

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Developing a Unified Intercarrier) CC Docket No. 01-92
Compensation Regime)
)
To: The Commission)

**REPLY COMMENTS OF THE
PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION**

**PERSONAL COMMUNICATIONS INDUSTRY
ASSOCIATION**

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Summary

The Personal Communications Industry Association (“PCIA”) replies to the comments filed in the *Notice of Proposed Rulemaking* (“*Notice*”) on developing a unified intercarrier compensation regime. There was a substantial divergence of views on the various bill-and-keep proposals advanced by the Commission in the *Notice* with little consensus developing among industry segments or even inside industry segments supporting the proposals, with the exception of two-way commercial mobile radio service (“CMRS”) providers which supported bill-and-keep. The CMRS carriers advanced several proposals on various aspects of bill-and-keep, which warrant the Commission’s careful consideration.

The Commission should proceed cautiously in modifying the existing calling party’s network pays regime because the cost of a mistake is significant. Paging carriers have only recently received the benefits of the existing rules because of foot dragging by the incumbent local exchange carriers (“ILECs”) and any change to the existing rules will result in a stalling of existing renewals and retrenchment by the ILECs. Further, the Commission should expect any revision to the existing rules to be met with administrative appeals and ultimately court challenges.

The Commission may not adopt bill-and-keep when there are not substantial offsetting cost savings by the terminating carrier because Section 332 of the Act must be read in conjunction with Sections 251 and 252 of the Act. Accordingly, since one-way paging and narrowband personal communication services (“PCS”) do not enjoy offsetting savings through bill-and-keep, the Commission may not adopt bill-and-keep for these services.

Before the Commission may adopt bill-and-keep, it must resolve various transport issues, such as the appropriate charges for and sharing of interconnection facilities and the location and

number of points of interconnection. Interconnection facilities used by one-way paging and narrowband PCS are different than two-way CMRS, so the Commission should adopt different rules with respect to these services – namely keeping the existing rules remain in place for one-way paging and narrowband PCS.

Further, the Commission should affirm and improve the existing interconnection rules with respect to: (a) an ILEC's obligation to provide interconnection facilities and transit arrangements at its forward-looking economic costs; (b) retention of the existing geographic area only test for tandem treatment rule; (c) retention of single POI in a LATA rule; and (d) reaffirming that CMRS carriers are entitled to assess access charges. Finally, the Commission should establish federal uniform guidelines for LEC-CMRS interconnection because it will reduce transaction costs.

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The Personal Communications Industry Association (“PCIA”)¹ respectfully submits its reply comments on the *Notice of Proposed Rulemaking* (“*Notice*”) adopted by the Federal Communications Commission (the “FCC” or “Commission”) on April 19, 2001 in the above-captioned proceeding.² As discussed more fully below, PCIA respectfully recommends that the Commission not adopt a mandatory bill-and-keep regime for LEC-paging interconnection at this time because no consensus developed for applying mandatory bill-and-keep for LEC-paging interconnection and adoption of a mandatory bill-and-keep regime will disrupt the current LEC-paging interconnection arrangements that have been the result of extensive negotiation. Accordingly, the Commission should affirm and improve the existing interconnection rules to

¹ PCIA is a wireless communications association dedicated to advancing seamless global communications through its strategic marketing, public policy expertise, events and educational programs. PCIA members include a broad base of interdependent mobile convergence players. PCIA is devoted to the rapid, efficient, and cost effective deployment of consumer-driven mobile products and services around the world. PCIA’s membership alliances include the Paging and Messaging Alliance, the Personal Communications Service Alliance, the Mobile Wireless Communications Alliance, the Private System Users Alliance, and the Site Owners and Managers Alliance. PCIA’s Frequency Coordination and Microwave Clearinghouse divisions give it unique expertise in spectrum management services and have made it an industry leader in representing and serving the interests of tens of thousands of FCC licensees.

² *Developing a Unified Intercarrier Compensation Regime*, FCC 01-132 (Released April 27, 2001), 66 Fed. Reg. 28,410 (2001).

eliminate ambiguities that the LECs have exploited in interconnection negotiations and establish federal uniform guidelines on LEC-CMRS interconnection.

