

LEBOEUF, LAMB, GREENE & MACRAE
L.L.P.

A LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

NEW YORK
WASHINGTON, D.C.
ALBANY
BOSTON
DENVER
HARRISBURG
HARTFORD
HOUSTON
JACKSONVILLE
LOS ANGELES
NEWARK
PITTSBURGH
SALT LAKE CITY
SAN FRANCISCO

1875 CONNECTICUT AVENUE, N.W.
WASHINGTON, DC 20009-5728

(202) 986-8000

TELEX 440274 FACSIMILE (202) 986-8102

WRITER'S DIRECT DIAL:

(202)986-8205

September 27, 2001

LONDON
(A LONDON-BASED
MULTINATIONAL PARTNERSHIP)

PARIS

BRUSSELS

MOSCOW

RIYADH
(AFFILIATED OFFICE)

TASHKENT

BISHKEK

ALMATY

BEIJING

RECEIVED

SEP 27 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

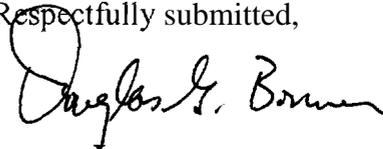
Re: Notice of Ex Parte Presentation: CC Docket No. 01-92
In the Matter of Developing a Unified Intercarrier Compensation Regime

Dear Ms. Salas:

On September 26, 2001, Robert A. Calaff, Esq. of Voicestream Wireless Corporation ("VoiceStream"), Mr. Carl Hansen of Hansen Communications Consulting, and undersigned counsel for VoiceStream met with Commission Staff to discuss the issue of CMRS traffic routing patterns and intercarrier relationships. The Common Carrier Bureau Staff participating in the meeting were: Tamara Preiss and Joshua Swift. The Wireless Bureau Staff participating in the meeting were: Gregory Vadas, Joseph Levin, and Stacy Jordan. A copy of materials that were provided to Staff at the meeting are attached hereto.

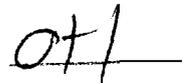
Pursuant to 47 C.F.R. § 1.1206(b)(2), a copy of this letter is being filed electronically with the Office of the Secretary. We also are providing copies to Commission Staff who participated in the meeting.

Respectfully submitted,



Douglas G. Bonner
Counsel to Voicestream Wireless Corporation

cc: Commission Staff
Robert A. Calaff, Esq
Mr. Carl Hansen



VoiceStream Wireless

Meeting with F.C.C. Staff

September 26, 2001

In the Matter of Developing a Unified Intercarrier Compensation Regime

CC Docket No. 01-92

1. Review of typical CMRS traffic routing patterns
 - a. Wireless Originated Calls (Figure 1)
 - b. Wireless Terminated Calls (Figure 2)
 - c. Routing observations – Typically:
 - i. CMRS carriers connect to all dominant ILECs with a single, two-way Type 2A trunk group to each Access Tandem within the CMRS operating area.
 - ii. CMRS carriers send all originating intra-LATA traffic to the dominant ILECs over these **trunk** groups. This includes local (IntraMTA) traffic to the dominant ILEC, local (IntraMTA) traffic to Independent Telcos, CLECs and other CMRS carriers subtending the ILEC Access Tandem, and some interMTA access traffic. The ILEC provides transit service and may also provide LNP query services and default routing.
 - iii. Most access traffic is handed off to one or more IXCs with whom the CMRS carrier has established contractual relations for the delivery **of** access traffic.
 - iv. There are no direct end office **trunk** groups.
 - v. All local (including IntraMTA calls that are considered toll by wireline companies), intrastate access and interstate access arrives via the same Type 2A trunk group used for originating calls.
2. Intercarrier Relationships
 - a. Dominant ILEC
 - i. Typically 2-3 per state
 - ii. Interconnection Agreements under 251/252
 - iii. Agreements usually state specific (some movement toward multistate)
 - iv. Physical connectivity
 - v. Billing for Wireless Originated traffic
 1. Wide Variety in Rates for Local Traffic (\$.003 - \$.03)
 2. Additional charges for LNP (\$.001-\$.004)
 3. Transit charges to 3rd parties (\$.001-\$.002)
 4. PIU/PLU factors or actual traffic used to determine local vs. access treatment.
 - vi. Billing for Wireless Terminated traffic
 1. Billed at symmetrical rates
 2. No transit **or** LNP charges
 - vii. Facilities including trunks and **SS7** links
 1. Shared costs, but not equitable
 - a. Mileage differences
 - b. Use **by** other carriers
 - b. Independent Telcos
 - i. Thousands in **U.S.**
 - ii. Negotiations beginning with larger ITCs **with** multistate presence.

