

Karen Brinkmann  
Direct Dial: 202-637-2262  
karen.brinkmann@lw.com

555 Eleventh Street, N.W., Suite 1000  
Washington, D.C. 20004-1304  
Tel: (202) 637-2200 Fax: (202) 637-2201  
www.lw.com

## LATHAM & WATKINS LLP

### FIRM / AFFILIATE OFFICES

Boston	New Jersey
Brussels	New York
Chicago	Northern Virginia
Frankfurt	Orange County
Hamburg	Paris
Hong Kong	San Diego
London	San Francisco
Los Angeles	Silicon Valley
Milan	Singapore
Moscow	Tokyo
	Washington, D.C.

July 11, 2003

### BY ELECTRONIC FILING

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, D.C. 20554

File No. 028665-0008

Re: Ex parte presentation in CC Docket 01-92 (Inter-Carrier Compensation)

Dear Ms. Dortch:

On Wednesday, July 9, 2003, Jeff Glover and John Jones of CenturyTel, Inc. and I met with the representatives of the Wireless Telecommunications and Wireline Competition Bureaus indicated below, to discuss certain issues raised in the inter-carrier compensation docket cited above.

First, CenturyTel described the wireless local termination tariffs its local exchange carrier (LEC) subsidiaries have filed in several states, and described the decisions of the state regulatory authorities in both Washington and Missouri to allow those tariffs to take effect. A copy of the Washington decision already has been filed in this proceeding.<sup>1</sup> The Missouri decision is reflected in the enclosed order permitting the tariff to become effective.

In response to questions from Commission staff members, CenturyTel described its attempts to negotiate interconnection and reciprocal compensation agreements with commercial mobile radio services (CMRS) carriers, and noted that many of the CenturyTel LECs have reciprocal compensation agreements with CMRS carriers. These include: **Airadigm Communications** (Wisconsin), **ALLTEL** (Arkansas, Michigan, Louisiana, Wisconsin), **ACC of Wisconsin** (Wisconsin), **AT&T Wireless** (Idaho, Ohio, Oregon, Washington), **Centennial Communications** (Michigan), **Cingular Wireless** (Ohio, Texas, Wisconsin), **Cleveland PCS** (Ohio), **CommNet Cellular** (Montana), **Corr Wireless** (Alabama) **Dobson Cellular Systems** (Ohio), **Edge Wireless** (Idaho), **Midwest Wireless Wisconsin** (Wisconsin), **Montana Wireless** (Montana), **New-Cell, Inc.** (Minnesota), **Nextel West** (Michigan, Ohio, Oregon, Washington, Wisconsin), **RCC Holdings** (Colorado, Oregon, Washington), **Smith Bagley** (Arizona, New Mexico), **Sprint Spectrum** (Arizona, Arkansas, Colorado, Idaho, Louisiana, Michigan, Nevada, New Mexico, Oregon, Texas, Wyoming), **TeleCorp Communications** (Arkansas), **Tritel Communications** (Alabama), **TW Wireless** (Washington), **United States Cellular Corp.**

---

<sup>1</sup> See letter from Laura S. Gallagher in CC Docket 01-92 dated June 26, 2003.

LATHAM & WATKINS LLP

(Idaho, Oregon, Washington), and **Verizon Wireless** (Michigan, Minnesota, Washington, Wisconsin, Texas).

CenturyTel also noted that one obstacle to obtaining compensation for terminating CMRS traffic has been that a third carrier, typically the Bell operating company, often performs tandem-switching for the CMRS carrier but does not always forward the call origination information to the terminating LEC.

The attached 2-page summary of CenturyTel's presentation was distributed in the meeting. Please direct any questions concerning this matter to me.

Very truly yours,



Karen Brinkmann

Enclosures

cc: Tamara Preiss, Chief, Pricing Policy Division, Wireline Competition Bureau  
Steve Morris, Deputy Chief, Pricing Policy Division, Wireline Competition Bureau  
Kathy O'Neill, Pricing Policy Division, Wireline Competition Bureau  
Victoria Schlesinger, Pricing Policy Division, Wireline Competition Bureau  
Joseph Levin, Policy Division, Wireless Telecommunications Bureau  
Peter Trachtenberg, Policy Division, Wireless Telecommunications Bureau  
Stacy Jordan, Policy Division, Wireless Telecommunications Bureau

DC\607467.1



*Ex Parte Presentation in CC Docket 01-92 (Inter-Carrier Compensation):*

## **CenturyTel Wireless Termination Tariffs**

On June 26, 2003, counsel for Nextel Communications, Inc. made an ex parte filing with the Commission in the Inter-Carrier Compensation rulemaking, attaching two purportedly conflicting state decisions on CenturyTel's local wireless termination tariffs – one in Washington and the other in Colorado. CenturyTel notes certain misstatements and omissions in that filing, and wishes to correct the record in this proceeding:

### **CenturyTel's Tariff Is Lawful**

WUTC staff noted that, although it "initially" had many of the same concerns raised by wireless carriers, "further review and reflection" provided a "useful understanding of the context" in which the tariff was filed.

