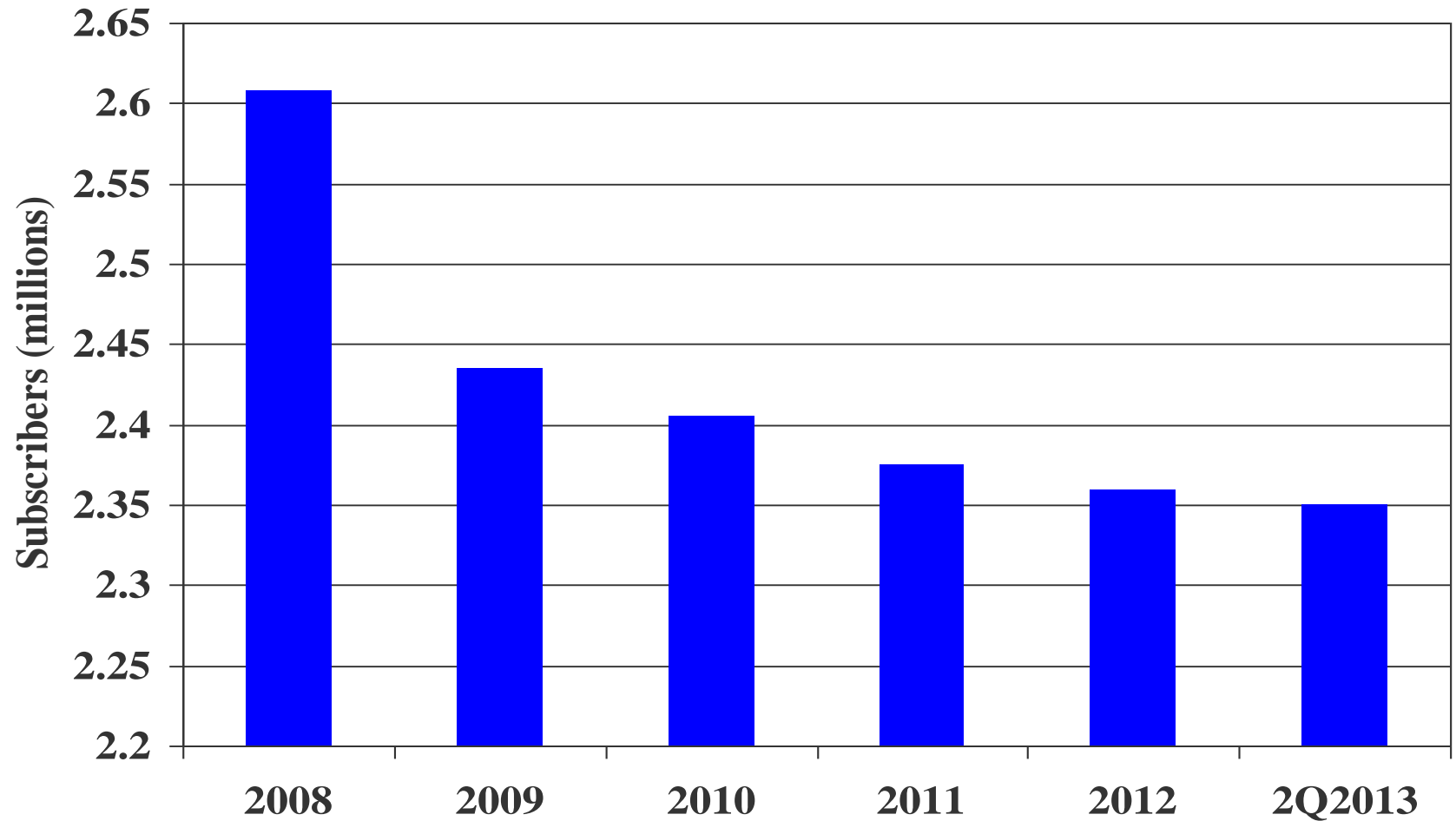
Managed vs. OTT VoIP

**Vonage is estimated
to serve 75% of OTT
subscribers**



Sources: USTELECOM, “Evidence of Voice Competition and ILEC Non-Dominance Mounts,” April 2, 2013, at 8.

Vonage “Growth” Over Past 5 Years



FiOS and U-verse are not OTT on the “Internet”