- iii. Most Interconnection Agreements are cost prohibitive due to light traffic volumes
 - iv. No physical connectivity – Dominant ILEC completes traffic on a transit basis.
 - v. Billing for Wireless Originated traffic
 - 1. Wide Variety in Rates for Local Traffic (\$.01 - \$.10)
 - 2. Some states permitting tariffs for wireless traffic termination.
 - vi. Billing for Wireless Terminated traffic
 - 1. None
 - vii. Facilities including trunks and **SS7** links
 - 1. Not Shared
 - c. CLECs and **CMRS** Carriers
 - i. Thousands in U.S.
 - ii. Interconnection Agreements usually cost prohibitive due to small traffic volumes
 - iii. No physical connectivity – Dominant ILEC completes traffic on a transit basis.
 - iv. Billing for Wireless Originated traffic
 - 1. None - Effective Bill & Keep
 - v. Billing for Wireless Terminated traffic
 - 1. None - Effective Bill & Keep
 - d. Interexchange Carriers (Access)
 - i. Thousands in U.S.
 - ii. Agreements only with selected carriers to handle originating interstate or intrastate access traffic. No agreements with carriers wishing to complete traffic to the CMRS carrier.
 - iii. Physical connectivity only for CMRS-originated traffic. Dominant ILEC completes CMRS terminating traffic on a switched access basis.
 - iv. Billing for Wireless Originated traffic
 - 1. Contractual
 - v. Billing for Wireless Terminated traffic
 - 1. None
3. Practical Difficulties with current intercarrier compensation methods (Figure 3)
 - a. Costs to negotiate, arbitrate and file thousands of Interconnection Agreements under different state guidelines.
 - b. Costs of recording, processing and billing thousands of carriers using different negotiated rate structures.
 - c. Difficulties Relying on Calling Party Number and other **SS7** ISUP parameters
 - i. Parameters are not properly initialized
 - ii. Parameters are modified or lost by carriers en route to destination
 - d. **CMRS** carriers are not fully compensated for CPNP under 251/252
 - i. Independent Telcos charge but refuse to pay without contract
 - ii. ILEC arbitrage where toll competition exists
 - iii. InterLATA-IntraMTA traffic not treated **as** local
 - iv. Exclusions for number pooling and number portability
 - v. Other ILEC attempts to avoid payments
 - vi. Dominant ILECs refuse to bill and collect for other carriers.
 - e. **CMRS** carriers are not compensated for completing access calls
 - i. No incentive for IXCs to pay