I. THE COMMENTS REFLECT A SIGNIFICANT DIVERGENCE OF VIEWS ON THE VARIOUS PROPOSALS MADE BY THE COMMISSION AND SUPPORT FOR A “UNIFORM SCHEME” IS LACKING

In general, the positions espoused by most commenters were predictable and along industry lines. For example, many rural incumbent local exchange carriers (“ILECs”) oppose bill-and-keep as it might significantly affect their intercarrier revenues.³ Further, many rural ILECs also want to delay the effectiveness of any changes in existing rules until the Commission has implemented access reform for rural LECs and such access reform has been in effect for some time.⁴ The interexchange carriers (“IXCs”), on the other hand, for the most part supported either bill-and-keep or the adoption of forward-looking cost based rates for access charges.⁵ The state public utilities commissions (“PUCs”) were predictably concerned about the impact of the Commission’s proposal on the federal-state jurisdictional separations and universal service

³ See, e.g., Comments of Home Telephone Company, ICore Companies, Minnesota Independent Coalition, Missouri Small Telephone Company Group, National Rural Telecom Association and Organization for Promotion and Advancement of Small Telecommunications Companies, National Telephone Cooperative Association, Ronan Telephone Company and Hot Springs Telephone Company, Oklahoma Rural Telephone Coalition, and The Western Alliance.

⁴ See, e.g., Comments of National Rural Telecom Association and Organization for Promotion and Advancement of Small Telecommunications Companies and The Western Alliance. Recently the Commission adopted access reform for rural ILECs. See Public Notice, FCC Adopts Order to Reform Interstate Access Charge System for Rural Carriers, dated October 11, 2001.

⁵ See, e.g., AT&T Corporation (opposes bill-and-keep, but supports forward-looking costing); Cable and Wireless USA (supports COBAK bill-and-keep); Level 3 Communication (supports moving to a forward-looking cost model and, absent forward-looking costs, bill-and-keep); Qwest Communications International (supports bill-and-keep); and Worldcom (opposes bill-and-keep, but supports forward-looking costing).

regimes.⁶ Finally, most two-way CMRS carriers supported bill-and-keep for LEC-CMRS traffic.⁷

Surprisingly, even inside industry groups there was less consensus than expected on how the Commission should proceed. For example, not all ILECs opposed bill-and-keep and not all IXCs supported bill-and-keep.⁸ Further, state PUCs were divided on the Commission's bill-and-keep proposal – although most state PUCs did agree that there were significant jurisdictional and universal service issues with the Commission's proposals and that the Commission should refer these issues to the joint federal-state boards for review and input.⁹ The only real consensus that developed in support of the Commissions' bill-and-keep proposal was among the two-way CMRS carriers who advocated some form of bill-and-keep.¹⁰

⁶ *See, e.g.*, Comments of The Regulatory Commission of Alaska, The California Public Utilities Commission (“CPUC”), The State of Florida Public Service Commission, Public Service Commission of the State of Missouri, The National Association of Regulatory Utility Commissioners (“NARUC”), and The Public Service Commission of Wisconsin.

⁷ *See, e.g.*, Comments of AT&T Wireless Services, Cellular Telecommunications and Internet Association (“CTIA”), Mid Missouri Cellular, NexTel Communications, Rural Telecommunications Group, Sprint Corporation, Triton PCS License Company, Verizon Wireless, and Voicestream Wireless Corporation (“Voicestream”); *But cf.*, *e.g.*, PCIA and Allied Personal Communications Industry Association of California (“Allied”).

⁸ *See, e.g.*, ILECs: Comments of AllTel Communications, Inc. (opposes bill-and-keep); BellSouth Corporation (supports bill-and-keep); CenturyTel, Inc. (opposes bill-and-keep); National Exchange Carriers Association (opposes bill-and-keep); SBC Communications, Inc. (supports bill-and-keep); and Verizon Communications (opposes any quick action on bill-and-keep); IXCs: Comments of AT&T Corporation (opposes bill-and-keep, but supports forward-looking costing); Cable and Wireless USA (supports COBAK bill-and-keep); Level 3 Communication (supports moving to a forward-looking cost model and, absent forward-looking costs, bill-and-keep); Qwest Communications International (supports bill-and-keep); and Worldcom (opposes bill-and-keep, but supports forward-looking costing).