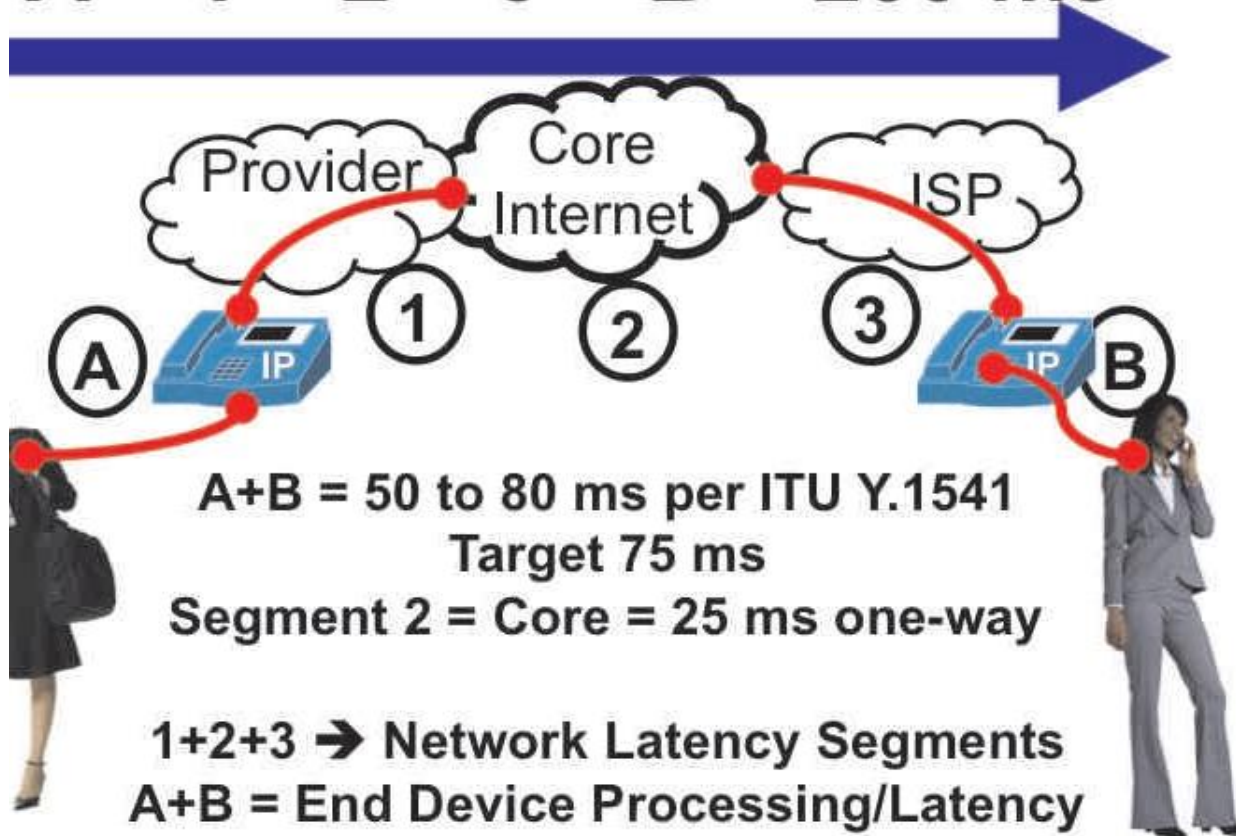
“To understand the features and quality of FiOS Digital Voice, you first need to know that the service is not the same as the services you get with a little Internet adapter for your modem and phone, and it does not ever touch the public Internet.”

“AT&T U-verse Voice service is provided over AT&T's world-class managed network and not the public Internet.”

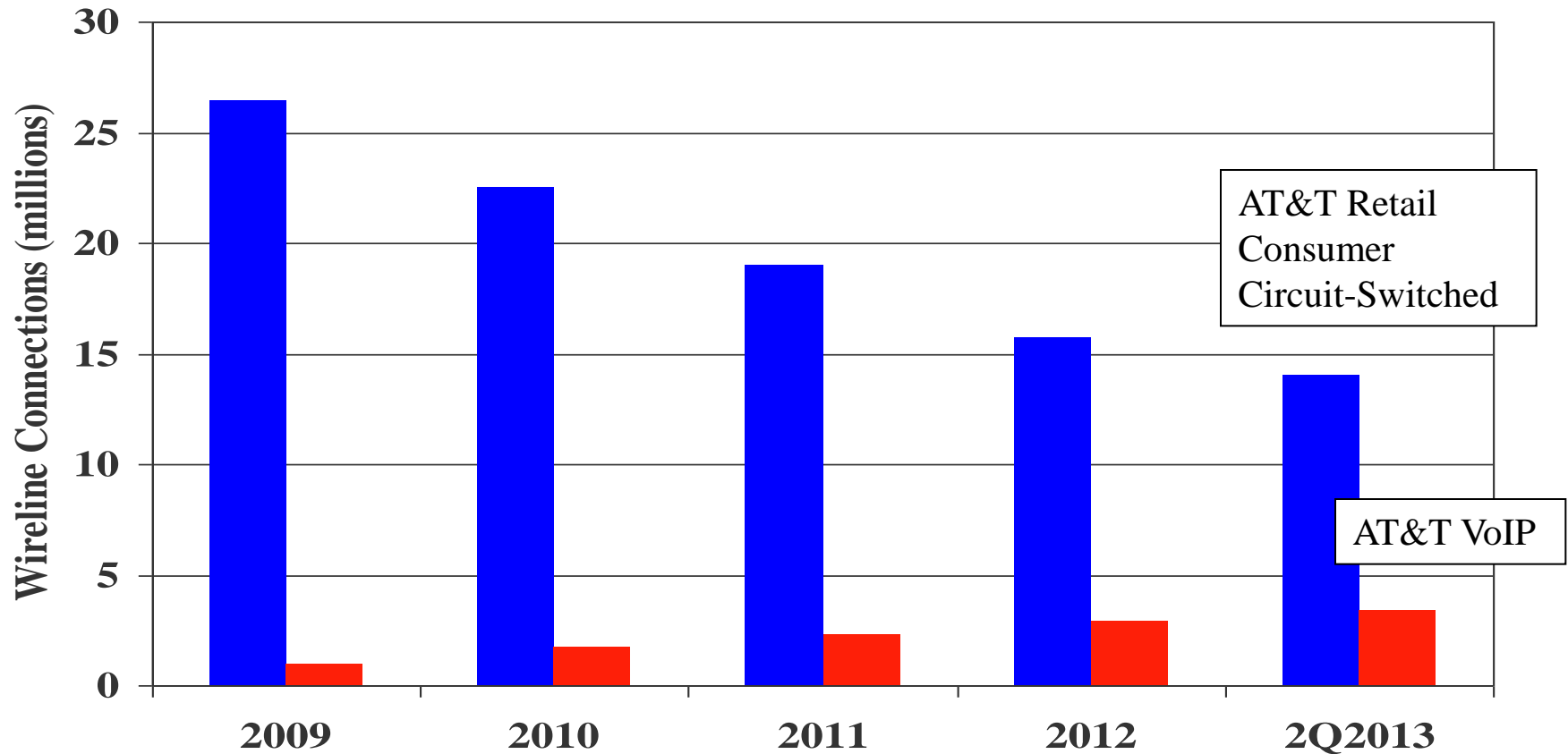
Sources: <http://newscenter.verizon.com/press-releases/verizon/2010/fios-digital-voice-heres.html>
<http://www.att.com/u-verse/explore/home-alarm.jsp>.