- ii. No vehicle to set rates
 - iii. No express authority to bill
 - iv. Billing data embedded in ISUP message and often missing or suspect
 - v. Dominant ILECs refuse to bill and collect for other carriers.
 - vi. MECAB process is unwieldy and requires NECA tariff filings
 - vii. MECAB not offered by all dominant ILECs
 - f. CMRS carriers have no leverage
4. Suggested FCC actions
- a. Recognize Section 332(c) jurisdiction over all ILEC-CMRS interconnection matters.
 - b. Reaffirm that all IntraMTA ILEC-CMRS traffic is local traffic and not subject to access charges.
 - c. Adopt Bill and Keep as the intercarrier compensation mechanism for all local traffic exchanged between ILECs and CMRS carriers.
 - d. Clarify that direct interconnection is not required between **CMRS** carriers and non-dominant ILECs.
 - e. Clarify that, unless direct interconnection is required, contractual agreements between CMRS carriers and third **party** carriers (Independent Telcos) **are** unnecessary.
 - f. Establish process for review and approval of interconnection agreements under Section **332**.
 - g. Reaffirm that dominant ILECs have an ongoing responsibility to carry transit traffic.
 - h. Reaffirm that transit traffic charges should be based on forward-looking economic costs and should be equal to the sum of UNEs for tandem switching and tandem transport.
 - 1. Reaffirm that since the originating carrier pays for tandem transport as part of transit traffic charges, the terminating carrier has no obligations to pay for incoming trunk groups.
 - j. Review and adopt improvements to the manner in which the costs of interconnecting facilities are allocated between carriers.
 - k. Authorize CMRS carriers to receive compensation for terminating access calls.
 - 1. Order that dominant ILECs provide CMRS carriers with necessary and sufficient information to render bills to IXCs for all CMRS-terminated traffic. Alternatively, order the ILECs to perform access billing and collection on behalf of CMRS carriers
 - m. Request that ATIS provide technical specifications and billing guidelines to ensure that the “carrier of record” (carrier to be billed) and jurisdictional nature of all calls are included in the **SS7** ISUP parameters.
 - n. Establish a timeline for implementation of the ISUP parameters and industry-wide compliance.

