

**HOME TELEPHONE COMPANY**  
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January 30, 2007

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

**Re: WC Docket Nos. 06-54 & 06-55**  
**Notice of *Ex Parte* Presentation**

Dear Ms. Dortch:

On January 29, 2007, representatives of the South Carolina Telephone Coalition (“SCTC”) conducted a conference call with Chairman Kevin J. Martin, his Chief of Staff, Daniel Gonzalez, the Chairman’s senior legal advisor, Michelle Carey, and the Chief of the Wireline Competition Bureau, Thomas Navin, to discuss two petitions filed by Time Warner Cable filed in WC Docket Nos. 06-54 & 06-55. Keith Oliver of Home Telephone Company made the presentation. Other SCTC members that participated on the call were: Ben Spearman of PBT Telecom, Matt Dosch of Comporium Communications (Ft. Mill Telephone Company, Lancaster Telephone Company and Rock Hill Telephone Company), Shannon Butler of West Carolina Rural Telephone Cooperative, Inc., Jason Dandridge of Palmetto Rural Telephone Cooperative, Inc. and Brent Groome of Horry Telephone Cooperative, Inc. Counsel for the SCTC, M. John Bowen, Jr. and Margaret M. Fox of McNair Law Firm, P.A. and staff members of John Staurulakis, Inc., Douglas Meredith, John Kuykendall and Valerie Wimer, also participated. A copy of the presentation which was discussed on the conference call is attached.

In the meeting, Mr. Oliver explained that the SCTC and/or several of its member companies were directly involved in the South Carolina Public Service Commission proceedings that are referenced in the petitions. The representatives demonstrated that in addition to concerns previously addressed by the SCTC, granting the requests would create irresponsible competition and chaos in the marketplace which adversely impacts consumers. The SCTC urged the Commission to deny the petitions and consider these matters only in the context of its IP Enabled Services Notice of Proposed Rulemaking proceeding.

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During the conference call, the SCTC representatives also explained that although Time Warner Cable's Digital Phone service uses Voice over Internet Protocol ("VoIP") technology, the service characteristics and network configuration are such that the jurisdiction of the traffic can be determined and thus the service does not share the basic characteristics of Vonage and therefore this service does not qualify for the treatment afforded to Vonage and other VoIP providers in the FCC's Vonage Order.<sup>1</sup>

Please contact the undersigned with any questions.

Respectfully submitted,

By: /s/ Keith Oliver  
Keith Oliver  
Vice President-Finance  
Home Telephone Company

On behalf of

The South Carolina Telephone Coalition

cc: Kevin Martin  
Daniel Gonzalez  
Michelle Carey  
Thomas Navin

Attachment

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<sup>1</sup> See *Vonage Holdings Corporation Petition for Declaratory Ruling Concerning an Order of the Minnesota Public Utilities Commission*, WC Docket No. 03-211, Memorandum Opinion and Order, 19 FCC Rcd 22404 (2004) (*Vonage Order*), petition for review pending, *Nat'l Ass'n of State Util. Consumer Advocates v. FCC*, No. 05-1122 (8th Cir).

# **Time Warner Cable's Petitions WC Docket Nos. 06-54 & 06-55**

The South Carolina  
Telephone Coalition  
FCC *ex parte*  
January 29, 2007

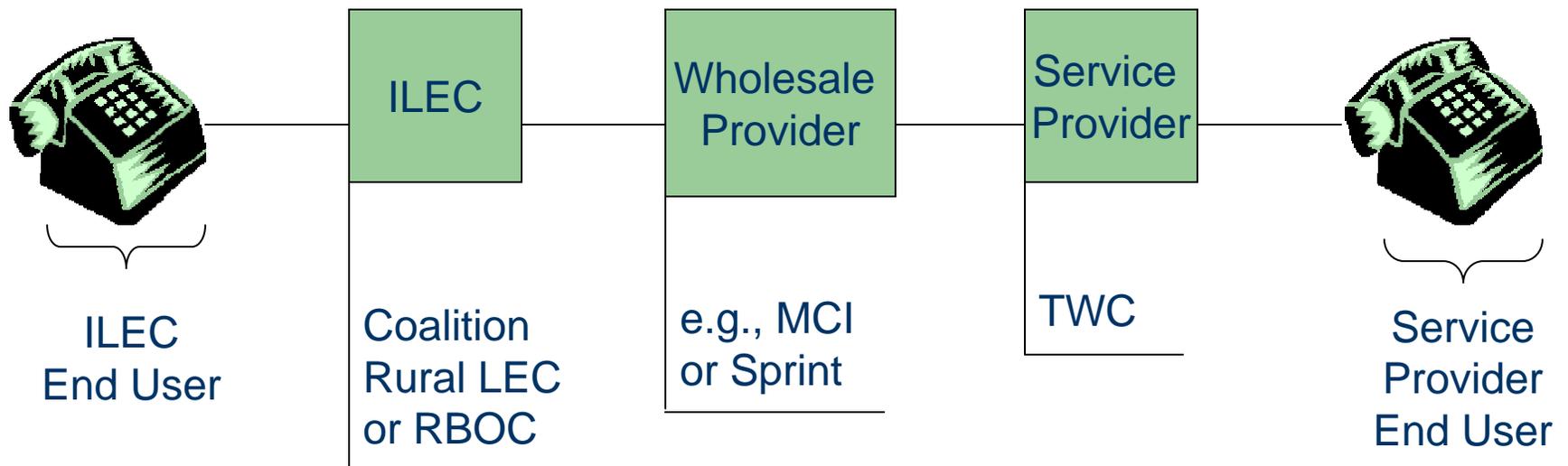
# The South Carolina Telephone Coalition

