

## **Unintended Consequences of an Interstate Jurisdictional Determination for VoIP or Other IP-Enabled Services by the FCC**

- The determination could significantly undermine the assessment base for state universal funding.
  - Carriers would have incentive to declare their service delivery as IP to avoid state assessment.
- The determination will confuse or eliminate the intercarrier compensation obligations for IP providers that originate or terminate traffic to the PSTN in an intrastate or local interconnection environment.
  - This again provides a motivation for gaming by labeling traffic as IP in order to avoid costs.
- The determination would affect separations and the classification of revenues. Because IP services use the underlying network infrastructure those costs and revenue assignments would become confused.
- The determination would preempt the investigation in the IP-Enabled docket and is therefore premature.
  - Technology may indeed provide a means to explicitly identify the end points of an IP connection in the future. Therefore the preemptive determination of jurisdiction would be subject to future legal action.
  - The consumer and universal service impacts have not been determined.