Figure 1

Typical Routing for Wireless Originated Calls

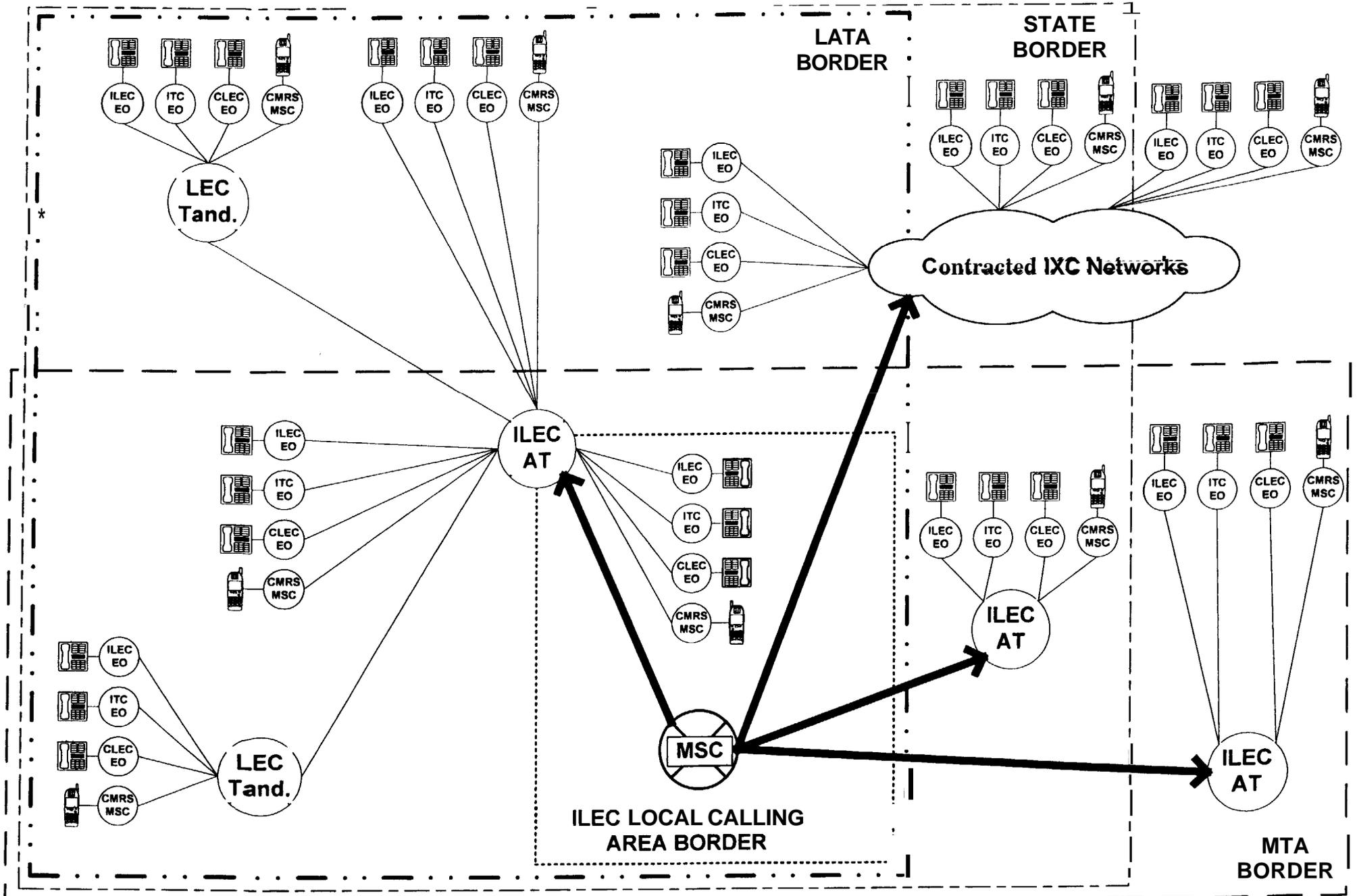


Figure 2

