



October 21, 2011

***Ex Parte Notice***

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

***Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High-Cost Universal Service Support, WC Docket No. 05-337; Developing a Unified Intercarrier Compensation Regime, CC Docket 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109***

Dear Ms. Dortch:

On Thursday, October 20, 2011, the undersigned, on behalf of Vantage Point Solutions, together with Michael Romano of the National Telecommunications Cooperative Association, had a conference call with Victoria Goldberg of the Wireline Competition Bureau.

During the conference call, we discussed various difficulties associated with the implementation of intraMTA local calling between Commercial Mobile Radio Service (“CMRS”) carriers and Local Exchange Carriers (“LECs”). We described how certain intraMTA calls between a LEC and a CMRS carrier are actually routed through interexchange carriers by virtue of the CMRS carrier’s choice of network deployment, and that overlooking or consciously ignoring this network routing and interconnection choice by the CMRS carrier in any new rules would result in not only significant additional expenses for both the CMRS carrier and the LEC, but also cause increased customer confusion and additional opportunities for phantom traffic – all at a time when the Federal Communications Commission (“Commission”) is looking to simplify and streamline the ICC process and minimize phantom traffic concerns. In summary, we discussed the complexities associated with very large Major Trading Areas (“MTAs”), LEC to CMRS calls, and CMRS to LEC calls. We have provided three figures, which are attached to this Ex Parte to make the discussion of these issues more clear.

**Major Trading Areas.** There are 51 MTAs in the United States. Some MTAs cover only a portion of a state and others cover portions of several states. Figure 1 shows the MTAs in the United States with several of them highlighted. As seen in Figure 1, the Minneapolis MTA (“MTA 12”) covers all of North Dakota, most of South Dakota, all of Minnesota, and portions of

Iowa, Wisconsin, and Michigan. It is over 700 miles from the western portion of the MTA to the far eastern portion of the MTA.

LEC to CMRS Calls. In all instances of which I am aware, the calling scope of the LEC customer (as the originator of the call) is used when making call routing decisions, regardless if the LEC customer is calling a CMRS customer or another landline LEC customer. For example, as shown in Figure 2, if a LEC customer in North Dakota calls another landline LEC customer in Minneapolis, the call would be dialed and treated as a toll call and routed and delivered via an Interexchange Carrier (“IXC”). Likewise, if that same LEC customer were to call a CMRS customer in Minneapolis, the call would be delivered via an IXC. However, as shown in Figure 2, if the FCC were to require that the call be delivered as a local call (not via an IXC), several issues would arise for both the LEC and the LEC’s customer.

First, when the LEC customer places the call, it is not currently possible for the LEC to determine if the call is an interMTA or intraMTA call since no originating carrier can know or determine the location of a CMRS customer. Therefore, the LEC would be unable to determine if the call should be delivered on a local basis or delivered to an IXC as a toll call. In fact, regardless of the location of the CMRS customer, the LEC currently does not even determine if the call is destined for a CMRS customer or another LEC customer. Using Local Number Portability (“LNP”) dips and call processing techniques that do not exist today, it may theoretically be possible for the LEC to determine if the phone number belongs to a CMRS customer (albeit at a substantial cost). But, to be clear, such techniques do not yet exist, compliance with them would likely impose significant new burdens if they could be developed, and even then it would be difficult, if not impossible, for the LEC to determine the actual location of the CMRS customer being called.

Moreover, even if some means *did* exist for the originating LEC to determine that this call should be delivered on a local basis, it would still not be possible to deliver the call in that manner, since many CMRS carriers have not deployed local trunks into many rural LEC offices, so there would be no route for the LEC to use.

Finally, assuming the LEC could determine it was a local call *and* the CMRS carrier had deployed a local interconnection facility (or made transit arrangements) for receipt of the call, there would be significant customer confusion due to the mobile nature of CMRS customers and the intermodal porting of numbers. For example, the LEC customer would not know if they should expect toll charges or not when placing a call, since the CMRS customer may be in the same MTA some of the time and in another MTA at other times. In other words, a LEC customer could place a call to a given CMRS customer’s number and not be assessed toll charges in one instance, but then be assessed toll charges in calling the same number a second time because the CMRS customer had roamed out of the MTA or because they ported their number to a landline phone.

