

# Interconnected VoIP Providers Required to Report Outages

February 15, 2012

As we've discussed, today the FCC adopted rules to require interconnected VoIP providers to report network outages to the FCC. The text of the FCC's order has not been released, but the order adopts a much narrower outage reporting requirement than originally proposed. Under the new rules, interconnected VoIP providers will be required to report "hard" outages -- inability to complete calls -- that meet thresholds also applicable to traditional telecom services. This decision continues the trend to treat interconnected VoIP the same as traditional TDM voice services, at least with respect to its obligations.

According to the Public Notice, the Report and Order "means that interconnected VoIP service providers will be obligated to report significant service outages to the FCC." The Public Notice also promises that the Report and Order "defines outage reporting for interconnected VoIP service, establishes reporting criteria and thresholds, and discusses how the reporting process should work, what information should be reported, and confidential treatment of the outage reports." Details on these obligations will not be available until the text of the order is released.

Importantly, the FCC also significantly narrowed the scope of the rules that it initially proposed. The FCC deferred action on a number of questions, including the possibility of setting thresholds for reporting outages of broadband Internet service, and measurements for outages of both interconnected VoIP and broadband Internet services based on performance degradation, as opposed to complete service outage.

**Significant Enforcement Penalties May Apply.** Meanwhile, interconnected VoIP providers should take note of these rules. In the past, the FCC has set significant fines for failing to file the required outage reports. It has proposed a base forfeiture of \$40,000 for failing to file the Electronic Notification, \$20,000 for failing to file the subsequent Outage Reports and \$25,000 for filing incomplete or inaccurate reports. Presumably, the same fines will apply, but only after the VoIP provider first receives a citation.