

Verizon and Verizon Wireless Pay \$200,000 to Settle Outage Reporting Investigations

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Randy Sifers contributed to this blog post.

On March 14, 2012, the FCC released two consent decrees settling investigations into Verizon's and Verizon Wireless's outage reporting practices. Collectively, the two affiliates will pay \$200,000 to resolve a Notice of Apparent Liability for filing inaccurate outage reports and possibly other violations. The release of these two settlements confirms that the Enforcement Bureau views the filing of inaccurate or incomplete network outage reports, not just the failure to file outage reports, as significant violations of the Communications Act.

The cases involve Verizon and Verizon Wireless. In July 2009, Verizon experienced a reportable network outage and submitted a timely report concerning that outage. In July 2010, the FCC issued a [Notice of Apparent Liability](#) against Verizon for failing to file a true, complete and accurate outage report regarding a significant disruption in service. The Bureau proposed a monetary forfeiture of \$25,000. Subsequently, in March 2011, the Bureau issued a letter of inquiry to Verizon, expanding its investigation into Verizon's compliance with reporting requirements. In the [Consent Decree](#) released on Wednesday, Verizon agreed to pay \$90,000 to resolve the investigation.

In the other investigation, the Bureau first issued a letter of inquiry in June 2008, directing Verizon Wireless to submit a sworn written response to a series of questions relating to Verizon Wireless's compliance with the Commission's network outage reporting rules. Verizon Wireless submitted a timely response and, in response, the Bureau subsequently issued five follow-up letters of inquiry over the September 2008 through October 2009 time period. Because no notice of inquiry was issued, it is not clear whether the Verizon Wireless investigation involved failure to report or the filing of inaccurate or incomplete reports, or both types of infractions. But in the [Consent Decree](#) released on Wednesday, Verizon Wireless agreed to pay \$110,000 to resolve the investigation.

Both consent decrees contain provisions requiring Verizon and Verizon Wireless to develop a compliance plan, designate a compliance officer, to perform training of its personnel, to file compliance reports, and to report future violations to the FCC. In addition, the Verizon decree requires it to modify its existing processes for gathering, analyzing, and reporting information about its network outages particularly as they relate to public safety answering points. The Verizon decree does not indicate how many outages were involved, but nothing suggests that it was more than one.

Because the FCC received substantially more than the amount it originally proposed in the Verizon NAL, it appears that the Bureau found additional potential violations in its subsequent investigation. In a case settled in August 2011, [Alpheus Communications](#) agreed to pay \$55,000 for failing to timely file outage reports.