⁹ *See, e.g.*, Comments of The Regulatory Commission of Alaska (opposes bill-and-keep), CPUC (supports modified bill-and-keep), Iowa Utilities Board (supports bill-and-keep for wireline interconnection), Public Service Commission of the State of Missouri (expresses concern with bill-and-keep), The National Association of Regulatory Utility Commissioners (opposes bill-and-keep), The State of New York Department of Public Service (opposes bill-and-keep), PUCT (suggests working group to study bill-and-keep), and The Public Service Commission of Wisconsin (supports NARUC's position that issues must be referred to Joint State and Federal Boards).

¹⁰ *See, e.g.*, Comments of AT&T Wireless Services, Cellular Telecommunications and Internet Association, Mid Missouri Cellular, NexTel Communications, Rural Telecommunications Group, Sprint Corporation, Triton PCS License Company, and Verizon Wireless.

Even though a general consensus did not develop regarding the bill-and-keep proposals advanced in the *Notice*, many of the commenters made new interconnection proposals worthy of further study by the Commission. For example, several of the CMRS carriers advanced the proposal that the Commission adopt federal uniform guidelines for LEC-CMRS interconnection.¹¹ In addition, other CMRS commenters, such as AT&T Wireless, CTIA, Mid Missouri Cellular, and Verizon Wireless, advanced proposed bill-and-keep guidelines for LEC-CMRS interconnection.¹² Finally, CMRS carriers also advanced several clarifications to the existing calling party's network pays ("CPNP") regime, such as requiring all interconnection facilities obtained from the ILECs be provided at forward-looking costs.¹³ These proposals are meritorious and the Commission should give them careful consideration. Accordingly, PCIA urges the Commission to focus its efforts on those areas of the Comments where consensus did develop.

II. THE PRICE OF GETTING ANY FUNDAMENTAL RULE CHANGE WRONG IS VERY HIGH SO THE COMMISSION MUST PROCEED CAUTIOUSLY

PCIA urges the Commission to proceed cautiously before disturbing the existing interconnection regime since it is in place and working. For example, with respect to LEC-paging interconnection, agreements currently exist with all major ILECs and the agreements are in the process of being renewed for the first time.¹⁴ These interconnection agreements, however, are relatively recent because of foot dragging by the ILECs to enter into LEC-paging

¹¹ See, e.g., Comments of AT&T Wireless, NexTel Communications, Triton PCS License Company, Verizon Wireless, and Voicestream. See also Comments of PCIA.

¹² Comments of AT&T Wireless at pp. 34–44; CTIA at pp. 31-42; Mid Missouri Cellular at pp. 17-23; and Verizon Wireless at pp. 35-48.

¹³ Comments of AT&T Wireless at p. 36; and PCIA at pp. 20-23;

¹⁴ In some instances, it appears that the ILECs have decided to take the opportunity of the *Notice* to retrench from earlier agreements in which the ILEC, not the paging carrier, had the responsibility to deliver traffic to the paging switch so long as it is located inside the same LATA.

interconnection agreements that reflect the current Commission Rules. In addition, the cost to paging industry to secure these interconnection agreements has run into the millions of dollars and has consumed enormous resources of all carriers involved.¹⁵ Accordingly, any change in the existing interconnection rules would have a significant and potentially devastating effect on the paging industry.¹⁶

In addition, any fundamental change to the existing LEC-paging interconnection rules will create significant uncertainty and new opportunities for litigation at a time when relative peace reigns. The existing LEC-paging interconnection agreements are the result of relative stability in the Commission's Rules for the last several years and the Commission's enforcement of its existing interconnection rules. Any change to the existing rules will inevitably result in the same cycle of reconsideration, litigation, and appeal that the *Local Competition Order*¹⁷ underwent and the Commission should expect the ILECs to again engage in foot dragging on their responsibilities under any new rules until they are forced through Commission action to obey the new rules.

¹⁵ Although the Local Competition Order and Order was adopted in 1996, it was mid-1998 before the first ILEC-paging interconnection agreements reflecting the Telecommunications Act of 1996 were entered into by the ILECs. At the same time, other CMRS carriers had enjoyed new interconnection agreements in late 1996 and early 1997. In some cases, the two-way CMRS agreements are in the third renewal, while some LEC-paging interconnection agreements are still in their initial term.

