

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
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 No. 01-92
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Lifeline and Link-Up)	WC Docket No. 03-109
)	
Universal Service Reform – Mobility Fund)	WT Docket No. 10-208

**COMMENTS OF
THE UNITED STATES TELECOM ASSOCIATION**

This submission by USTelecom¹ is in response to the Wireline Competition Bureau's (Bureau) request for comments on the Petition² filed by FairPoint Communications (FairPoint Petition) seeking a limited waiver of the Commission's call

¹ USTelecom is the premier trade association representing service providers and suppliers for the telecommunications industry. USTelecom members provide a full array of services, including broadband, voice, data and video over wireline and wireless networks.

² See Public Notice, DA 12-494, Released April 4, 2012, Wireline Competition Bureau Seeks Comment on Alaska Rural Coalition and FairPoint Communications, Inc. Petitions for Limited Waiver of Call Signaling Rules, CC Docket Nos. 01-92, 96-45; GN Docket No. 09-51; WC Docket Nos. 03-109, 05-337, 07-135, 10-90; WT Docket No. 10-208, at 1 (filed March 28, 2012) (Petition) (citing 47 C.F.R. § 1.3 and paragraphs 716 and 723 of the *USF/ICC Transformation Order*).

signaling rules adopted in the *USF/ICC Transformation Order* (Order).³ There are particular technical impediments that make it difficult and prohibitively expensive for FairPoint Communications to be in complete compliance with the call signaling rules. Therefore USTelecom supports the grant of FairPoint Communications' Petition. The petition is fully consistent with USTelecom's proposal in this proceeding in support of Commission efforts to eliminate phantom traffic.

While declining to adopt general exceptions to the call signaling rules for circumstances in which it would not be technically feasible to comply given the network technology deployed or where industry standards would permit deviation from the duty to pass signaling information unaltered, the Commission noted that parties seeking limited exceptions in connection with the call signaling rules may avail themselves of the waiver procedures established by the Commission.⁴ The Commission delegated authority to address such waiver requests to the Wireline Competition Bureau. The FairPoint Petition has established good cause for the grant of its waiver request.

USTelecom has been and continues to be a strong advocate for the Commission's efforts to address phantom traffic. Phantom traffic, traffic lacking accurate or complete call signaling information, distorts markets and competition as it gives rise to an improper transfer of funds from the customers of carriers that are being denied the correct amounts of intercarrier compensation to carriers. It causes price-cap carriers to lose properly assessed minutes and the associated revenues. Rate-of-return carriers and their customers can be harmed in that their traffic projections upon which rates are based can be distorted,

³ *Connect America Fund*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 10-90, FCC 11-161, (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*).

⁴ See *USF/ICC Transformation Order*, at para. 723.

and such carriers must charge higher intercarrier compensation rates to make up for the lost minutes and/or revenues due to phantom traffic. Thus, USTelecom strongly encourages vigorous enforcement of the phantom traffic rules adopted in the *USF/ICC Transformation Order*. The FairPoint Petition will not create obstacles to the elimination of phantom traffic.

I. Waiver from the Requirement to Pass the CN Unaltered Where it is Different Than the CPN Should be Granted to FairPoint Communications in These Narrow Instances

USTelecom supports the request of FairPoint Communications, which seeks a limited waiver from the requirement to pass the CN unaltered where it is different than the CPN, in certain limited circumstances involving SS7 capable switches that do not have the ability to generate and pass CN in the signaling field when it is different from CPN. Specifically, the waiver is necessary because many of FairPoint's switches are of a vintage that did not require non-equal access traffic to require the use of the CN field. This creates two sets of problems for FairPoint. First, many of these FairPoint's switches would require significant software upgrades and modifications, and second, full compliance will never be feasible of a smaller subset of FairPoint's SS7-capable switch equipment that is no longer supported by any vendor.⁵ FairPoint notes that the expenditure of millions of dollars to upgrade or replace switches would be necessary to fully comply with the new call signaling rules. This waiver should not encompass other portions of § 64.1601(a) obligations, nor should the waiver extend to providers in other circumstances. Such a waiver will not undermine the purpose of the phantom traffic rules since downstream carriers will still receive CPN for all non-equal access traffic and thus be able to verify that FairPoint is the originating carrier. Moreover, granting this

⁵ See FairPoint Petition at 4.

narrow waiver will not undermine the broad policy goals of the *USF/ICC Transformation Order*. Grant of this narrow waiver is warranted for good cause and would serve the public interest.

II. Waivers from the Requirement Requiring Service Providers Using MF Signaling to Pass the Number of the Calling Party (or CN, if Different) Should be Granted to FairPoint Communications in These Narrow Instances

USTelecom supports the requests of FairPoint Communications for limited waiver of the new rules requiring that service providers pass the number of the calling party (or CN, if different). Specifically, USTelecom supports the limited waiver requested by FairPoint Communications in two situations, as described in the Petition: (1) for MF signaling for FairPoint Communications' PSTN-bound voice traffic traversing MF trunks; and (2) for operator services and directory assistance platforms.⁶ In addition, FairPoint deploys Feature Group C (FGC) trunks using MF signaling to terminate non-equal access traffic to some carriers that do not support SS7 signaling.⁷

FairPoint Communications explains the circumstances under which compliance is technically infeasible on its switching equipment in different specific scenarios where it uses MF signaling. Technical solutions to come into full compliance for MF signaling would require replacement of all of FairPoint's existing MF equipment. Moreover, FairPoint notes that its FGC trunks are in place to accommodate the needs of terminating carriers that cannot support SS7 signaling,⁸ so replacement of such equipment would create more problems than it solves. As stated in the FairPoint Petition, since the affected downstream carriers are very few, are generally directly interconnected and well-known

⁶ *Id* at 5.

⁷ *Id*.

⁸ *Id* at 6.

to FairPoint, and will still receive ANI for all non-equal access traffic and thus be able to verify that FairPoint is the originating carrier, the requested waiver will not undermine the efficacy of the phantom traffic rules.⁹ The requested waiver by FairPoint Communications for these MF signaling scenarios is warranted for good cause and would serve the public interest.

III. Conclusion

The FairPoint Communications Petition for Limited Waiver will not create obstacles to the elimination of phantom traffic. USTelecom strongly encourages vigorous enforcement of the phantom traffic rules adopted in the USF Transformation Order. The petition is fully consistent with USTelecom's historical advocacy which sought to eliminate phantom traffic. The Bureau should promptly grant this narrow waiver request for good cause.

Respectfully submitted,

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⁹ *Id.*