

IRREGULATORS vs. FCC

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READ: <http://irregulators.org/irregulatorsvsfcc/>

Lawsuit Appeal Moves Forward to Expose 19 Years of Alleged FCC Accounting Manipulation

An initial brief to appeal and FCC decision filed on Monday 7/22/2019 with the United States Court of Appeals for the District of Columbia Circuit by the IRREGULATORS consortium cites financial abuses by AT&T, Verizon et al., costing customers \$50+ billion per year, and hundreds of billions of dollars in Wireless and 5G costs to be charged to customers.

NEW: On July 22nd, 2019, the IRREGULATORS filed our initial brief with the DC Court of Appeals against the FCC's accounting rules.

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Oral Argument Requested

In the
UNITED STATES COURT OF APPEALS
DISTRICT OF COLUMBIA CIRCUIT

No. 19-1085
Agency No. 18-182

THE IRREGULATORS, NEW NETWORKS INSTITUTE, BRUCE A. KUSHNICK, MARK N. COOPER, TOM ALLIBONE, KENNETH LEVY, FRED GOLDSTEIN, AND CHARLES W. SHERWOOD, JR.,

PETITIONERS,

v.

FEDERAL COMMUNICATIONS COMMISSION AND UNITED STATES OF AMERICA,

RESPONDENTS.

ON PETITION FOR REVIEW OF AN ORDER OF THE
FEDERAL COMMUNICATIONS COMMISSION

INITIAL BRIEF FOR PETITIONERS THE IRREGULATORS, ET AL

(New York, NY) Case No. 19-1085, IRREGULATORS, et al., Petitioners, v. FEDERAL COMMUNICATIONS COMMISSION and UNITED STATES OF AMERICA, Respondents, On Petition for Review of an Order, alleges that accounting rules embody a fundamental mistake in how costs are identified and recovered as set forth in the FCC's Report and Order and Waiver, *In the Matter of Jurisdictional Separations and Referral to the Federal-State Joint Board*, 33 FCC Rcd 12743 (Dec. 17, 2018) known as the "Freeze Order."

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The case alleges that the FCC's Freeze Order made it possible for AT&T, Verizon and CenturyLink's local telephone utilities to manipulate the federal accounting rules, always making the wired public utility networks appear unprofitable, and have the state utility customers fund the majority of the companies' other services.

The affidavit of Dr. Mark Cooper, one of THE IRREGULATORS, and Director of Research at the Consumer Federation of America, explained the urgency of the problem:

“By misallocating costs and recovering them from the wrong people...the FCC has created an immense opportunity to earn excess profits, an opportunity that the communications network owners have exploited aggressively to directly harm consumers with higher bills. Ratepayers will soon be called upon to fund another round of network upgrades to support wireless 5G.”

Bruce Kushnick, Executive Director of New Networks Institute and Managing Director of the IRREGULATORS adds how corrective action further impacts 5G:

“If this financial shell game is fixed it will not only show that 5G is not profitable, as it currently is not paying for the building of most of the wireless infrastructure, but there should be billions in question per state that can be used to deliver on the promises of a fiber optic future for all customers, including rural areas.”

[The IRREGULATORS](#) is an independent consortium of senior telecom experts, analysts, forensic auditors, and lawyers who are former staffers from the FCC, state advocate and Attorneys General Office, as well as telecom auditors and consultants. Members of [the group](#) have been working together, in different configurations, since 1999.

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