Typical Routing for Wireless Terminated Calls

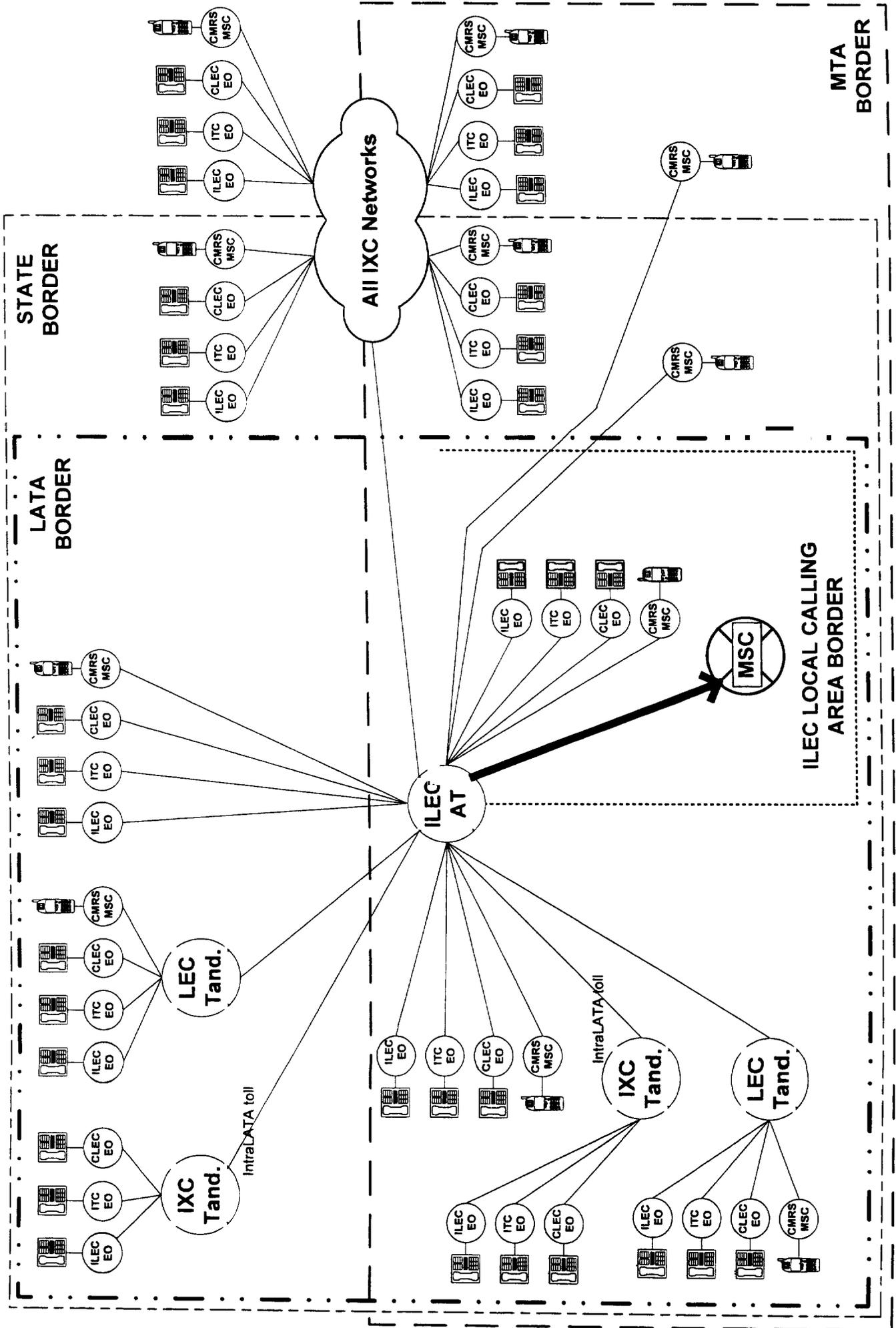
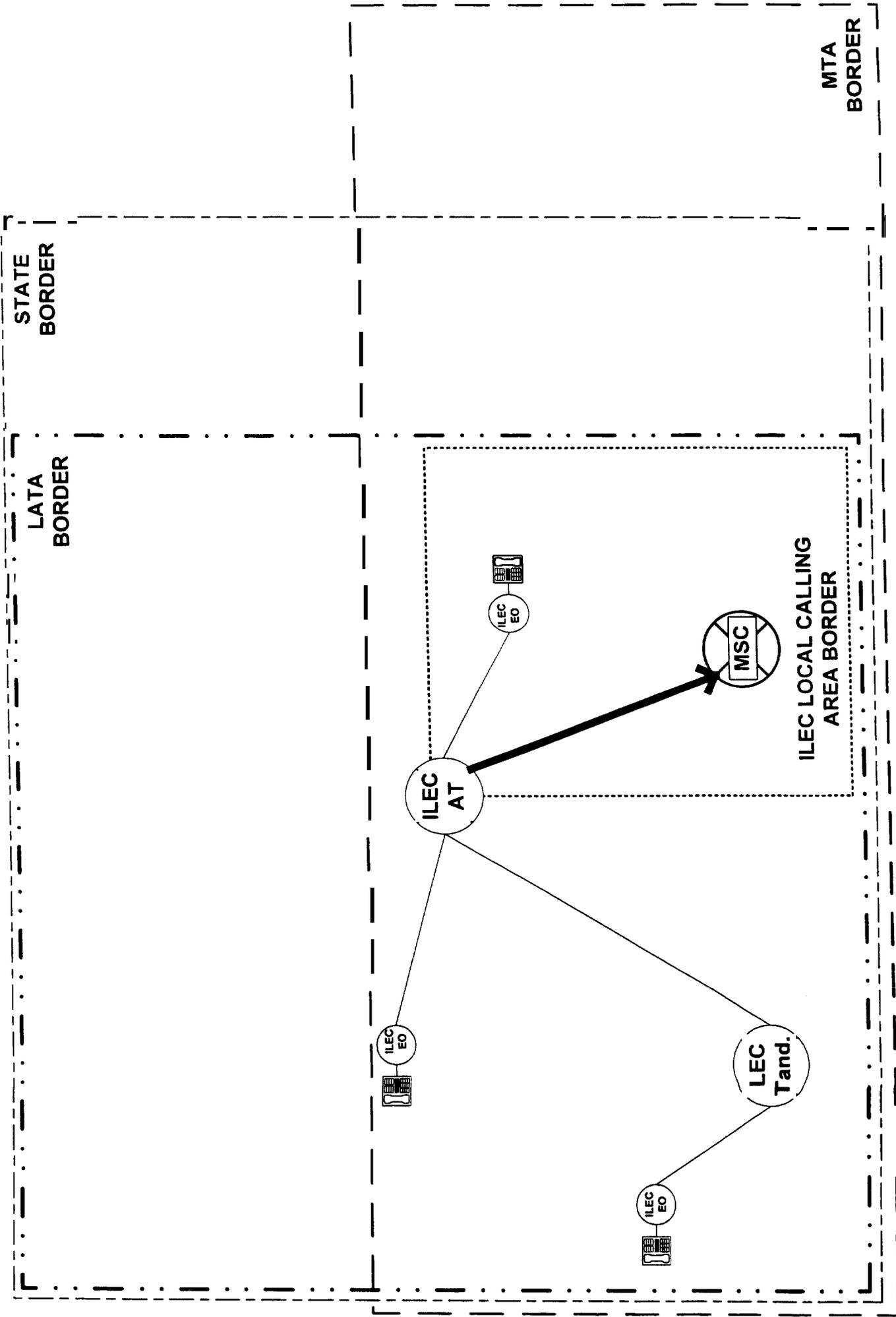