¹⁶ As the Commission knows, the paging industry is starting to experience declining one-way paging revenues and at least one major paging carrier is in bankruptcy while others are being forced to undertake significant actions to avoid bankruptcy. Accordingly, the paging industry can ill-afford to spend the significant amounts of money that will be required to renegotiate the existing arrangements if the Commission implements bill-and-keep for LEC-paging interconnection – especially since the industry has not yet recouped the full costs of negotiating the current set of interconnection agreements.

¹⁷ In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, *First Report and Order*, 11 FCC Rcd 15499 (“*Local Competition Order*”), *aff'd in part and vacated in part sub nom. Competitive Telecommunications Ass'n v. FCC*, 117 F.3d 1068 (8th Cir. 1997) and *Iowa Utils. Bd. V. FCC*, 120 F.3d 753 (8th Cir. 1997), *aff'd in part and remanded, AT&T v. Iowa Utils. Bd.*, 525 U.S. 366 (1999). For example, the *Local Competition Order* is still under appeal and the Commission has not yet acted on the petitions for reconsideration more than 5 years after the release of the *Local Competition Order*. The Commission should full well expect that any Order from the *Notice* may undergo the same interterminable litigation cycle.

Further, any fundamental change to the existing rules – or even the intimation of change – will result in a stalling of renewals of the existing LEC-paging interconnection agreements which will cost the industry millions of dollars in lost revenue and costs savings. For example, PCIA understands that some ILECs have taken the opportunity of the *Notice* to terminate existing interconnection agreements and attempt, in direct contravention of the *TSR Order*¹⁸ and Section 51.703 of the Commission’s Rules, to force paging carriers to establish point of interconnections (“POI”) in each local calling area and pay for transport of LEC-originated traffic outside of the local calling area.¹⁹ The Commission should expect any change to the existing rules will exacerbate this problem and lead to new litigation – just as the rules have finally settled. Given the past acrimonious disputes between the ILEC and paging industries resulting from the current interconnection rules, the Commission must full well expect any fundamental change in the existing rules will result in a replay of the same disputes which the Commission has just recently finally resolved. PCIA also views with skepticism the claim that a mandatory default bill-and-keep regime will result in less acrimonious disputes because, unless the Commission resolves all of the transport issues, the ILECs will be incited even under bill-and-keep to shift all of their costs on to the paging carriers. Given the ILEC’s past intransigence in obeying the existing rules, if the Commission adopts new interconnection rules, the Commission must fully expect that the ILECs will not go quietly into that “sweet good night” and the ILECs will fight and re-litigate the matters already resolved.

¹⁸ *TSR Wireless v. US WEST Communications, Inc.*, 15 FCC Rcd 11166, 2000 WL 796703 (the “*TSR Order*”), *aff’d sub nom.*, *US WEST Communications, Inc. v. Federal Communications Commission* No. 00-1376, 2001 U.S. App. LEXIS 13389 (June 15, 2001), *petition for rehearing en banc pending* (“*TSR Appeal*”).

¹⁹ *See, e.g.*, Comments of Allied at p. 12 describing Verizon Communication’s “model” agreement which would require paging carriers to establish a point of interconnection (“POI”) in all rate centers in a LATA in direct contravention of the existing Commission Rules which allow paging carriers to establish a single POI in a LATA.

Moreover, any fundamental change in the existing rules will result in significant costs to the telecommunications industry as a whole as existing interconnection agreements will need to be re-negotiated and the Commission's decisions will need to be re-litigated. The costs of such a change in the rules is significant and would be ill timed. PCIA understands that the last paging-LEC interconnection agreements alone cost the paging industry many millions of dollars to negotiate. Any new rules will require a complete re-negotiation of these agreements and perhaps re-litigation of already resolved issues at the exact time when the paging industry and others, such as CLECs, can ill-afford to spend significant money to end up essentially losing additional revenue and perhaps increasing expenses.

Finally, a change to the existing rules at this time is not necessary. The ILECs have not pointed out any significant problem with the existing LEC-paging interconnection arrangements (like there was with respect to ISP-bound traffic or CLEC access traffic) so there is no pressing need to fundamentally alter the existing LEC-paging interconnection arrangements. In addition, the mirroring rule embodied in the *ISP-Remand Order* has resulted in the lowering of terminating rates, which in general will move the industry closer to a bill-and-keep arrangement *without* any fundamental rule changes being necessary, while still allowing carriers the flexibility to prove and receive asymmetrical compensation.²⁰ Furthermore, the mirroring rule allows competitive carriers to choose the best interconnection arrangement for their business plan, rather than a one-size fits all approach of a mandatory interconnection regime – such as mandatory bill-and-keep.

²⁰ See *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996* (CC Docket No. 96-98); *Inter-carrier Compensation for ISP-Bound Traffic* (CC Docket No. 99-68, FCC 01-131 (released April 27,

III. IF THE COMMISSION PROCEEDS TO CHANGE THE EXISTING INTERCONNECTION RULES, IT SHOULD DO SO ON A LEGALLY SUSTAINABLE BASIS THAT MINIMIZES ITS ADVERSE IMPACT ON THE PAGING INDUSTRY

A consensus has developed among two-way CMRS carriers that two-way CMRS-LEC interconnection should be at bill-and-keep.²¹ This same consensus, however, has not developed in favor of bill-and-keep for one-way paging and narrowband personal communications services (“PCS”) carriers or more broadly all telecommunications carriers.²² One reason that the one-way paging and narrowband PCS carriers do not support bill-and-keep is that mandatory bill-and-keep for these services would run afoul of the Section 251 and 252 of the Telecommunications Act of 1996.²³ As PCIA pointed out in its initial Comments on the *Notice*, the Commission must read Sections 251 and 252 of the 1996 Act in conjunction with Section 332 and the Commission may only impose mandatory bill-and-keep when the terminating carrier would enjoy substantial offsetting savings.²⁴ Accordingly, imposing bill-and-keep on essentially one-way traffic would run afoul of the 1996 Act because it would render portions of the 1996 Act (namely Section 252(d)) without meaning. Therefore, the Commission, if it should adopt bill-and-keep for LEC-CMRS traffic, may only impose it on those carriers which will enjoy substantial offsetting savings as a result of bill-and-keep – namely two-way CMRS carriers, such as cellular, enhanced SMR, and broadband PCS, and not on primarily one-way CMRS carriers, such as paging and narrowband PCS.

2001) (“*ISP-Remand Order*”).

²¹ See, e.g., Comments of AT&T Wireless Services, CTIA, Mid Missouri Cellular, NexTel Communications, Rural Telecommunications Group, Sprint Corporation, Triton PCS License Company, Verizon Wireless, and Voicestream; *But cf.*, e.g., PCIA and Allied.

²² Indeed, the only two commenters to address the Commission’s proposal in light of the paging industry opposed its imposition on the paging industry. See Comments of Allied and PCIA.

²³ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (“1996 Act”).

²⁴ See Comments of PCIA at pp. 4-10.

IV. IF THE COMMISSION ADOPTS A MANDATORY BILL-AND-KEEP REGIME, TRANSPORT ISSUES MUST BE RESOLVED IN A WAY THAT PROHIBITS THE ILECS FROM EXERCISING THEIR MARKET POWER

In any bill-and-keep regime, the Commission must address a myriad of transport issues, such as the appropriate charges for transport facilities and whether interconnecting carriers are required to establish a POI in each local calling area. A fair number of commenters addressed these issues, and a consensus is developing among the competitive carriers (*e.g.*, CLECs, IXC, and CMRS carriers) (“Competitive Carriers”) at least as to how the Commission should resolve these transport issues. First, a fair number of the Competitive Carriers support the costing of transport facilities and transiting arrangements at forward-looking costs – not access rates.²⁵ These carriers argue that requiring transport facilities to be charged at access rates, instead of forward-looking rates, is inimical to the Act’s requirement that interconnection be at cost based rates because, as the Commission itself recognizes, access rates include implicit subsidies for universal service which are required to be removed from interconnection arrangements under the 1996 Act. Furthermore, these Competitive Carriers argue that requiring ILECs to price these facilities at forward-looking prices will eliminate the incentives of ILECs to exercise their market power. Indeed, in many instances, the only option available for transport is the ILEC. Second, a consensus has developed amongst Competitive Carriers that requiring Competitive Carriers to establish POIs in each local calling area is inefficient and does not serve the public interest.²⁶

²⁵ *See, e.g.*, Comments of AT&T Corporation, AT&T Wireless, Cbeyond Communications, Competitive Telecommunications Association (“CompTel”), Global NAPS, PCIA, and Worldcom. *See also* Illinois Commerce Commission and Office of the Public Utility Counsel of Texas.

