

**Rural ILEC Implications of
Sprint Petition for
Declaratory Judgment – CC Docket 01-92**

**Presented by
Great Plains Communications
September 23, 2003**

Great Plains' Experience with Wireless Carriers' Virtual NXX Demands

- **Western Wireless has terminated traffic on GPC's network without paying compensation since 1997, yet Western Wireless legally agreed by contract with Qwest to pay compensation. Western Wireless refused to negotiate reasonable terms and conditions, leading to arbitration.**
- **Western Wireless mischaracterizes its existing Virtual NXX agreements –they are not comparable to positions in this proceeding.**
- **Western Wireless has had no need to seek direct connections in Great Plains exchanges – nor has it sought Virtual NXX as long as it was terminating traffic for free.**
- **Contrary to wireless carriers' assertions, Virtual NXX and separate rating and routing points are in effect the same thing.**

Virtual NXX Would Harm Rural ILECs and Service to Rural Customers

- **Virtual NXX would conceivably require Great Plains to route wireless-bound traffic across the Omaha MTA on a “local” basis.**
- **Costs to Great Plains of deploying would be extraordinary – facilities required to provide transport to access tandem switches across Nebraska.**
- **Customers would ultimately bear the brunt of these costs.**
- **Lack of “communities of interest” between exchanges exposes Virtual NXX for what it is – wireless arbitrage.**
- **Calls to NXXs located hundreds of miles away cannot be credibly considered “local”.**
- **Universal service implications are significant – additional costs and lost revenues will harm rural ILECs’ ability to invest in critical infrastructure and to maintain affordable service.**

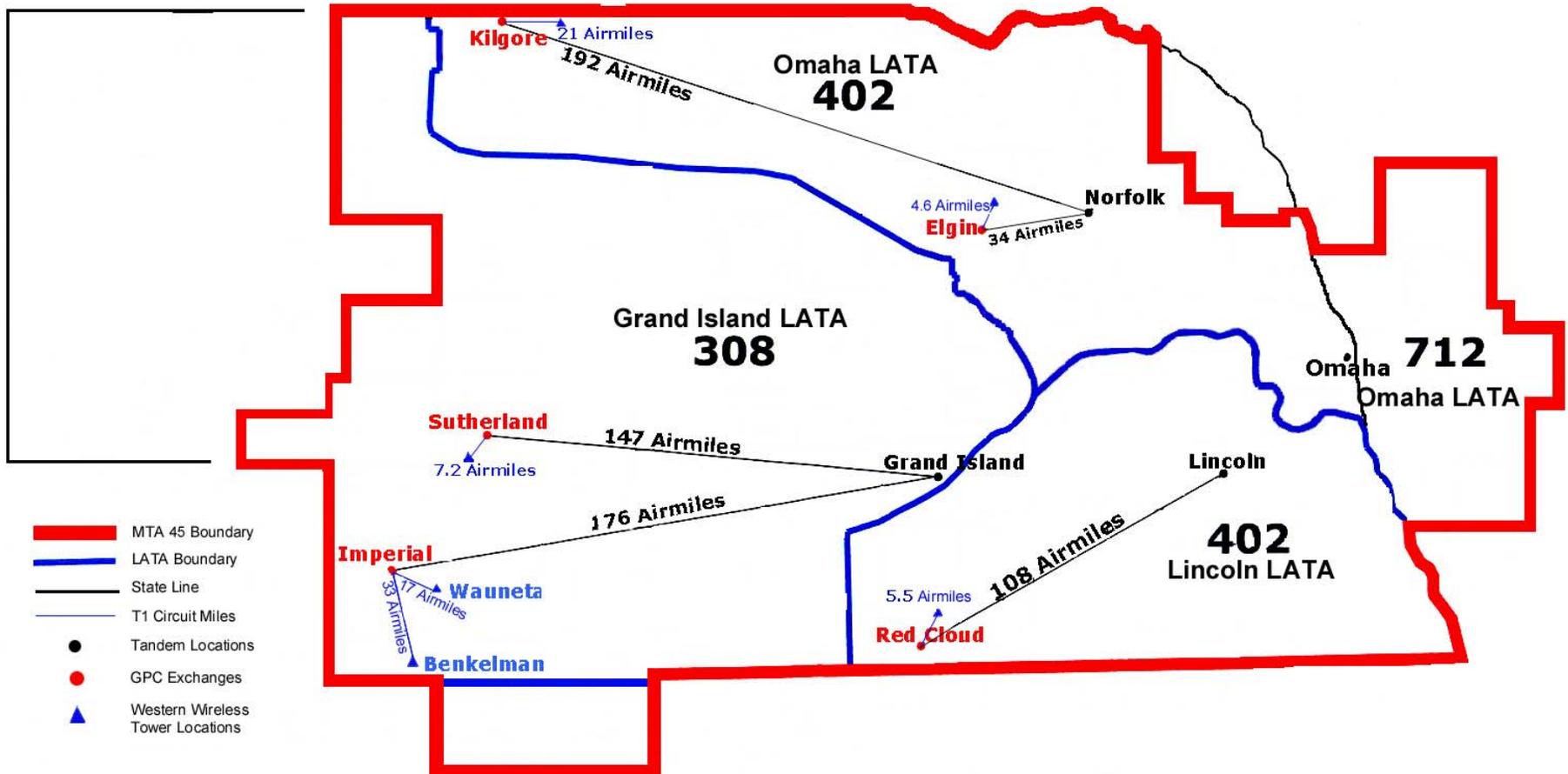
Virtual NXX is Not Technically Possible to Deploy in Rural Nebraska on a Locally Dialed Basis