CAF II Latency Requirement

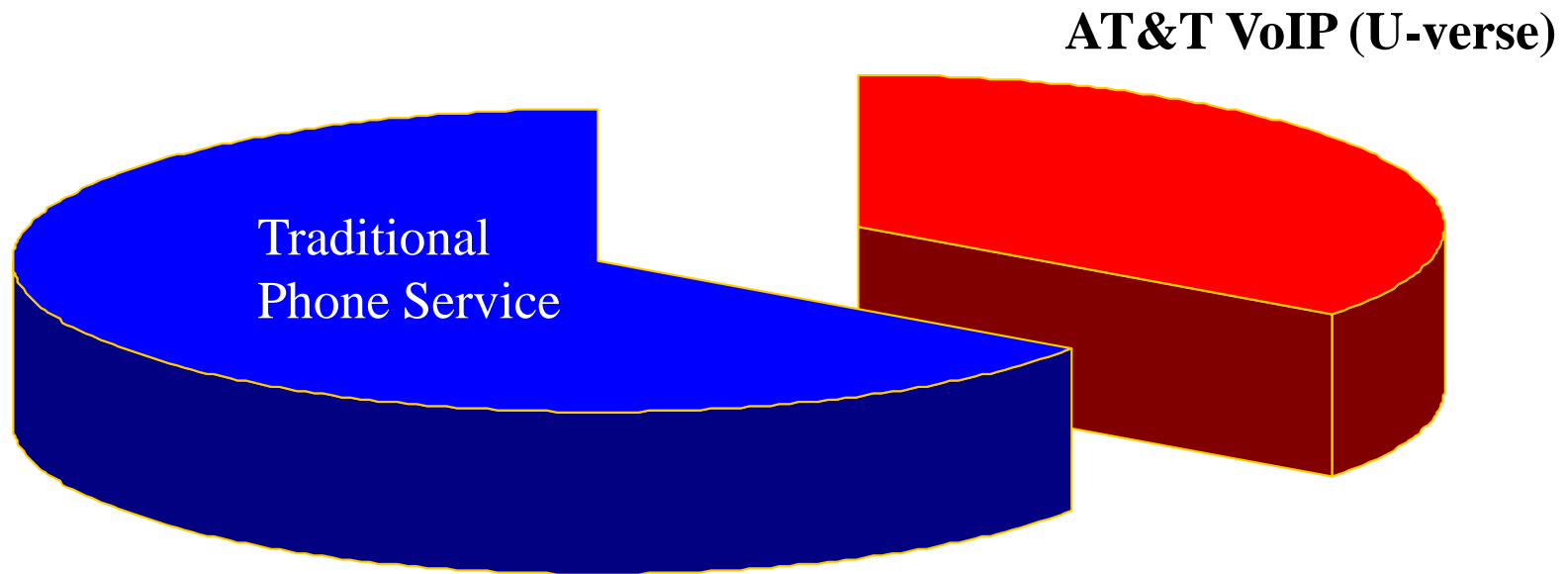
$$A + 1 + 2 + 3 + B = 200 \text{ ms}$$



Where is AT&T? Only 19% of AT&T's consumer lines are VoIP ...



... and in those areas where AT&T offers both VoIP and traditional phone service, traditional service still maintains nearly a 2:1 advantage.



Sources: AT&T 2Q2003 10Q filing with SEC

FCC Local Competition Report issued June 2013, data as of June 2012.

CDC Study on Wireless Substitution, issued June 2013, data as of December 2012.