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November 16, 2018

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th St. SW
Washington, DC 20554

Re: *Ex parte* presentation in WC Docket No. 18-155

Dear Ms. Dortch:

Inteliquent, Inc. (“Inteliquent”) files this letter to correct misleading and inaccurate statements in the *ex parte* letter of Nov. 5, 2018, filed by BTC, Inc. d/b/a Western Iowa Networks, Goldfield Access Network, Great Lakes Communication Corporation, Northern Valley Communications, LLC (“Northern Valley”), OmniTel Communications, and Louisa Communications (the “Iowa/South Dakota CLECs”).¹

The principal purpose of the Iowa/South Dakota CLECs’ letter appears to be to change the subject from the intentional call blocking scheme that Inteliquent has brought to the Commission’s attention—specifically, by attempting to re-litigate a recent billing dispute involving Inteliquent and Northern Valley that has nothing to do with the intentional call-blocking problem. As Inteliquent explained in reply comments in this proceeding in August 2018, Inteliquent has had a valid billing dispute based on Northern Valley’s mileage pumping practices and its refusal to grant a *bona fide*, unconditional request for a direct connection with Inteliquent.² Because of practices like these, Inteliquent and many other interexchange carriers have found themselves in billing disputes with Northern Valley over the years.³

¹ Letter from G. David Carter, Counsel to Western Iowa Networks, Goldfield Access Network, Great Lakes Communication Corporation, Northern Valley Communications, LLC, OmniTel Communications, and Louisa Communications (the “Iowa/South Dakota CLECs”), to Marlene H. Dortch, Secretary, FCC, WC Docket No. 18-155 (filed Nov. 5, 2018) (the “Iowa/South Dakota CLECs’ Nov. 5 Letter”)

² See Reply Comments of Inteliquent, WC Docket No. 18-155, at 3 (filed Aug. 3, 2018). Tellingly, Northern Valley does not dispute that it has located its remote end office switch some *192 miles* from the intermediate tandem switch to which it has directed interexchange traffic be delivered.

³ See, e.g., *N. Valley Commc'ns, L.L.C. v. AT & T Corp.*, 245 F. Supp. 3d 1120 (D.S.D. 2017); *Qwest Communications Company, LLC, Complainant v. Northern Valley Communications, LLC, Defendant*, File No. EB-

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In any event, the billing dispute with Northern Valley and Northern Valley's implementation of "disconnect procedures" from approximately mid-August to early November do not, and have not, formed the basis of Inteliquent's call to action in this and other proceedings. Inteliquent's records show that the daily blocking of millions of minutes of calls to numbers that the Iowa/South Dakota CLECs and Reasnor Telephone Company LLC ("Reasnor") have assigned to free conferencing applications, radio streaming stations and chat lines began in or around June 2017. Inteliquent first brought these facts to the Commission staff's attention in February 2018, after it was unable to obtain resolution from the LECs involved.

The call blocking has continued to this very day.⁴ The obvious purpose of the blocking is to divert traffic from the regulated path onto what becomes the bottleneck pathway for completing the calls: HD Tandem.

To be clear, the wide-scale intentional blocking of calls that Inteliquent has brought to the Commission's attention is not the behavior of a mere "customer" unknown to the Iowa/South Dakota CLECs and Reasnor. In filings in this and other proceedings, the Iowa/South Dakota CLECs have made clear that financial arrangements with HD Tandem's affiliates and similar high-volume calling platforms are central to their business plans.⁵ For the Iowa/South Dakota CLECs to suggest that they have "no obligation or ability" to redress the call blocking by their financial partners is disingenuous, to say the least.

The Iowa/South Dakota CLECs also suggest more broadly that interexchange carriers and intermediate providers like Inteliquent have no right to seek Commission action on any kind of access arbitrage because they choose to "insert" themselves "into the call flow" even though they "knew" that the Iowa/South Dakota CLECs "provide services to high-volume free conferencing providers."⁶ The message would seem to be that if long-distance carriers don't want to pay outrageously inflated access charges to those who are engaged in mileage pumping or call blocking, they shouldn't be in the business of providing long-distance services. As it did

11-MD-001, 26 FCC Rcd 8332 (2011); *Sprint Communications Company L.P., Complainant v. Northern Valley Communications, LLC, Defendant*, File No. EB-11-MD-003, 26 FCC Rcd 10780 (2011).

⁴ As an example, when Inteliquent attempts to deliver traffic intended for telephone numbers assigned by Reasnor (an Iowa LEC) to Free Conferencing, fewer than two percent of the calls complete over the regulated path. Only if calls are rerouted to bypass the regulated path and traverse the HD Tandem direct connect into Free Conferencing's platform do the calls complete.

⁵ See, e.g., Letter from G. David Carter, Counsel to the Iowa/South Dakota CLECs to Marlene H. Dortch, Secretary, FCC (filed Oct. 2, 2018), at Ex. A.

⁶ See Iowa/South Dakota CLECs Nov. 5 Letter at 4. The letter also suggests that Inteliquent has "withheld" payment to OmniTel. Inteliquent is perplexed by this assertion, given that representatives of OmniTel repeatedly have told Inteliquent that there are no amounts outstanding owed to OmniTel.

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in 2011, the Commission should reject these self-serving and circular arguments and continue its pursuit of actions to put an end to access arbitrage.

Accordingly, to bring a prompt end to call blocking and other forms of access arbitrage, Inteliquent reiterates its request that the Commission promptly (1) adopt the industry proposal that access stimulating LECs be required to bear financial responsibility for transport and termination of traffic to them, or at a minimum, cap mileage charges by those LECs at ten miles, (2) clarify that the intentional blocking or rejecting of calls for the purpose of diverting them from the PSTN and onto private networks for financial gain is unlawful, and thus access stimulating LECs have a duty to investigate and remedy such behavior, and (3) take prompt enforcement action against the entities perpetrating the call blocking scheme.

Please direct any questions to the undersigned.

Sincerely,

/s/ Matthew S. DelNero

Matthew S. DelNero

Thomas Parisi

Counsel for Inteliquent Inc.