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Op-Ed

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**The FCC is Disconnected from Reality...  
Its Hasty Proposal Could Add to the Financial Burden of Millions of Americans**

This has been a difficult year for all of us, as we have watched the stock markets sputter, housing values plummet, and banks crash. Too many Americans are struggling to make their mortgage payment, and wonder how they will ever be able to afford to retire. Many people are wondering if regular citizens are ever going to be able to stop bailing out big companies. Apparently, the Federal Communications Commission (FCC) thinks a "relief package" is needed for the nation's two largest telecommunications providers. That's why the FCC is just days away from voting on a proposed order that could end up costing millions of consumers millions of dollars on their monthly phone bills.

Right now, when companies like AT&T and Verizon and other use smaller carriers' telephone networks to complete calls, they have to pay an access charge to those carriers. This is a major revenue source for the telecommunications companies that serve mostly rural, high-cost areas, like FairPoint Communications. The proposal by FCC Chairman Kevin J. Martin would all but take away that revenue, instead shifting the burden to residential and business telephone customers by forcing smaller carriers to raise their rates \$2 to \$15 per month. As an inevitable consequence of this proposal, monthly service rates will shoot up, forcing many low income and senior citizens to choose between basic necessities and essential telecommunications services, including reliable 911 and broadband access.

The consequences for business and economic development are just as dire. Businesses with multiple phone lines will have to make the same painful choices as consumers. If the proposal becomes an order, then we can expect a long-term slowdown in economic development in parts of the country that are depending on new and expanding telecommunications services to support economic development, and it is likely that the negative impact on the smaller carriers will affect telecommunications expansion in rural areas.

Make no mistake – the system of access charges currently used by the telephone companies to compensate each other for use of their networks is very complicated, and no one questions the need for reform. But it has to be the right reform, done the right way at the right time. The telecommunications industry has been trying to work towards a sensible and mutually beneficial solution for years. There are a number of more balanced proposals already in circulation. However, Chairman Martin is pushing his



radical reform, which hardly resembles anything the industry has ever envisioned. He has given his fellow Commissioners only a few weeks to review a massive, 160-page draft order – and Congress, consumers, and carriers serving rural America will never even see the order until it has been voted on.

Most astonishingly, Chairman Martin insists the FCC must vote on this order on November 4, the same day Americans, among them our members of Congress, go to their polling places to vote in the national election. Perhaps he assumes that no one will be paying attention when this proposal is approved without even the slightest input from consumers or anyone representing their interests. I hope he is wrong; I hope that business owners, residential customers and everyone who has an interest in promoting fairness will speak up and ask the FCC to stop its headlong rush towards this policy.

I hope that everyone reading this will take the time to send a note to the FCC Commissioners (their e-mail addresses are below) and to your representatives in Congress, urging them to look out for consumers. We need time to ask the right questions, assess all the risks, evaluate all the alternatives and reach a real solution. We need to stop this vote. The only vote taking place on November 4<sup>th</sup> should be in the voting booth, not at the FCC.

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