CMRS to LEC Calls. Now we consider the reverse – where a CMRS customer in Minneapolis calls a LEC customer in North Dakota as shown in Figure 3. Under this scenario, if the CMRS

carrier were to deliver the call to the LEC on a local basis, then the call would be billed as a local call. However, if the CMRS carrier chose to route and deliver the call using an IXC because it was more efficient to do so, the call would become co-mingled with all other access traffic from that IXC on access facilities, and the LEC would bill the IXC access on this call. Under this scenario, the LEC would not assess any charges to the CMRS carrier; presumably the IXC would, however, have sought and received some compensation from the CMRS carrier for its role in helping to transport that intraMTA call for the CMRS provider.

Using the technology available in today's network, it would not be possible for the LEC to determine if the call in this example were a CMRS intraMTA call or a CMRS interMTA call for a variety of reasons, including:

- There is no information in the SS7 record that would identify if the call were interMTA or intraMTA. Even if the SS7 network were to be enhanced to provide this information, the tandem provider would also have to upgrade its billing system to provide this information as part of the Exchange Message Interface ("EMI") records.
- If the telephone number were to be used as a proxy for the location of the CMRS caller, the LEC would have to somehow determine if the caller was a CMRS customer at the time the call terminates rather than during the normal billing process (which normally happens days or weeks after the call), since the number may have been ported before the billing process begins. This would require new processes, upgrades, and expense. (Indeed, this Commission has to date expressed significant reluctance in the context of addressing phantom traffic to require changes to the handling of billing records – yet, if it were to adopt a rule that overlooks or ignores the role of IXCs in transporting intraMTA calls, this is precisely what it would be doing in this specific instance.)
- If one were to rely on the IXC or the tandem provider to somehow identify these calls as either interMTA or intraMTA, an entirely new form of arbitrage and phantom traffic would emerge. This is because the access traffic would now be intermingled with local traffic, and there would be a motivation for the IXC or tandem provider to claim access traffic as being local to reduce its costs.

In summary, the Commission needs to proceed with substantial caution in specifically handling the rating and routing of intraMTA calls where an IXC is employed by the CMRS carrier to help route and receive or deliver those calls. This is a case in which an overly broad rule that does not take into account such special circumstance poses the risk of creating several serious technical issues, causing additional costs for both the LEC and the CMRS carrier, introducing significant customer confusion, and creating new arbitrage and phantom traffic issues.

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Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS with your office. If you have any questions, please do not hesitate to contact me at (605) 995-1777 or [Larry.Thompson@Vantagepnt.com](mailto:Larry.Thompson@Vantagepnt.com).

