

**BEFORE THE FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Petition of AT&T Inc. for Interim Declaratory
Ruling and Limited Waivers Regarding
Access Charges and the "ESP Exemption"

WC Docket No. 08-152

**INITIAL COMMENTS
OF THE OREGON TELECOMMUNICATIONS ASSOCIATION**

August 21, 2008

INITIAL COMMENTS

Access Charges Should Apply to Interexchange IP/PSTN Traffic.

On July 17, 2008, AT&T filed its petition in this matter seeking an interim declaratory ruling and limited waivers. OTA agrees with AT&T's basic statement that interstate and intrastate access charges should apply to interexchange IP/PSTN traffic. See, AT&T's Petition beginning at Page 26. However, OTA does not agree with AT&T's position that intrastate interexchange IP/PSTN traffic would be assessed access charges only if the LEC's intrastate terminating access charges are set at or below the level of the interstate terminating access charges. AT&T Petition at p. 27.

As a basic tenet for its position that access rates apply to interexchange IP/PSTN traffic, AT&T cites to the Commission's statement that one of the Commission's "primary objectives with respect to the formulation of [its] access charge rules has been to assess access charges on all users of exchange access, irrespective of their designation as carriers, non-carrier service providers, or private customers."¹ AT&T Petition at p. 28. OTA supports this concept.

The rationale offered by AT&T that interstate access charges should apply to interstate interexchange IP/PSTN traffic is that subsidies have been removed from interstate terminating access charges. As a result, AT&T argues that those rates are economically efficient. AT&T Petition at p. 27. OTA agrees with this characterization and supports the application of interstate access charges to interstate interexchange IP/PSTN traffic.

OTA does not agree with the concept that lawful, tariffed intrastate access rates should

¹ *Amendments of Part 69 of the Commission's Rules Relating To the Creation of Access Charge Subelements for Open Network Architecture Policy and Rules Concerning Rates for Dominant Carriers*, Report and Order and Order on Further Reconsideration and Supplemental NPRM, 6 FCC Rcd 4524, ¶ 54 (1991).

not apply to intrastate, interexchange IP/PSTN traffic. If a state commission has authorized intrastate access rates to be at a particular level, that decision should stand and those access charges should apply until such time as this Commission takes action on comprehensive intercarrier compensation reform. There is no good reason to carve out intrastate, interexchange IP/PSTN traffic from lawful, tariffed intrastate access rates.

There certainly is no logical reason, as AT&T's position would lead to, that if an intrastate access rate is higher than the interstate access rate, then the rural carriers in that state cannot apply any access charges to intrastate, interexchange IP/PSTN traffic.² While OTA does not advocate the following, at the very least, if the Commission adopts AT&T's position, that position should be modified so that in those cases where the intrastate access rate is higher than the interstate access rate, the intrastate access rate will be capped at the interstate level and will then apply to intrastate interexchange IP/PSTN traffic.

Respectfully submitted this 21st day of August, 2008.

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² See, AT&T's Petition at p. 35.