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

In the Matter of	)	
	)	
Sprint Corporation Petition for Declaratory Ruling Regarding the Routing and Rating Of Traffic by ILECs	)	DA 02-1740
	)	
Developing a Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92

REPLY COMMENTS OF VERIZON WIRELESS

Verizon Wireless hereby submits reply comments in support of Sprint Corporation's Petition for Declaratory Ruling ("*Sprint Petition*"). Verizon Wireless urges the Commission to confirm that existing law requires all telecommunications carriers, including incumbent local exchange carriers ("ILECs"), to route, rate, and load NPA-NXX codes pursuant to industry standards. Denial of Sprint's requested relief would result in duplicative, inefficient, and costly interconnection arrangements that would be inconsistent with Sections 251 and 332 of the Communications Act of 1934, as amended (the "Act"), and the public interest.

DISCUSSION AND SUMMARY

The record in this proceeding is deeply divided. The majority of CMRS carriers support the Sprint Petition,[1] while most of the LECs oppose it because it would purportedly change industry practices and result in dire economic consequences for these

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[1] *See generally* Allied National Paging Association ("Allied"); ALLTEL Communications, Inc. ("ALLTEL"); American Association of Paging Carriers ("AAPC"); Arch Wireless, Inc.; Dobson Wireless; NEXTEL Communications, Inc;

LECs.[2] Other LECs view the Sprint Petition as essentially a request for the FCC to require them to provide transit services to facilitate indirect interconnection for third-party traffic.[3]

Consistent with the unanimous comments of the CMRS providers in this proceeding, the Commission should grant the relief requested in the Sprint Petition. As demonstrated below, the Commission should reject the comments of LECs that suggest that Sprint is requesting the Commission to change existing rules governing inter-carrier compensation. To the contrary, BellSouth's faulty interpretation of its obligation to rate and route Sprint's NXX codes pursuant to the instructions provided in the Local Exchange Routing Guide ("LERG") is inconsistent with Section 251 of the Act, the Commission's rules, and industry guidelines. Accordingly, the Commission should confirm that ILECs must honor requests to load NXX codes with different rating and routing points.

I. SPRINT SEEKS RELIEF THAT IS CONSISTENT WITH THE ACT AND IS EFFICIENT FOR ALL CARRIERS

The Act, the Commission's rules, and industry guidelines require BellSouth to route local traffic bound for CMRS customers even if the rating point for the CMRS

Small Business in Telecommunications ("SBT"); Triton PCS; and Joint Comment of VoiceStream and Western Wireless.

[2] Apart from BellSouth and Southwestern Bell, the incumbents commenting in this proceeding were mainly smaller independent and rural carriers, which rely on indirect interconnection with larger LECs to terminate traffic from other wireline and wireless carriers. *See, e.g.,* BellSouth Opposition at 2; Fred Williamson and Associates, Inc. ("FW&A") at 3; JSI at 6; National Telecommunications Cooperative Association ("NTCA") at 4; and Texas Statewide Telephone Cooperative, Inc. ("Texas Coop") at 1.

[3] Alliance of Incumbent Rural Independent Rural Telephone Companies and the Independent Alliance ("Alliance") at 4; FW & A at 4-5; and SBC Communications, Inc. ("SBC" or "Southwestern Bell") at 5;

carrier's NXX code is associated with a rate center served by a neighboring independent or rural LEC subtending BellSouth's tandem. The Commission should grant Sprint's Petition for this reason, and because the practical implication of BellSouth's recommended routing scheme would force CMRS carriers to construct unnecessary and inefficient interconnection trunks to every rate center served by independent or rural LECs subtending BellSouth's tandem facilities.

A. Sprint's Petition is Consistent With the Act, the Commission's Rules, and Industry Guidelines

Pursuant to Section 251(c)(2) of the Act, ILECs have the duty to interconnect with a requesting carrier at "any technically feasible point" within its network. This duty includes the provisioning of "routing" and "transmission" functions for exchange and exchange access services.[4] The FCC's rules define interconnection at the ILEC's tandem as technically feasible[5] and specifically confirm that LECs must provide the type of interconnection that a CMRS provider reasonably requests.[6]

As Sprint explains, it had interconnection trunks established at BellSouth's tandem for the routing and transmission of traffic from BellSouth and other carriers interconnected with the tandem switch. BellSouth's refusal to use this established interconnection to route CMRS-bound traffic from its own customers and other carriers through its local tandem to Sprint's subtending switch is a clear violation of BellSouth's

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[4] 47 U.S.C. § 251(c)(2)(A). CMRS carriers provide exchange and exchange access services. *See Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd. 15499, ¶ 1012-13 (1996) ("First Local Competition Order").

