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May 27, 2005

BY ELECTRONIC FILING

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

Re: Ex Parte Presentation in WC Docket 01-92

Dear Ms. Dortch:

On Wednesday, May 25, Karen Puckett and John Jones of CenturyTel, Inc., David Wilson of New Frontiers Communications Consulting, and I met with Chairman Martin and Michelle Carey. We discussed the problem of "phantom traffic" and the need for explicit federal rules governing the proper identification of all inter-carrier traffic, and appropriate ways to enforce those rules. CenturyTel urged that the Commission take action on this issue in the near future, as discussed in its May 25, 2005 comments in the above-captioned docket, and summarized in the attached materials, which were provided at the meeting. Please contact me if you have any questions.

Very truly yours,



Karen Brinkmann

cc: Honorable Kevin J. Martin, Chairman
Michelle Carey, Legal Advisor to the Chairman

**Eliminating Phantom Traffic:
A Proposal for FCC Action by Mid-Size Carriers**

Phantom Traffic Defined:

“Phantom Traffic” is traffic between two carriers that cannot be billed, or cannot be billed at the jurisdictionally appropriate rate

How Phantom Traffic Occurs:

Typically, such traffic is routed over a trunk designated for other, lower-priced traffic (e.g., wireless, long-distance and VNXX traffic over a local trunk, intrastate long-distance over an interstate trunk), which may be because:

- Calling Party Number (CPN) has been stripped or changed,
- Jurisdictional Information Parameter (JIP) has not been populated,
- Carrier Identification Code (CIC) has been changed or stripped, or
- Charged Number (CN) has been manipulated

How Phantom Traffic Is Discovered:

Historical traffic volumes are compared to current trends, and industry average data are compared to individual carrier minutes of use (MOUs), for:

- Shifts in percent of traffic delivered by CPN
- Changes in percentage of unanswered calls, hold times, local trunk congestion
- Drops in traffic on long-distance (Feature Group “D”) trunks accompanied by increases in traffic on local (Feature Group “C”) trunks

What's at Stake:

- Billions of dollars in lost ILEC revenue annually
- For rural LECs, a significant proportion of revenues (est. about 10-15%)
- Additional equipment to detect phantom traffic would cost approx. \$15K *per switch*

What the FCC Should Do:

- Require clear identification of call origination information by carrier
- Require identification of geographic call origination information
- Require all carriers in call path to pass unaltered records needed for billing
- Establish clear rules concerning billing for unidentifiable traffic
- Permit blocking of unidentifiable traffic, indemnified by sender
- Require de-certification of carriers who fail to provide call origination detail