

PHANTOM TRAFFIC ISSUES



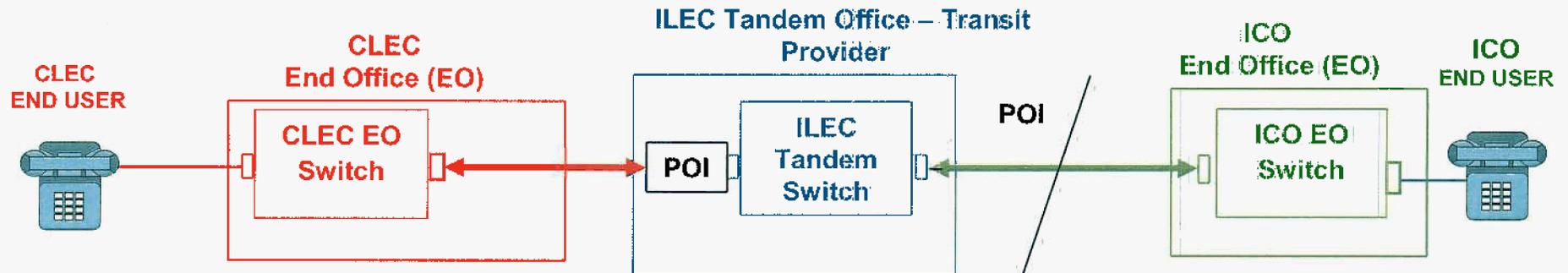
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>> Phantom Traffic

- Definition of “Phantom Traffic”:
 - Traffic lacking identification of the originating carrier to be billed
 - Some parties also define phantom traffic as traffic for which jurisdiction has been intentionally disguised
 - Some parties also define phantom traffic as traffic lacking the necessary information to determine jurisdiction
- BellSouth’s view: if the originating carrier can be identified and the intentional disguising of traffic is thwarted, the jurisdiction can be determined based on the use of factors

>> Phantom Traffic often results from Indirect Interconnection



Transit Traffic is traffic that is originated by one party, switched and/or transported by a transit provider and terminated to a third party. In the scenario above, when the facilities-based CLEC purchases BellSouth's transit service, BellSouth provides the following:

- Tandem Switching to switch the call to the appropriate trunk group for delivery to the terminating carrier.
- Transport (if any) to carry the Transit Traffic to BellSouth's interconnection point with the terminating carrier.
- Records identifying the originating CLEC so that the terminating carrier may bill the originating CLEC the appropriate charges.

>> Unintentional Phantom Traffic

- Phantom Traffic is created unintentionally:
 - Wireless roaming
 - Misrouted traffic (e.g., LNP)
 - Double-tandeming
- Resolutions for each unintentional cause of Phantom Traffic could be complex and costly when the long term solution lies with adopting a unified rate as part of a comprehensive intercarrier compensation reform plan, as proposed by BellSouth

➤➤ Unintentional Phantom Traffic (cont.)

- Pursuant to industry guidelines, identifying information is available from two separate sources:
 - Signaling Stream
 - Calling Party Number (CPN): the telephone number of the subscriber originating a call
 - Charge Number (CN): the telephone number associated with the party to whom a call is billed
 - Jurisdiction Information Parameter (JIP): the NPA-NXX that is assigned in the LERG to the originating switch or MSC
 - EMI Records
 - Operating Company Number (OCN): identifies the originating carrier if the carrier does not have a CIC
 - Carrier Identification Code (CIC): industry code that identifies the originating carrier
 - Minutes of Use (MOU): identifies the minutes associated with a particular call

EMI records are generated by the transit provider and provided to the terminating carrier specifically for billing purposes. Signaling stream information is a valuable tool in verifying EMI records and assisting in determining jurisdiction.

➤➤ Intentional Phantom Traffic

- Phantom Traffic is created intentionally:
 - Originating carriers strip signaling information from the SS7 call stream
 - “Intermediate carriers” arrange with originating carriers to deliver toll traffic as local to avoid payment of access charges
- The immediate need is to resolve issues arising from intentional manipulation of the call stream information and intentional routing of traffic with the intent to hide its jurisdiction

>> Recommended Solutions

- Resolve by clarifying the role of the transit provider
 - Transit provider supplies tandem switching and any necessary transport to deliver traffic to its intended destination and generates call detail records for the terminating carrier to bill the originating carrier
 - Transit providers should not be responsible for intercarrier compensation
 - A ruling otherwise would eliminate the incentive for originating carriers to provide appropriate signaling information, would result in billing disputes over the correct amount of compensation, and would place all risk and expense on the carrier that neither originates nor terminates the traffic
 - Originating and terminating carriers that interconnect indirectly pursuant to § 251(a) are still responsible for the reciprocal compensation obligations of § 251(b)(5)

>> Recommended Solutions (cont.)

- Resolve by adopting the USTelecom Proposal
 - Every originating provider of voice services must include in the call signaling stream, where possible with its network technology deployed at the time the call was originated, the telephone number of their end users for calls originated by their end users
 - Every provider must transmit without alteration, except where not permitted with its network technology deployed at the time the call was originated, or where industry practice or guidelines would dictate otherwise, the telephone number information that it receives from another provider in signaling
 - Except by written agreement or tariff, every provider must route traffic on the PSTN according to the LERG where permitted with its network technology deployed at the time the call was originated
 - For proper call routing purposes, the N-1 carrier is responsible for a LNP query before forwarding the call. The Commission should clarify the N-1 carrier on a local call is the originating carrier and that the N-1 carrier on an interLATA call is the IXC.
 - The Commission should expand the T-Mobile decision and provide all carriers exchanging local traffic the ability to invoke the 251/252 negotiation process with one another
 - Any party that is unable to bill revenue to which it is lawfully entitled by reason of a provider's violation of a Proposed Phantom Traffic Rule may bring an enforcement action in accordance with the Commission's rules

➤➤ Recommended Solutions (cont.)

- Resolve through decisions on the SBC/VarTec, Grande, and Frontier Petitions to clarify the types of traffic and call scenarios for which access charges are due
 - Absent a change in law, the end points of a call should determine jurisdiction for calls terminated on the public switched telephone network (PSTN), regardless of the technology employed, and appropriate access charges are due
 - Clear guidance on this issue will avoid gaming and unnecessary use of multiple parties for routing voice traffic to the PSTN, resulting in valid call detail records and clear identification of the originating carrier