[5] 47 C.F.R. § 51.305(a)(2)(iii).

[6] 47 C.F.R. § 20.11(a).

obligation to provide routing and transmission functions when offering tandem interconnection pursuant to the Act and the Commission's rules.

BellSouth's refusal to load Sprint's NPA-NXX codes when these codes had different rating and routing points also violates industry numbering guidelines. According to the industry's recognized Central Office Code Guidelines,[7] "[e]ach switching center, each rate center and each POI may have unique V & H coordinates."[8] As Sprint points out in its Petition,[9] when a CMRS carrier obtains a new NXX, the NANPA application form requires that for each NPA-NXX code or 1000-number block, the carrier must designate a rate center to which the new code will be associated.[10] Because CMRS mobile switching centers ("MSCs") often serve large geographic areas, they typically have more than one NPA-NXX assigned to them. The routing information requested on the NANPA application form requires the identity of the carrier's serving switch and the tandem switch to which it is homed, which for CMRS carriers is typically a BOC tandem. Originating carriers route the traffic according to these instructions if they do not have a direct connection with the CMRS provider. It is for this reason that the CO Code Guidelines permit carriers to have different rating and routing points for NXXs.

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[7] *See Central Office Code (NXX) Assignment Guidelines*, 95-0407-008, Section 6.2.2 (Jan. 7, 2002) ("CO Code Guidelines"). Sprint Opposition at 5; Triton PCS, at EX. 1-2.

[8] *Id.*

[9] Sprint Petition at 4-6.

[10] CO Assignment Request, Part 1, Section 1.2 (revised Sept. 24, 2001).

Industry guidelines also establish deadlines for every carrier to "load" other carriers' NXX codes in their switches.[11] The CO Code Guidelines thus require all carriers to load NXX codes and their rating and routing information within 66 days of the date the code is assigned by NANPA.

B. BellSouth's Refusal to Load Codes With Different Rating and Routing Points Would Be Inefficient and Costly for CMRS Carriers

LECs today routinely load CMRS NPA-NXX codes that have different rating and routing points. CMRS providers obtain codes in rural and independent LEC rate centers to provide CMRS customers with telephone numbers that are local to their home area. At the same time, CMRS carriers seek to use the tandem transit service of the major ILEC rather than establishing direct interconnection with each independent or rural LEC because it is more efficient.

Despite the efficiencies of these arrangements, BellSouth argues that calls incoming to BellSouth's tandem from other carriers, IXCs, or even BellSouth's own customers and bound for the CMRS provider's switch should not be routed directly to the CMRS provider's switch but should instead be directed to the independent or rural carrier's switch. As Sprint points out,[12] BellSouth's position could result in calls not being completed.

BellSouth and the rural LECs also argue that CMRS providers should have to establish direct end-office level ("Type 1" or "Type 2B") interconnection with

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[11] *See* CO Code Guidelines, Section 6.1.2 (revised June 21, 2002).

[12] Sprint Petition at 2.

independent and rural LECs to provide CMRS customers with numbers in their local areas.[13] The Commission should also reject this position.

As an initial matter, even when a CMRS provider purchases a direct connection to the rural or independent LEC, the independent LEC may not be able to complete *all* of the incoming calls to the CMRS carrier over the Type 2B trunk. If the Commission were to adopt BellSouth's position, when BellSouth routed the CMRS-bound calls to the independent or rural carrier's subtending switch, the subtending LEC would not always be capable of routing calls from other LECs, CMRS carriers, or IXCs to the CMRS switch. Therefore, BellSouth's unilateral determination to route calls to the subtending LEC instead of directly to the CMRS provider would result in the CMRS provider receiving services that are inferior to those available to the subtending LEC, which violates Section 251(c)(2)(C) of the Act.[14]

Moreover, to penetrate markets served by independent LECs and rural carriers, Verizon Wireless must be able to assign NXX codes in all rate centers, even where it only has an indirect interconnection arrangement with the independent or rural LEC that serves that area through an ILEC tandem. Forced direct interconnection would have the effect of requiring Verizon Wireless and other CMRS carriers to construct costly, duplicative, and inefficient direct trunking arrangements in order to serve these rural markets. This is the case because interoffice traffic exchange volumes with rural and

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[13] JSI at 15; ORTC at 3; NCTCA at 4.

[14] 47 U.S.C. § 251 (c)(2)(C) requires that an ILEC provides interconnection "[t]hat is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection."

independent LECs are often minimal, meaning there is unlikely to be a reasonable economic alternative to indirect interconnection arrangements through an ILEC tandem.

Verizon Wireless also disagrees with comments suggesting that Sprint and other CMRS providers employ the geographically diverse rating and routing of NXX codes to avoid paying "appropriate" inter-carrier compensation to rural and independent LECs.[15] This has simply not been the case.[16] Ironically, it is the rural and small independent LECs, not CMRS providers, which have been reluctant to negotiate reciprocal compensation arrangements pursuant to Sections 251 and 252 of the Act, and the Commission's rules. These carriers often argue that their higher access rates apply to this traffic instead of local reciprocal compensation. The comments of JSI and others clearly demonstrate that many rural LECs erroneously believe that the FCC's rule defining local traffic for the purposes of reciprocal compensation does not apply to landline-originated calls to numbers rated outside of the rural or independent LEC's rate center when transited through an incumbent LEC, regardless of whether such traffic originated and terminated within the same MTA.[17]

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[15] NCTA accuses wireless carriers of abusing this "virtual NXX" service to "hid[e] behind RBOC and Qwest tandems to avoid paying Commission approved intercarrier compensation to rural ILECs." NCTA at 4. Other rural commenters echo these concerns. Texas Coop at 2; F W&A at 9.

[16] *See* 47 C.F.R. § 20.11. Pursuant to Section 20.11 of the FCC's rules, Verizon Wireless offers to pay reasonable compensation to other carriers for the termination of traffic that originates on Verizon Wireless's network. Many rural LECs with which Verizon Wireless has tried to negotiate reciprocal compensation arrangements insist, however, that the termination of intraMTA land-to-mobile traffic through the tandem of a dominant LEC is traffic that is subject to access charges and therefore not subject to Section 251(b)(5) of the Act.

[17] JSI at 12.

Some wireline commenters have requested that the FCC consolidate the issues raised in the Sprint Petition into the Commission's pending intercarrier compensation rulemaking.[18] This is an obvious stall tactic designed to evade LECs' obligations under existing law. The Commission must clarify now that LECs cannot avoid their obligations to compensate CMRS carriers under the existing rules for the termination of intraMTA, land-to-mobile traffic. If successful in maintaining the *status quo*, these LECs can continue to avoid complying with the Commission's existing rules, which require payment of reciprocal compensation to CMRS carriers for intraMTA traffic exchanged in the land-to-mobile direction.[19]

II. THE COMMISSION SHOULD CONFIRM THAT ILECs HAVE THE DUTY TO LOAD NXX CODES WITH DIFFERENT RATING AND ROUTING POINTS WHEN THEY OFFER TRANSITING SERVICES

Large ILECs such as Southwestern Bell ("SBC") and to some extent BellSouth characterize the Sprint Petition as less of a request for clarification of the rating and routing obligations of ILECs and more of a request for the FCC to require ILECs to provide transit services in order to facilitate indirect interconnection of third-party traffic.[20] The Commission need not decide the issue of whether ILECs have the duty to offer transiting services in order to grant the relief requested by Sprint.

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[18] *See Developing a Unified Intercarrier Compensation Regime*, Notice of Proposed Rulemaking, CC Docket No. 01-92 (rel. April 27, 2001).

[19] 47 C.F.R. § 51.701(b)(2) defines local traffic for the purposes of reciprocal compensation as, "Telecommunications traffic between a LEC and CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in § 24.202(a) of this chapter."

[20] "The Sprint Petition may be falsely premised on the theory that some form of 'transit' interconnection arrangement is required of BellSouth or exists automatically, with respect to third-party LECs. "Alliance at 4. *See also* SBC at 4-5; and JSI at 9.

A. The Commission Can Rule on the Sprint Petition Without Determining Whether The ILECs Have a Duty to Transit

Contrary to claims of certain commenters, the practice at issue in this proceeding of rating CMRS NXX codes to foreign exchanges within a LATA is not the same as the "virtual NXX" service that many LECs offer.[21] Virtual NXX service permits different rating and routing points within a LEC's own network, not between the network of an ILEC and a different independent or rural LEC. Indeed, BellSouth itself permits interconnecting carriers to take advantage of its Virtual Designated Exchange Service that allows for different rating and routing in its own territory.

Given that BellSouth's position in this proceeding is an issue when an ILEC performs a transiting function, certain parties seek clarification on whether ILECs have the duty to offer transiting services. For instance, SBC asks the Commission to make clear whether ILECs must provide tandem transiting services to CMRS carriers and whether such services should be provided at TELRIC rates.[22]

The Commission does not need to resolve these issues to grant the Sprint Petition. The issue of whether there is a duty to transit is entirely distinct from the obligations that carriers have when they provide transiting service. For instance, the Commission could decide that ILECs do not have the duty to transit, but some ILECs might offer the service anyway. The Commission can determine under its current rules that ILECs have a local interconnection requirement to load NXX codes that have different rating and routing instructions, regardless of the services they offer.

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[21] *See* ALLIANCE at 9; FW & A at 3; ORTC at 3-6; and Texas Coop. at 1-2.

[22] SBC at 7-8.

B. The Commission Should Find That LECs Have The Duty to Transit Calls Between LECs and CMRS Providers

Although the issue of whether there is a duty to transit might be more appropriate for resolution in the Commission's inter-carrier compensation docket instead of the instant declaratory ruling proceeding, SBC and other commenters argue that the Section 251(a) duty to provide indirect interconnection does not amount to an obligation for an ILEC to provide transit services to requesting carriers.[23] SBC argues that if an ILEC is obligated to provide transit services to other carriers, such services are subject to the interconnection and pricing requirements of Section 251(a)(1) of the Act.[24] Furthermore, SBC requests that if the FCC finds that ILECs have a duty to transit under Section 251(a)(1), such a duty would not require ILECs to provide ancillary billing and collection functions, in addition to transit services.[25]

SBC relies upon a recent ruling by the FCC's Wireline Competition Bureau ("WCB") in an interconnection dispute arising under Section 252(e)(5) of the Act.[26] The WCB found that there is not currently a duty under Section 251(c)(2) of the Act or FCC rules to require ILECs to provide transit services to requesting carriers, and as related to

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[23] SBC at 4.

[24] *Id*. at 1, 8.

[25] *Id.* at 6.

[26] *See Petitions of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the jurisdiction of the Virginia State Corporation commission Regarding interconnection disputes with Verizon Virginia Inc and for expedited Arbitration, et al.,* Memorandum and Order, CC docket Nos. 00-218, 00-249, 00-251, DA 02-1731 (July 17, 2002) ("Virginia Arbitration Order") at ¶ 117. The Wireline Competition Bureau noted that the current FCC rules interpreting Section 251(c)(2) of the Act did not require ILECs to provide transit traffic services.

pricing of transiting services, it suggested that any duty that ILECs may have under Section 251(a)(1) would not require transiting to be priced at TELRIC rates.[27]

Regardless of whether there is a duty on the part of ILECs to provide transiting service pursuant to Section 251 of the Act, as VoiceStream Wireless and Western Wireless note in their comments, Congress intended for the FCC to have plenary authority over CMRS-LEC interconnection.[28] Implementing the congressional mandate of Section 332, the FCC promulgated rules requiring local exchange carriers to provide the type of interconnection requested by a CMRS carrier.[29] The advent of the Telecommunications Act of 1996 did nothing to alter the FCC's authority to regulate LEC-CMRS interconnection.[30]

Given the multi-state and sometimes national scope of many CMRS carriers, the large distances involved in transporting and terminating local calls between CMRS and rural carriers, and the significant difference in rural LEC and CMRS "local calling areas," the Commission should adopt a consistent, national framework for allocating transport and termination obligations. Indirect interconnection through the common trunks of

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[27] *Id.*

[28] VoiceStream and Western Wireless at 8.

[29] 47 C.F.R. § 20.11 (a): "A local exchange provider must provide the type of interconnection reasonably requested by a mobile service licensee or carrier within a reasonable time after the request, unless such interconnection is not technically feasible or economically reasonable."

[30] *See First Local Competition Order* at 16006. In ruling that LEC-CMRS should be subject to the interconnection requirements of Section 251, 252, the FCC maintained its authority to invoke its jurisdiction under Section 332 to regulate LEC-CMRS interconnection.

larger LECs is a critical component of any such LEC-CMRS interconnection framework. The Commission should confirm that ILECs must continue to provide transiting service to CMRS carriers pursuant to Section 332 to facilitate efficient and cost-effective CMRS/rural interconnection.[31] Requiring CMRS carriers to install direct trunks to every small, rural LEC in each state would serve only to increase the costs to rural customers for telecommunications service.

CONCLUSION

For the foregoing reasons, the Commission should grant the relief requested by Sprint and clarify that all carriers have the obligation to load NPA-NXX codes, regardless of whether the codes have different rating and routing points. The Commission should also confirm that direct interconnection is not necessary for this purpose, and that this is the case regardless of the service an ILEC offers.

Respectfully submitted,

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[31] Section 332(c)(1)(B) provides that "upon reasonable request of any…[CMRS provider], the Commission shall order a common carrier to establish physical connections with such service pursuant to the provisions of Section 201 of this Act." The 1996 Act did not revoke or alter the Commission's authority under Section 332 to order LECs to provide interconnection arrangements such as the transiting function to wireless carriers.

Certificate of Service

I hereby certify that on this 19th day of August copies of the foregoing "Reply Comments of Verizon Wireless" in WC Docket 01-92 were sent by U.S. mail to the following parties:

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