Sincerely,

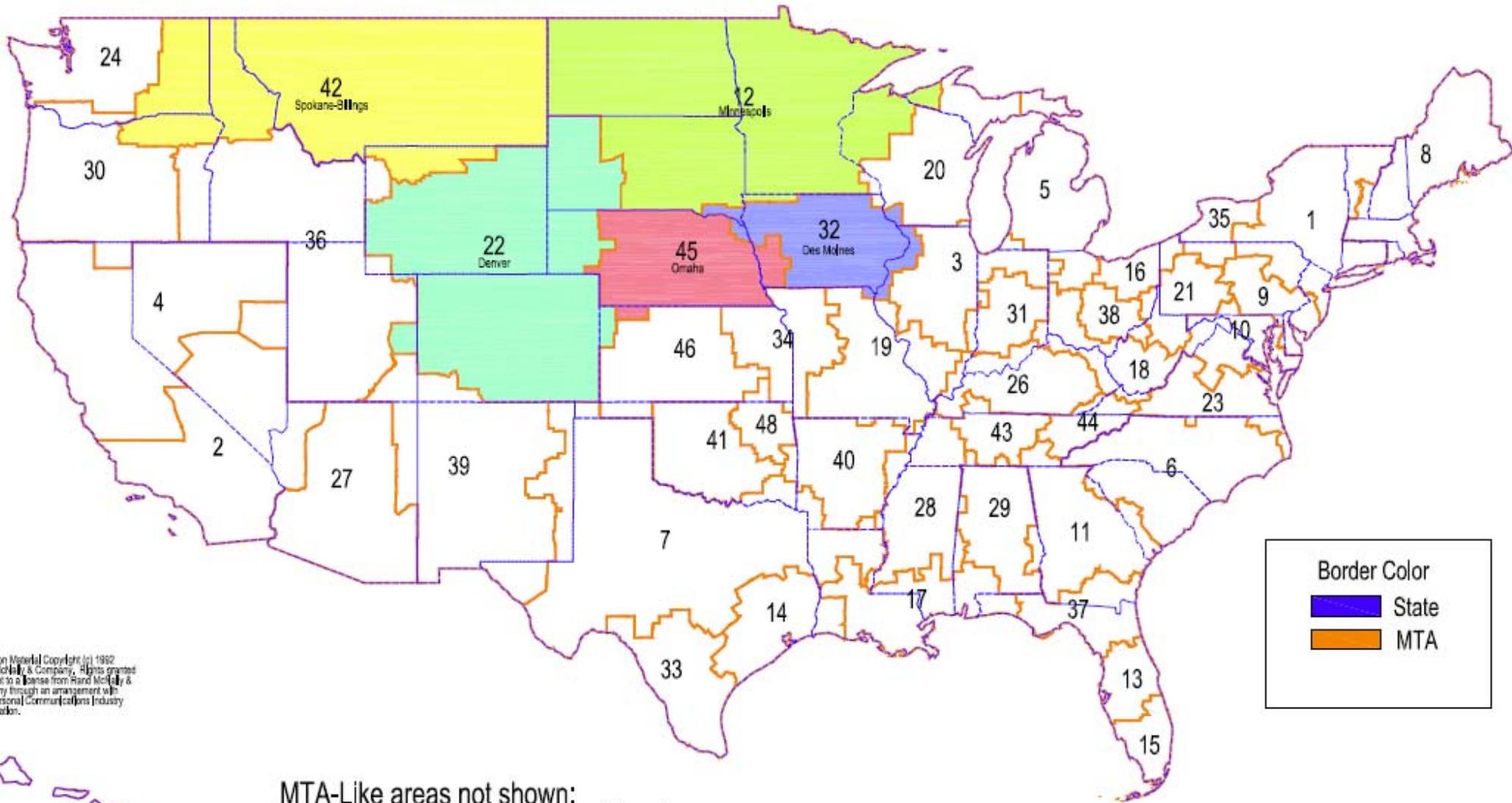
/s/ Larry D. Thompson

Larry D. Thompson  
Chief Executive Officer  
Vantage Point Solutions

Enclosure

cc:  
Rebekah Goodheart  
Al Lewis  
Doug Slotten  
Randy Clarke  
Victoria Goldberg  
Michael Steffen