- **Western Wireless seeks to have Great Plains rate and route calls across the MTA on 7-digit basis as with landline local calling in Great Plains exchanges.**
- **Western Wireless seeks to have traffic routed on existing transport facilities, many of which are owned by Qwest and not part of Great Plains' network.**
- **Feature Group D facilities are equal access trunks, and thus by industry specification only carry 1+ traffic.**
- **7-digit calls cannot be carried and completed over existing FGD facilities. Great Plains currently uses FGD facilities to route to access tandems.**
- **No feature group C trunks exist for Great Plains, as wireless carriers are seeking for routing of their traffic.**
- **Existence of duplicate NXXs across the MTA (which crosses 3 LATAs) makes FGC routing impossible on a 7-digit basis.**

Even if Technically Feasible, Virtual NXX Would be Inefficient and Burdensome

- **There is no disagreement that small traffic volumes make facilities costly to deploy in rural Nebraska.**
- **Great Plains does not refuse rights of wireless carriers to route traffic in technically and economically efficient manner – Virtual NXX is neither.**
- **GPC does not dictate wireless routing, nor can wireless carriers dictate same to rural ILECs.**
- **GPC’s network routing obligations end *within* our local exchange boundaries (per FCC’s First Report and Order, para. 192).**
- **Virtual NXX is far more inefficient than local direct connections (diagram comparing facilities).**
- **Reciprocal compensation rates are for transport and termination of traffic only within ILECs’ local exchanges, not MTA-wide as wireless carriers are seeking.**
- **Goal of FCC 01-92 notice – efficient network deployment – is not met by Virtual NXX.**

Sampling of Virtual NXX Tandem Routes v. Direct Connections



No Existing Statutory Basis for Requiring Virtual NXX

- **Contrary to Sprint claims, no existing laws require ILECs to deploy Virtual NXX on basis being sought.**
- **Section 251(a) and Local Competition First Report and Order do not support Virtual NXX routing.**
- **Section 251(c) mandates interconnection within ILEC network – not at access tandem switch, which is outside Great Plains’ network.**
- **Wireless carriers cannot dictate how rural ILECs rate calls that are routed to locations that are outside of their exchanges; Sprint petition demands these calls be included in current local rates.**
- **Local exchange service is clearly defined by statute and negates implementation of Virtual NXX schemes.**

Rural ILEC Rights and Obligations Cannot Be Ignored

- **The local exchange is ILEC's "local" service area, not the MTA.**
- **FCC has found MTA for reciprocal compensation, but not for other wireless/wireline interconnection (para. 1036 of First Report and Order only deals with transport and termination).**
- **GPC is not an interexchange carrier and cannot carry traffic outside exchange boundaries.**
- **Virtual NXX also ignores rural ILEC toll dialing parity obligations – disadvantaging long distance carriers.**
- **Architecture of rural ILEC networks with routing to meet points has long been established.**
- **LECs' rights and obligations cannot be conveniently trumped by CMRS carriers' desires to game the system.**

Conclusions

- **Virtual NXX is not technically feasible on a 7-digit, locally dialed basis.**
- **Rural ILECs have no obligation to implement Virtual NXX as demanded – even over existing facilities.**
- **Wireless carriers content not to pursue Virtual NXX when they have free use of ILEC networks. Claims of direct connection inefficiency are a “smoke screen”.**
- **Establishment of interconnection requirements for rural ILECs must take into consideration existing exchanges, facilities and routing obligations.**
- **Wireless/rural ILEC differences must be fully understood by the FCC when establishing additional interconnection, intercarrier compensation requirements.**
- **Wireless carriers trying to make ILECs pay for the costs of facilities across wireless carriers’ expanded MTA calling areas.**
- **Universal service would be seriously undermined by unsupportable expansion of “local” calling areas.**

Recommendations

- **Deny the Sprint petition as well as Western Wireless/Voicestream requests related to rural LECs.**
- **Find that rural LECs have no obligation to route local traffic outside of their local exchange.**
- **Confirm that traffic carried outside of LECs' local exchange boundaries is interexchange traffic and thus cannot be carried by a LEC.**