- CenturyTel's wireless local termination tariffs are cost-based.

The Washington Utilities and Transportation Commission (WUTC) staff rejected arguments that the CenturyTel tariff was not cost-based.

- CenturyTel's wireless local termination tariffs are voluntary.

They only apply in the absence of a negotiated or arbitrated interconnection agreement with CenturyTel.

- The WUTC staff found that CenturyTel has *not* refused to negotiate.

Staff noted that CenturyTel only proposed to charge the tariffed rate when a CMRS carrier "casually originates or terminates traffic, not otherwise subject to an agreement between the parties."

- CenturyTel's wireless local termination tariffs do not preclude reciprocity.

As WUTC staff noted, "CenturyTel does invite wireless carriers to negotiate, and arbitrate if necessary [reciprocal compensation] as well as other interconnection issues."

- The WUTC staff found that CenturyTel's tariff is permissible under the law, and recommended that the WUTC take no action to prevent the tariff from taking effect.

The tariff was allowed to take effect on June 1, 2003, as proposed.



- Colorado has not declared CenturyTel's tariff unlawful.

A hearing is scheduled for next September, as Nextel acknowledges.

### **CenturyTel's Tariff Is Consistent With Section 251 Negotiation Principles**

- The WUTC staff found that CenturyTel's tariff may be an effective way for CenturyTel to satisfy its obligation to establish reciprocal compensation arrangements for the transport and termination of local telecommunications traffic, without precluding negotiation or arbitration as provided for in the Communications Act.

WUTC staff noted repeatedly that wireless carriers can negotiate or arbitrate interconnection terms if they believe it necessary.

- The WUTC staff noted that the CenturyTel tariff may give wireless carriers an incentive to negotiate or arbitrate interconnection agreements or, if they do not, may indicate that the tariffed terms are acceptable to them.

As the WUTC staff acknowledged, the alternative to this arrangement is the *de facto* bill and keep arrangement preferred by the wireless carriers, wherein CenturyTel receives no compensation for terminating wireless calls despite the significant imbalance between land-to-mobile and mobile-to-land traffic.

### **There is no need for FCC interference with the intrastate tariff review process.**

- Nextel has failed to state a basis on which the FCC should preempt state review of local termination tariffs.

Colorado has not declared CenturyTel's tariff unlawful. The Public Utilities Commission decision to set CenturyTel's Colorado tariff for hearing is not "conflicting" with the decision of the WUTC staff that CenturyTel's Washington tariff is lawful.

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in  
Jefferson City on the 24th day of April, 2003.

In the Matter of the Tariff Filing of            )  
CenturyTel of Missouri, LLC, to                    ) Case No. TT-2003-0446  
Introduce the Provisioning of                    ) Tariff No. JL-2003-1729  
IntraMTA Wireless Service.                      )

ORDER LIFTING TARIFF SUSPENSION  
AND CLOSING CASE

On March 24, 2003, CenturyTel of Missouri, LLC, doing business as CenturyTel, filed its proposed Wireless Termination Service Tariff, introducing its new Wireless Termination Service, with an effective date of April 25, 2003. On April 9, CenturyTel filed substitute sheets. On April 18, Sprint Spectrum L.P., doing business as Sprint PCS, filed its Motion to Reject Tariff or in the Alternative To Suspend.[1] Therein, Sprint stated that CenturyTel's proposed tariff contained a provision, at Section F, not previously presented to this Commission, which violates Rule 47 C.F.R. Section 51.702(b) of the Federal Communications Commission and therefore cannot be approved. Due to the very short interval between the filing of Sprint's motion and the effective date of the sheets, the Commission was unable to elicit a response to Sprint's motion from CenturyTel or to seek guidance from its Staff. Therefore, despite the existence of some question as to whether the language objected to by Sprint was even still contained in the proposed sheets, the Commission suspended the sheets for 60 days on April 22.

On April 23, Sprint filed its motion to withdraw its motion of April 18, explaining that the language that particularly concerned it had been removed.

The Commission has reviewed the tariff sheets and Staff's memorandum of April 11, 2003, [2] and concludes that the proposed tariff is not significantly different from other Wireless Termination Service tariffs already approved by this Commission. Therefore, the Commission will lift the suspension previously imposed and allow the tariffs to become effective.

IT IS THEREFORE ORDERED:

1. That the Motion to Withdraw Motion to Reject Tariff or in the Alternative to Suspend filed on April 23, 2003, by Sprint Spectrum L.P., doing business as Sprint PCS, is granted.
2. That the suspension on April 22, 2003, of certain proposed tariff sheets filed on March 24, 2003, by CenturyTel of Missouri, LLC, doing business as CenturyTel, Tariff File No. JL-2003-1729, is hereby lifted and set aside and the sheets formerly suspended shall be effective as of the effective date of this Order. The specific sheets in question are:

