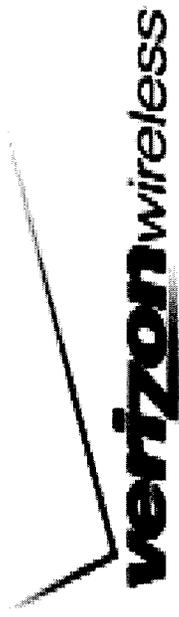


CMRS Switched Access



April 4, 2002

CMRS Switched Access

- CMRS carriers have right to charge for services.
 - Parties agree that CMRS carriers provide exchange access, a service for which they incur costs.
- There is no legal obstacle to prevent CMRS providers from charging for access.
 - Commission has stated that CMRS providers are entitled to charge for access.
 - The Commission's decision not to regulate CMRS access charges is not equivalent to a prohibition on such charges.

CMRS Switched Access

- CMRS providers have not until recently billed for access due to administrative and billing obstacles
 - No “de facto” bill-and-keep – IXC’s have always charged CMRS carriers to use their services.
 - CMRS carriers had no familiarity with CABS and OBF standards for billing access.
 - Third-party vendors are now available to perform these functions.

CMRS Switched Access

- Competitive and technical neutrality require the Commission to permit CMRS providers to continue to charge for access.
- Commission has stated that CMRS providers must be permitted to charge for access because: “any less favorable treatment of CMRS providers would be unreasonably discriminatory and would interfere with our statutory objectives and ongoing commitment to foster the development of....CMRS.” 9 FCC Rcd at 1498.

CMRS Switched Access Rates

- IXC's have the duty to accept reasonable requests for service under Section 201(a).
 - IXC's can file complaint or terminate relationship; otherwise, failure to provide service and pay reasonable access rate would be an unreasonable practice under Section 201(b).
- Under the *CLEC Access Order*, an IXC cannot refuse to offer service if the CLEC is charging a presumptively reasonable rate.
- The Commission should establish a similar “zone” of presumptively lawful access rates for CMRS.

CMRS Switched Access Rates

- TELRIC rates are inappropriate.
 - TELRIC designed to price elements, not services.
 - Not what landline carriers use to price access.
 - Commission should not mandate CMRS cost studies.
- Commission can use factors similar to those considered in the CLEC context to determine reasonableness of access rates.
- Act does not require contracts for access, but carriers should be permitted to negotiate and default to presumptive rates if necessary. In no case should the Commission preclude carriers from entering and enforcing contracts that govern the provision of CMRS access.

CMRS Switched Access Rates

- Tariffs are unnecessary because Sections 201 and 208 provide enforcement authority.
- CMRS providers should be permitted to develop blended rates, charging the same for all geographic areas and interstate and intrastate access.
- CMRS networks are more similar to CLECs than ILECs in terms of dispersion of customers.

Rural Issues

- Commission should decide rural issues separately.
- Most traffic at issue is interMTA because relatively little intraMTA traffic is sent to an IXC.
- Rural issues turn on difference between “transiting” carriers, which simply transport and switch calls, and IXCs, which bill toll to end users.