April 19, 2006

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Marlene H. Dortch, Secretary
Federal Communications Commission
Room TW B-204
445 12th Street, S.W.
Washington, DC 20554

Re: Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92

Dear Ms. Dortch:

CTIA–The Wireless Association® ("CTIA") submits this *ex parte* to clarify its position on how best to address difficulties both wireless and wireline carriers have identifying the originating carrier and jurisdiction of interconnected traffic – the so-called "phantom traffic" problem. On January 3, 2006, CTIA filed a letter expressing general support for rules detailing the responsibilities of carriers exchanging traffic to deliver signaling information to tandem providers and terminating carriers.[1] While only fundamental reforms resulting in full unification of the intercarrier compensation system, such as CTIA's Mutually Efficient Traffic Exchange ("METE") proposal,[2] will fully address the problem of phantom traffic. CTIA continues to support a basic obligation on originating carriers to transmit call origination information pursuant to Commission rules and industry standards and for tandem transit providers or any other provider in the transmission chain to pass along all call origination information received from the originating carrier, or subsequent carrier in the chain, without alteration. The Regional Bell Operating Companies recently reiterated their support for that basic approach in an *ex parte* letter filed on April 4, 2006.[3] Along with the RBOCs, CTIA opposes the modified proposal most recently submitted by USTelecom, which has been endorsed by certain mid-size

[1] *See* Letter from Paul Garnett, CTIA, to Marlene H. Dortch, Secretary, FCC, CC Dkt. No. 01-92 (Jan. 3, 2006) ("CTIA Letter").

[2] *See* Comments of CTIA-The Wireless Association® in CC Docket No. 01-92 (May 23, 2005).

[3] Letter from Donna Epps, Vice President, Federal Regulatory, Verizon, *et al.*, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 (Apr. 4, 2006) ("RBOC Letter"). The RBOC Letter tracks the phantom traffic proposal submitted in the above-captioned docket by USTelecom on March 16, 2006, but with no reference to the LERG routing rule contained in that presentation. See A USTelecom Proposal for Commission Action on Phantom Traffic (Feb. 16, 2006), attached to letter from Jeffrey S. Lanning, Associate General Counsel, USTelecom, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 (Mar. 16, 2006) ("USTelecom March 16, 2006 Letter").

incumbent local exchange carriers ("ILECs").[4] As discussed below, the latest USTelecom proposal would impose significant costs on originating carriers and their customers with minimal or no corresponding benefits.

The phantom traffic issue is an artifact of the current dysfunctional, discriminatory, and regressive intercarrier compensation regime. The phantom traffic problem exists because the current intercarrier compensation system continues to rely on increasingly outmoded and irrelevant jurisdictional distinctions. The problem of identifying the originating carrier and jurisdiction of interconnected calls is compounded by the use of intermediate tandems by ILECs, ILECs' lack of Signaling System 7 capabilities, ILECs' misrouting of intraMTA traffic through interexchange carriers, and ILECs' failure to utilize the authority granted by the *T-Mobile Order* to negotiate traffic exchange arrangements with wireless carriers incorporating traffic allocation factors.[5] Additional traffic labeling requirements will have minimal impact unless ILECs take steps to cure these deficiencies. Importantly, only full unification of the intercarrier compensation system can truly address the problems inherent in jurisdictional distinctions.

Along with the RBOCs, CTIA opposes mandatory population of the Jurisdiction Information Parameter ("JIP") field in the call signaling that must be transmitted by the originating carrier. As noted by AT&T Corp., the mid-size carrier proposal to make JIP mandatory would require costly and time-consuming investments in legacy circuit-switched networks that would be unnecessary after full unification of the intercarrier compensation system.[6] Importantly, the JIP, which only indicates the location of the first point of switching, often does not identify the originating jurisdiction of a call, particularly in the case of wireless calls, and thus would create rather than resolve traffic jurisdictional disputes. The mid-size carrier technical infeasibility criteria are too onerous and would impose new bureaucratic reporting requirements. In addition, the new informal complaint procedures proposed by the mid-size carriers for phantom traffic disputes are unnecessary and would impose unrealistic, burdensome deadlines on the Commission and duplicative enforcement proceedings on the parties.

CTIA also supports those who no longer are requesting that the *T-Mobile Order* be expanded to impose greater obligations on wireless carriers.[7] As CTIA has explained, extension of such obligations to cover wireless carrier interconnections

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[4] See Letter from Jeffrey S Lanning, Associate General Counsel, USTelecom, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 (Mar. 30, 2006); Letter from Karen Brinkmann, Counsel for Midsize Carrier Coalition, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 (Mar. 31, 2006).

[5] *Developing a Unified Intercarrier Compensation Regime*, 20 FCC Rcd 4855 (2005) ("*T-Mobile Order*").

[6] *See* Letter from Brian Benison, Associate Director-Federal Regulatory, AT&T Corp., to Marlene H. Dortch, Secretary, FCC, CC Docket No. 01-92 (Apr. 10, 2006).

[7] *See* USTelecom March 16, 2006 Letter, Attachment at 9.

with other competitive wireless or wireline carriers does not make sense as a policy matter, and has nothing to do with the so-called phantom traffic issue. The Commission should, however, clarify, on reconsideration of the *T-Mobile Order*, that it did not create a new right permitting ILECs to demand direct interconnection with wireless carriers, but, rather, that ILECs may request traffic exchange arrangements on the most efficient basis (either direct or indirect) with wireless carriers.[8]

In conclusion, adoption of rules detailing responsibilities of carriers exchanging traffic to feasibly deliver and pass along signaling information to one another is an acceptable short-term solution to the phantom traffic problem. The Commission should not to impose new requirements that impede broader reform of the intercarrier compensation system or that require, as in the case of the mid-size carrier proposal, costly investments in legacy systems that will be mooted by meaningful reform.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS with your office. Please do not hesitate to contact the undersigned with any questions.

Sincerely,

/s/ *Paul Garnett*

Paul Garnett
CTIA-The Wireless Association®

cc: Michelle Carey
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[8] *See* CTIA Letter at 1, 3.