²⁶ *See, e.g.*, Comments of Allegiance Telecom, Inc., AT&T Wireless, Cable Vision Light Path, Inc., Cbeyond Communications, CTIA, Focal Communications, Level 3 Communications, Mid Missouri Cellular, PacWest Telecom, PCIA, RCN Telecom Services, US LEC Corp., and Worldcom.

If the Commission moves forward with mandatory bill-and-keep, in addition to addressing the costing and POI issues, the Commission must also address the differences in transport obligations between two-way telecommunications carriers and one-way CMRS carriers. Two-way telecommunications carriers (such as all CLECs, ILECs, IXCs, and all two-way CMRS carriers) generally use two-way interconnection facilities to exchange traffic that the carrier originates and terminates, while one-way CMRS providers, on the other hand, predominately deploy one-way interconnection facilities, which are used solely to transport LEC-originated traffic. Since two-way telecommunications carriers originate and terminate traffic over the same facility, it makes sense in a bill-and-keep regime to share equally the costs of the interconnection facilities between the carriers because the transport costs would be shared at roughly the same proportion as the terminating compensation (*e.g.* 50-50). Moreover, in the long run, even if these costs were shared based on usage, these costs would ultimately be shared equally as the traffic flows between two-way CMRS carriers and ILECs reach parity. However, since the traffic flow for LEC-paging interconnection will remain predominately one-way for the foreseeable future, requiring one-way paging carriers to share the cost of facilities used solely by the LECs to deliver LEC-originated traffic makes no sense and would result in paging carriers subsidizing the ILECs. Rather, it makes imminent sense in the context of bill-and-keep for LEC-paging interconnection to continue the existing rule that the LEC is responsible for the facilities used to deliver LEC-originated traffic.²⁷

²⁷ Continuation of the existing rule would include the requirement that the ILEC be responsible for delivering LEC-originated traffic to the paging carrier to the paging carrier's POI in the MTA and the paging carrier's right to select where the POI or POIs are located within the MTA. Since this issue has been heavily litigated, leaving the existing rule in place should not result in additional litigation since the ILECs should be precluded from raising the issue on appeal. Further as observed by the D.C. Circuit in the *TSR Appeal*, the paging carriers have not taken advantage of the existing rule to require the ILECs to "gold-plate" their networks.

V. RATHER THAN ADOPT NEW RULES, THE COMMISSION SHOULD AFFIRM AND IMPROVE THE EXISTING INTERCONNECTION RULES

Notwithstanding the disagreements that the Competitive Carriers have on bill-and-keep, a consensus has developed among the Competitive Carriers that the Commission should affirm and improve certain aspects of the existing interconnection rules. First, a significant number of Competitive Carriers support requiring costs for dedicated transport and transiting arrangements be set at the ILEC's forward-looking economic costs.²⁸ Second, Competitive Carriers generally support retention of the geographic area only test for tandem treatment and oppose any grafting of a functional equivalency test onto the current tandem treatment rule.²⁹ Third, the Competitive Carriers support the retention of the single POI in a LATA Rule and oppose any requirement to establish POIs in each local calling area.³⁰ Fourth, most of the CMRS commenters support the Commission reaffirming that CMRS carriers are entitled to assess access charges.³¹

Reaffirmance and clarification of the existing interconnection rules is long overdue. As the Commission knows, the Petitions for Reconsideration of the *Local Competition Order* have been pending for almost 5 years while the *Local Competition Order* has been appealed. During this time, the ILECs have refused in certain instances to give the Competitive Carriers the full measure of what they are entitled under the existing rules under the rubric of uncertainty as to the existing rules. For example, although the Commission ultimately found that LECs were required to transport LEC-originated traffic at their own expense to CMRS carriers anywhere in the MTA

²⁸ See, e.g., Comments of AT&T Corporation, AT&T Wireless, Cbeyond Communications, Competitive Telecommunications Association ("CompTel"), Global NAPS, PCIA, and Worldcom. See also Illinois Commerce Commission and Office of the Public Utility Counsel of Texas.