Figure 1: MTA Map of US

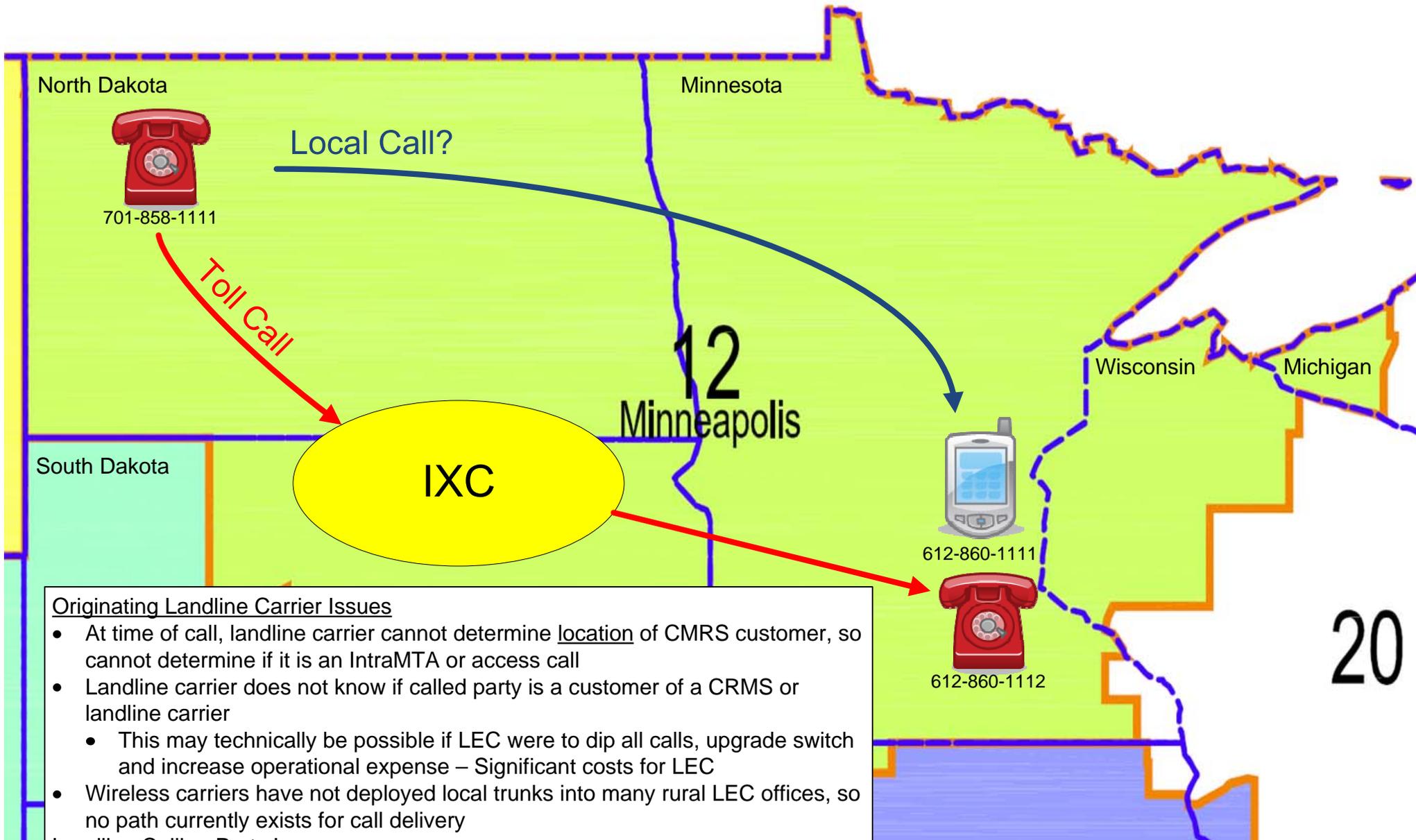


Based on Material Copyright (c) 1992  
 Rand McNally & Company. Rights granted  
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 Company through an arrangement with  
 The Personal Communications Industry  
 Association.

MTA-Like areas not shown:  
 M25 Puerto Rico & US Virgin Islands  
 M49 Alaska  
 M50 Guam and Northern Mariana Islands  
 M51 American Samoa

- MTAs can be very large – often spanning hundreds of miles and covering all or part of 5 or more states