- Organization comprised of twenty-one Rural Telephone Companies that serve portions of South Carolina
- The Coalition and/or several of its members have been involved in the South Carolina Public Service Commission proceedings
- **The Coalition recommends that Time Warner's petitions be denied**
  - ◆ In addition to concerns previously addressed by the Coalition, the petitions have the potential of creating chaos in the marketplace which adversely impacts consumers
    - Lack of state oversight for services
    - No ability for customers to port back
  - ◆ Commission should consider 3<sup>rd</sup> party interconnection only in the context of its IP Enabled Services NPRM

# TWC's Digital Phone is Jurisdictionally Separable

- TWC's Digital Phone uses VoIP technology but service characteristics and network configuration are the same as local exchange service and are not similar to Vonage's DigitalVoice service:
  - Vonage's service is "fully portable" and uses "geographically independent 'telephone' numbers" while TWC's service is not mobile or nomadic
  - Vonage's service is "jurisdictionally mixed" while with TWC's service, jurisdiction can be determined
  - Vonage's service uses the public Internet while TWC's service is provided completely on a private network and/or the PSTN
- "The practical inseverability of other types of IP-enabled services having basic characteristics similar to [Vonage's] DigitalVoice would likewise preclude state regulation to the same extent as described herein." FCC 04-267 at para. 32 (Vonage Order).

# TWCs Proposed Arrangement



# Granting Requests Would Create Irresponsible Competition

- **TWC Request #1**
  - “Requesting telecommunications carriers are entitled to obtain interconnection with incumbent LECs to provide wholesale telecommunications services to other service providers [who are not telecommunications carriers]”
- **Granting Requests Would Fail to Ensure:**
  - that the retail service provider must be a telecommunications carrier certified by the state
  - that the retail service provider meet any type of regulatory requirements including consumer protections
  - that the wholesale provider must be financially and technically responsible for all the traffic originated from and terminated to the service provider
  - that traffic is properly identified
  - that the interconnection must comply with all FCC rules

# Granting Requests Would Create Irresponsible Competition

- **TWC Request #2:**
  - “Interconnection rights under Section 251 of the Act are not based on the identity of the requesting carrier’s customer”
- **Granting Requests Would Fail to Ensure:**
  - That the traffic exchanged satisfies Sec 51.100(b) – “A telecommunication carrier that has interconnected or gained access under Sections 251(a)(1), 251(c)(2), or 251(c)(3) of the Act, may offer information services through the same arrangement, so long as it is offering telecommunications services through the same arrangement as well.”

# Granting Requests Would Create Irresponsible Competition

- **TWC Request #3 (implied):**
  - Request assumes wholesale provider can port numbers for the service provider
- **Granting Requests Would Fail to Ensure:**
  - That port request is consistent with how LNP is defined in the Act and FCC Rules
    - Ability of “users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another” 47 USC § 153(3); 47 CFR § 52.21(l) & (q) (emphasis supplied)
  - That the service provider abides by all LNP rules and regulations, including porting numbers out to other carriers

## Matters Should Not be Decided in a Piecemeal Manner

- FCC should consider these issues along with a whole range of VoIP issues raised in the context of the IP-Enabled Services NPRM
  - In the NPRM, the Commission sought comment on a “wide assortment of regulatory requirements and benefits” in order to arrive at “sound legal and policy conclusions” regarding the differentiation of VoIP and traditional telecom services. NPRM at para. 5 (emphasis supplied)
- Affording VoIP providers with Title II benefits without Title II requirements would be subject to legal challenge and result in bad public policy

# In Context of NPRM, Responsible Competition Principles Should Be Adopted

- **Certification** - Each provider must be a certified telecommunications carrier
- **Responsibility for traffic** – Each wholesale provider must be financially and technically responsible for the traffic it delivers to an ILEC
- **Equal rights to request interconnection** -ILECs should be given the right to request interconnection from wholesale providers under Sec. 252 rules similar to their T-Mobile CMRS rights
- **Consistent rules and obligations** – All competitors must be subject to the same rules and regulations, e.g.:
  - **Exchange of traffic** – Must meet 51.100(b)
  - **FCC interconnection and call jurisdiction rules apply**
  - **Consumer protection rules apply to service provider**
  - **Wholesale provider must ensure service provider traffic does not cause network harm**

# Conclusion

- Granting the petitions would create irresponsible competition and must be denied
  - No requirement that each provider would be a telecommunications carrier certified by the state. States are seeking to apply telecom laws in an even-handed way.
  - No requirement that wholesale provider be financially and technically responsible for all the traffic originated from and terminated to the service provider
  - No requirement that the traffic exchanged satisfies Sec. 51.100(b) or the Act and FCC's number portability rules
  - Will hurt consumers that want to port numbers away from 3<sup>rd</sup> party service providers who do not have these porting responsibilities
- The FCC should deny the petitions and consider these matters only in the context of its IP Enabled Services NPRM

## Contact for the South Carolina Telephone Coalition

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