Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of)
Implementation of the Telecommunications Act of 1996:) CC Docket No. 96-115
Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information))))
IP-Enabled Services)) WC Docket No. 04-36

REPLY COMMENTS OF THE VOICE ON THE NET (VON) COALITION

I. Introduction

The Voice on the Net (VON) Coalition hereby submits these reply comments in the above-captioned proceeding.¹ As explained by the Commission in its most recent order addressing rules to protect customer propriety network information (CPNI), Section 222 of the Communications Act requires telecommunications carriers to protect the confidentiality and privacy of their customers. The Commission strengthened its privacy rules to "sharply limit pretexters' ability to obtain unauthorized access to this type of personal customer information."² Simultaneous with the *CPNI Order*, the Commission issued a Further Notice of Proposed

¹ Implementation of the Telecommunications Act of 1996; Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information, CC Docket No. 96-115, Report and Order and Further Notice of Proposed Rulemaking, 22 FCC Rcd 6927 (CPNI Order and Further Notice).

Rulemaking proposing additional regulations that would expand the obligations of telecommunications carriers and Interconnected VoIP providers even further.

The VON Coalition supports the Commission's goal of preventing pretexting and protecting confidential customer data against unauthorized release, however the VON Coalition agrees with comments from Vonage, NCTA, Comcast, AT&T, Time Warner, T-Mobile, Comptel and others the premature adoption of additional CPNI requirements is neither necessary nor justified. The VON Coalition is concerned that an additional layer of regulation will result in costs far exceeding the benefits afforded to consumers. The VON Coalition once again cautions against adopting regulations that would impose harmful regulatory burdens, resulting in potential delays in deployment of IP services that provide more privacy protections than traditional phone services³, and increased costs and confusion for consumers. In light of the recently adopted privacy safeguards, the Commission should now refrain from imposing additional and possibly unnecessary and costly new CPNI rules.

As the record reflects, the Voice over Internet Protocol (VoIP) industry has demonstrated a continuing commitment to protecting the privacy of customers against "pretexting" and other illicit means of obtaining records and personally identifiable information. VoIP providers have implemented a variety of robust privacy safeguards, including those CPNI safeguards recently adopted by the Commission, to protect against unauthorized access to customer information.

³ There are distinct differences between traditional telecommunications and Interconnected VoIP – technologically, legally, and operationally – which have worked to protect VoIP consumers and to thwart pretexters. Technologically, interconnected VoIP providers utilize the latest, up to date, and cutting edge technologies to protect user privacy. Legally, the privacy of Internet communications also falls under the Federal Trade Commission jurisdiction from which "traditional" telecommunications providers have been exempted. Operationally, VoIP communication utilizes the global Internet, where time and distance are irrelevant, which obviates the need for detailed phone bills containing personal call detail information. These factors have combined to reduce or prevent transmission of customer information of the type that is the core of the Commission's current concerns.

Internet companies are constantly revising and re-evaluating such procedures to enhance these safeguards and keep a step ahead of the pretexters. Moreover, companies are using cutting-edge Internet technologies to provide comprehensive privacy protections for their Internet Protocol IP-enabled products.

Given that privacy protections afforded customers both through measures previously implemented by the Internet community as well as the Commission's new rules that have not even become effective, it is premature to adopt additional CPNI safeguards. The Commission's decisive action to protect unauthorized disclosure of call detail information and other CPNI should be given a chance to work and then observed to see how effective the Commission's action have been. In addition, recent enactment of the Telephone Records and Privacy Protection Act of 2006⁴ will likely further advance the Commission's goal of preventing pretexting and protecting confidential customer data against unauthorized release. This statute makes it a violation of federal criminal law to engage in pretexting and supplements state laws that already criminalize such conduct. This combination of recently advanced regulatory requirements and criminal penalties has been carefully evaluated and should prove effective in minimizing pretexting activity. As Time Warner explained in its comments, the adoption of any further mandates before the Commission has implemented and had an opportunity to enforce its recently adopted requirements would be unjustified and, as a result, arbitrary and capricious.⁵

In addition, the specific measures at issue in the *FNPRM* are particularly ill advised. Notably new requirements for audit trails, physical safeguards, and data retention limitations, among others would add additional layers of regulatory complexity, have the potential to add

⁴ Telephone Records and Privacy Protection Act, Public Law 109-476 (Jan. 12, 2007).

⁵ Time Warner Inc. Comments, CC Docket No. 96-115, at 6.

massive new costs to emerging competitive services, without a demonstrable public interest benefit.

IV. Conclusion

For the foregoing reasons, the Commission should not adopt any additional CPNI requirements at this time.

Respectfully submitted, **THE VON COALITION**

By: <u>/s/ Staci L. Pies</u> Staci L. Pies President