Figure 3

Who's Paying for Wireless Terminated Calls



Examples Of ILEC Contractual Attempts To Avoid Paying Reciprocal Compensation

Example 1 (RBOC) In this example the ILEC attempts to exclude traffic that is carried by an interexchange carrier even if it is Local Traffic otherwise. This is a particularly attractive position for the ILEC in LATAs where toll competition has been introduced. It is also notable that the ILEC does not exempt its own IXC affiliate where Section 271 approval has been granted.

Local Traffic is defined for purposes of reciprocal compensation under this Agreement as: (1) any telephone call that originates on the network of Carrier within a Major Trading Area (“MTA”) and terminates on the network of XXXX in the same MTA and within the Local Access and Transport Area (“LATA”) in which the call is handed off from Carrier to XXXX, and (2) any telephone call that originates on the network of XXXX that is handed off directly to Carrier in the same LATA in which the call originates and terminates on the network of Carrier in the MTA in which the call is handed off from XXXX to Carrier. For purposes of this Agreement, LATA shall have the same definition as that contained in the Telecommunications Act of 1996, and shall have the, same definition as that contained in the FCC's rules. **Traffic delivered to or received from an interexchange carrier is not Local Traffic.**

Example 2 (Larger Independent) In this example the ILEC limits the definition of “Local Traffic” to that which originates and terminates within its own local exchange service area.

“Local Traffic” is that telecommunications traffic, which originates and terminates within the same major trading area (“MTA”), as defined in 47 C.F.R. §24.202(a), **and within XXXX's local exchange service area.** For purposes of determining whether traffic originates and terminates within the same MTA, and therefore whether the traffic is local, the location of the landline end user and the location of the cell site that serves the mobile end user at the beginning of the call shall be used. Local Traffic excludes inter-MTA and paging traffic.

Example 3 (Larger Independent) In this example, the ILEC refuses to compensate the CMRS carrier for traffic which is toll according to the ILECs local calling areas even though it is still intraMTA.

LOCAL CALLING AREA -- (1) The applicable Major Trading Area (“MTA”) will be used to define the local calling area for all telecommunications traffic originated on the system of Carrier and interchanged with XXXX for delivery in XXXX's exchange areas in the same MTA. (2) **XXXX's local calling areas, as defined by state regulatory authorities, will be used to define the local calling area for all telecommunications traffic originated on the system of XXXX and interchanged with Carrier.** These definitions of “local calling area” will not be deemed to affect the right of either Party to bill its own end-users its own charges for any such call, nor its right to reciprocal compensation, as defined in Section 51.701 of the FCC's Rules.