²⁹ See, e.g., Comments of AT&T Corporation, AT&T Wireless, Cable Vision Light Path, Inc., CTIA, PCIA, and Verizon Wireless.

³⁰ See, e.g., Comments of Allegiance Telecom, Inc., AT&T Wireless, Cable Vision Light Path, Inc., Cbeyond Communications, CTIA, Focal Communications, Level 3 Communications, Mid Missouri Cellular, PacWest Telecom, PCIA, RCN Telecom Services, US LEC Corp., and Worldcom.

³¹ See, e.g., Comments of CTIA, Mid Missouri Cellular, PCIA, Sprint Corporation, and Voicestream; *But see*

and found “no basis” for the LEC’s claims to the contrary, the ILECs refused for years to abide by this Commission Rule.³² In addition, ILECs for years refused to provide paging carriers with terminating compensation although the Commission made it plain in the *Local Competition Order* that compensation was due. The reaffirmance and clarifications of the Commission’s Rules identified by PCIA and the rest of the Competitive Carrier industry should be acted upon by the Commission.

Furthermore, the Commission can act now on the reaffirmance and clarification proposals without having to deal with the thorny issues identified by the state PUCs as requiring additional jurisdictional review. Therefore, there is no need to refer these issues to the joint federal-state boards to take additional comment before acting. Accordingly, the Commission can and should act now.

VI. THE COMMISSION SHOULD ESTABLISH FEDERAL UNIFORM GUIDELINES FOR LEC-CMRS INTERCONNECTION

Most of the CMRS carriers, including the paging industry groups, support federal uniform guidelines for LEC-CMRS interconnection.³³ As was amply demonstrated by the CMRS carriers, the Commission has the authority under Section 332 of the Act to adopt such federal uniform guidelines.³⁴ In addition, as pointed out by PCIA and others, LEC-CMRS interconnection clearly is a federal issue and can be addressed by the Commission without any concern on how it might impact the jurisdictional boundaries between the state commissions and the Commission or universal service.

AT&T Wireless (Supports immediate adoption of bill-and-keep for access charges).

³² Letter from Common Carrier Bureau Chief A. Richard Metzger, Jr. to Keith Davis, *et al.*, DA 97-2726, CCB/CPD No. 97-24, released December 30, 1997, 13 FCC Rcd 184, 185 (1997) (the “*Metzger Letter*”).

³³ *See, e.g.*, Comments of AT&T Wireless, NexTel Communications, PCIA, Triton PCS License Company, Verizon Wireless, and Voicestream.

³⁴ *See, e.g.*, Comments of NexTel Communications, PCIA, Rural Telecommunications Group, Triton PCS License

It also makes sense to have interconnection rules between such industry groups established at the federal level to ensure uniformity and reduce transaction costs because many of the major ILECs and the CMRS carriers are nationwide enterprises which would benefit from having a single interconnection agreement that covers all states of operation rather than a multiplicity of interconnection arrangements by state. This is especially true now that several of the major ILECs have noticed the paging industry that they want to move forward to re-negotiate multistate interconnection agreements.³⁵ Further, the industry is moving to uniform rules as the carriers negotiate multistate agreements under the merger conditions imposed on certain of the ILECs – namely Verizon Communications and SBC. Therefore, PCIA urges the Commission to adopt federal uniform guidelines for LEC-CMRS interconnection.

VII. CONCLUSION

WHEREFORE, the foregoing having been duly considered, PCIA respectfully submits that the Commission should not adopt mandatory bill-and-keep for paging-LEC interconnection. Further, PCIA respectfully requests that the Commission reaffirm and adopt the clarifications to the existing intercarrier compensation scheme recommended by PCIA and other CMRS carriers. Finally, PCIA urges the Commission to establish uniform federal nationwide intercarrier

Company, Verizon Wireless, and Voicestream.

³⁵ For example, Verizon Communications has established a nationwide model LEC-paging interconnection agreement that Verizon Communications has indicated it wants to use in all states where Verizon Communications

compensation regime for LEC-CMRS interconnection pursuant to Sections 332 and 201 of the Act, and consistent with the substantive protections given by Sections 251 and 252 of the Act.

Respectfully submitted,

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