Figure 2: Landline to CMRS - Local Calling in MTA



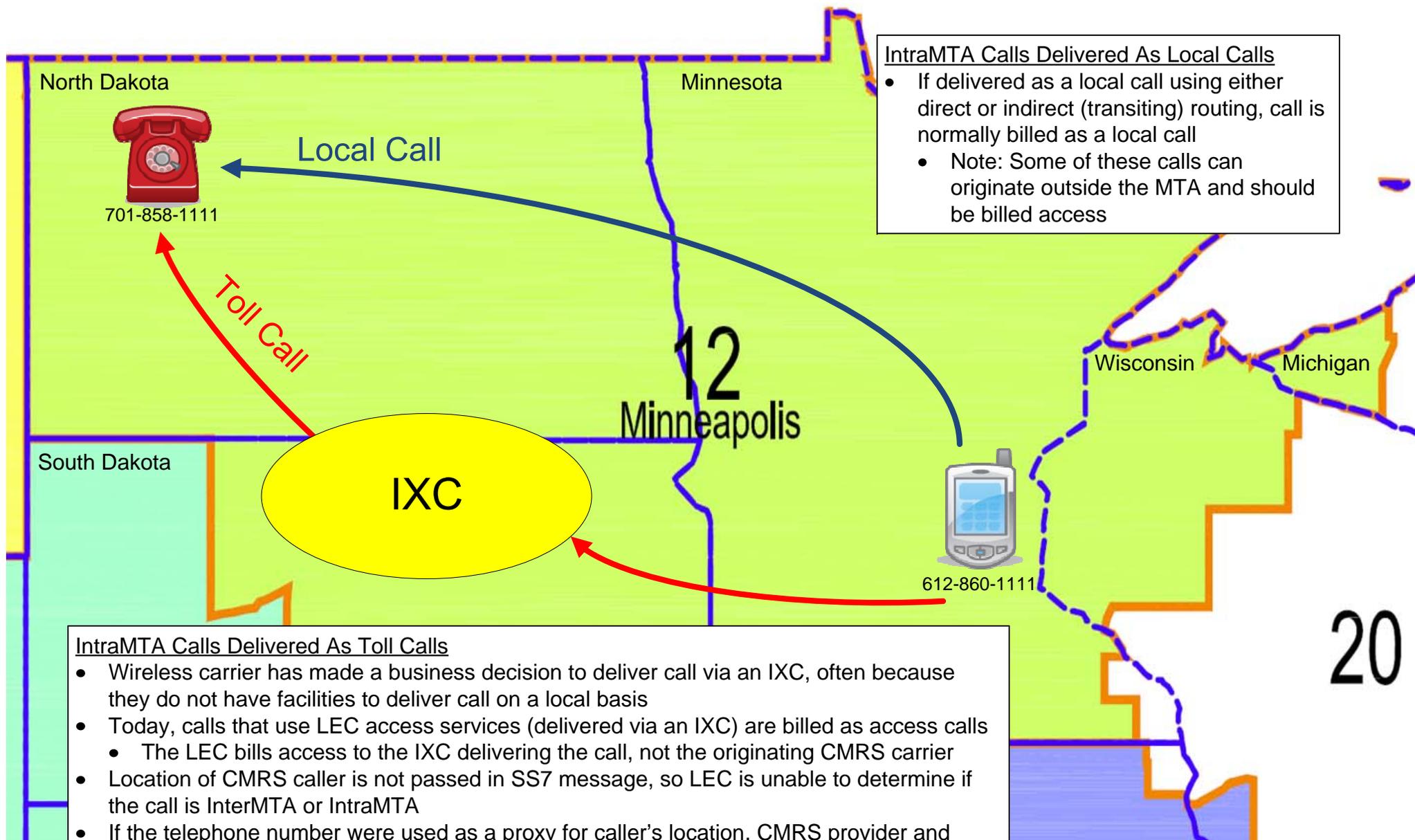
Originating Landline Carrier Issues

- At time of call, landline carrier cannot determine location of CMRS customer, so cannot determine if it is an IntraMTA or access call
- Landline carrier does not know if called party is a customer of a CRMS or landline carrier
  - This may technically be possible if LEC were to dip all calls, upgrade switch and increase operational expense – Significant costs for LEC
- Wireless carriers have not deployed local trunks into many rural LEC offices, so no path currently exists for call delivery

Landline Calling Party Issues

- A call could be local or toll from one minute to the next based on Called Party location (mobility) or service provider (porting)
  - Customer confusion – would not know what calls would result in additional toll charges

Figure 3: CMRS to Landline - Local Calling in MTA



IntraMTA Calls Delivered As Local Calls

- If delivered as a local call using either direct or indirect (transiting) routing, call is normally billed as a local call
- Note: Some of these calls can originate outside the MTA and should be billed access

IntraMTA Calls Delivered As Toll Calls

- Wireless carrier has made a business decision to deliver call via an IXC, often because they do not have facilities to deliver call on a local basis
- Today, calls that use LEC access services (delivered via an IXC) are billed as access calls
  - The LEC bills access to the IXC delivering the call, not the originating CMRS carrier
- Location of CMRS caller is not passed in SS7 message, so LEC is unable to determine if the call is InterMTA or IntraMTA
- If the telephone number were used as a proxy for caller's location, CMRS provider and location would have to be determined at time of the call. This is not currently done and would require additional switch upgrades and database development.
- Substantial phantom traffic and arbitrage issues would be introduced when mixing local and toll traffic