PAUL, WEISS, RIFKIND, WHARTON & GARRISON

1615 L STREET, NW WASHINGTON, DC 20036-5694
TELEPHONE (202) 223-7300 FACSIMILE (202) 223-7420

1285 AVENUE OF THE AMERICAS
NEW YORK, NY 10019-6064
TELEPHONE (212) 373-3000
FACSIMILE (212) 757-3990

62, RUE DU FAUBOURG SAINT-HONORÉ
75008 PARIS, FRANCE
TELEPHONE (33 1) 53 43 14 14
FACSIMILE (33 1) 53 43 00 23

FUKOKU SEIMEI BUILDING
2-2 UCHISAIWAICHO 2-CHOME
CHIYODA-KU, TOKYO 100, JAPAN
TELEPHONE (81-3) 3597-8101
FACSIMILE (81-3) 3597-8120

SUITE 1910 SCITECH TOWER
22 JIANGUOMENWAI DAJIE
BEIJING, 100004
PEOPLE'S REPUBLIC OF CHINA
TELEPHONE (86-10) 6512-3628-30
FACSIMILE (86-10) 6512-3631

13TH FLOOR, HONG KONG CLUB BUILDING
3A CHATER ROAD, CENTRAL
HONG KONG
TELEPHONE (852) 2536-9933
FACSIMILE (852) 2536-9622

WRITER'S DIRECT DIAL NUMBER
(202) 223-7323
WRITER'S DIRECT E-MAIL ADDRESS
pscampbell@paulweiss.com

WRITER'S DIRECT FACSIMILE
(202) 223-7426

EX PARTE OR LATE FILED

April 14, 1998

By Hand Delivery

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
Mail Code 1170, 1919 M St., NW, Rm 222
Washington, D.C. 20554

Re: Ex Parte Notice -- PageMart Wireless, Inc.: Clarification of the Commission's Rules on Interconnection Between LECs and Paging Carriers, CCB/CPD No. 97-24; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, First Report and Order, CC Docket Nos. 96-98/95-185

On April 14, 1998, Todd Bergwall, Vice President, Law and Assistant General Counsel of PageMart Wireless, Inc. ("PageMart"); Kitty Wenrick, Director, Telecommunications of PageMart; Phillip Spector of Paul, Weiss; and I met with: Daniel Grosh, Peter Wolfe and Kelly Quinn of the Wireless Telecommunications Bureau; Edward Krachmer and Tamara Preiss of the Common Carrier Bureau; Paul Gallant, Legal Advisor to Commissioner Gloria Tristani; Kevin Martin and Paul Misener, Legal Advisors to Commissioner Harold Furchthott-Roth; and Tom Power, Legal Advisor to Chairman William Kennard to discuss issues summarized in the attached material.

We are submitting two copies of this notice in accordance with the Commission's Rules. Please stamp and return the additional copy to confirm your receipt. Please contact me should you have any questions.

Sincerely,

Patrick S. Campbell

Patrick S. Campbell

Attachment

cc: Daniel Grosh
Peter Wolfe
Kelly Quinn
Edward Krachmer
Tamara Preiss
Paul Gallant
Kevin Martin
Paul Misener
Tom Power

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Paul, Weiss, Rifkind, Wharton & Garrison
April 14, 1998

PageMart Wireless, Inc.
LEC / CMRS Interconnection

I. Background -- Existing Interconnection Rights of Paging Carriers

- Commission decided in Local Competition Order that, pursuant to Section 251, LECs must "cease charging [paging carriers] for terminating LEC-originated traffic," and must provide such traffic "without charge"; Eighth Circuit upheld this rule under Commission's Section 332 jurisdiction; Common Carrier Bureau has confirmed that this rule applies to the facilities used by LECs as well as per-minute charges; State commissions have agreed that paging carriers are entitled to reciprocal compensation.

- While many LECs (e.g., Bell Atlantic) have accepted that the rules prohibit facilities charges and mandate reciprocal compensation, several other LECs have repeatedly ignored these rules, and have continued to impose charges on PageMart for the facilities used to transport traffic to PageMart's terminals; these charges total over $4 million; these LECs continue to resist the Act, the FCC's order, and the Bureau's confirmation in various procedurally defective FCC filings.

II. Commission Should Preserve the Interconnection Rights of Paging Carriers

- LECs have historically hindered competition in the telecommunications marketplace by refusing to recognize the status of paging carriers as co-carriers entitled to interconnection rights; the FCC has resisted these attempts, confirming that paging carriers are telecommunications carriers entitled to take advantage of interconnection rights afforded all carriers; elimination of the present rights of paging carriers would be a throw-back to the monopolistic, anti-competitive practices of the LECs dating back to over three decades ago.

- A fundamental precept of the FCC's interconnection policy is that costs be borne by the cost-causing party; LECs must bear the cost of transporting calls from their customers to paging facilities, and paging carriers must be reimbursed for the costs they incur in terminating such traffic on behalf of the LECs, as these costs are avoided by the LECs -- otherwise the LECs would be getting a free ride. One LEC has cited avoided costs of $0.0049 per 20-second call. Paging calls also generate revenues by causing return calls in most instances.

- To the extent that reciprocal compensation applies when LEC/interconnecting-carrier traffic flow is 50/50, 70/30 and 99/1, there is no logical explanation for why it should not apply where traffic is 100/0; paging carriers should pay no charges where they have not caused any costs by sending any traffic to the LECs' facilities; regulatory parity requires that paging carriers be treated the same as other carriers (e.g., paging companies have to pay universal service charges) and not be charged for costs not caused.

- Paging carriers have incentives to devise efficient networks because of competitiveness of industry and absence of compensation for non-LEC-originated calls; "Eureka" situation being cited by LECs (paging terminal hundreds of miles from LEC facility) is the exception, rather than the rule.

- Existence of state tariffs irrelevant -- consistent with its Section 332 authority, the FCC required that LECs cease charging for the termination of LEC-originated traffic immediately, irrespective of state tariffs.