

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 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 an 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 CENTURYLINK

CenturyLink submits these comments in support of the Consolidated Communications, Inc. (Consolidated) Petition for a Limited Waiver filed on May 11, 2012 regarding the Commission's new call signaling rules (Consolidated Petition).¹ As CenturyLink discusses in greater detail in its own petition for limited waiver of those same rules,² a copy of which is attached hereto (as Appendix A), CenturyLink has long been and remains a strong proponent of phantom traffic rules. And, CenturyLink commends the Commission for adopting call signaling

¹ Petition of Consolidated Communications, Inc. for a Limited Waiver of the Commission's Call Signaling Rules in 47 C.F.R. § 64.1601, filed May 11, 2012. Public Notice, DA 12-783, rel. May 23, 2012.

² CenturyLink, Inc. Petition for Limited Waiver, filed in WC Docket Nos. 10-90, *et al.* (Jan. 23, 2012); Public Notice, Wireline Competition Bureau Seeks Comment on CenturyLink Petition for Limited Waiver of Call Signaling Rules, WC Docket Nos. 10-90, *et al.*, DA 12-104, 27 FCC Rcd 466 (2012).

rules in the *USF/ICC Transformation Order*.³ However, when it adopted the *USF/ICC Transformation Order*, the Commission declined to adopt a technical feasibility exception to the call signaling rules and, instead, encouraged carriers to seek waivers of the rules where necessary. As with CenturyLink's limited waiver request, which addresses, in part, similar issues to those addressed in the Consolidated Petition, good cause exists for a grant of the limited waiver requested in Consolidated's Petition. Accordingly, the Commission should grant that request.

Respectfully submitted,

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June 22, 2012

³ *In the Matter of Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform - Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd 17663 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*), *Order Clarifying Rules*, 27 FCC Rcd 605 (rel. Feb. 3, 2012), Erratum to *USF/ICC Transformation Order* (rel. Feb. 6, 2012), Application for Review pending, USCC, *et al.*, filed Mar. 5, 2012, *Second Further Clarification Order*, DA 12-298, 27 FCC Rcd 2142 (2012), Erratum to *Order Clarifying Rules* (rel. Mar. 30, 2012), Second Erratum to *USF/ICC Transformation Order*, DA 12-594 (rel. Apr. 16, 2012), *pets. for recon. granted in part and denied in part*, Second Order on Recon., FCC 12-47 (rel. Apr. 25, 2012), Third Order on Recon., FCC 12-52 (rel. May 14, 2012), Erratum to Second Order on Recon. (rel. June 1, 2012), *Third Further Clarification Order*, DA 12-870 (rel. June 5, 2012), Erratum to *Third Further Clarification Order* (rel. June 12, 2012), *pets. for rev. of Report and Order pending, sub nom. In re: FCC 11-161* (10th Cir. No. 11-9900, Dec. 16, 2011).

APPENDIX A

Before the
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CENTURYLINK, INC.
PETITION FOR LIMITED WAIVER

INTRODUCTION

CenturyLink, Inc. (CenturyLink), on behalf of its affiliates, respectfully requests a limited waiver of the new call signaling rules recently adopted by the Commission in the above-captioned proceeding.¹ CenturyLink has long been and remains a strong proponent of phantom

¹ See *In the Matter of Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal*

traffic rules. The Commission is to be commended for adopting call signaling rules in the *USF/ICC Transformation Order*. As CenturyLink works to implement the rules, it has come to CenturyLink's attention that there are certain limited circumstances where compliance with the new rules is technically infeasible.² When it adopted the *USF/ICC Transformation Order*, the Commission declined to adopt a technical feasibility exception to the call signaling rules and, instead, encouraged carriers to seek waivers of the rules where necessary. CenturyLink, therefore, seeks such a waiver. Good cause exists for a grant of the requested waiver and doing so would be in the public interest. Accordingly, this waiver request satisfies Commission Rule 1.3.³

BACKGROUND

On November 18, 2011, the Commission released an *Order* amending its call signaling rules to address "phantom traffic." In this context, phantom traffic is defined as traffic that terminating networks receive lacking adequate identifying information.⁴ CenturyLink has long been a proponent of rules addressing phantom traffic. In 2005, CenturyTel filed a request for

Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform - Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (the "*USF/ICC Transformation Order*"); *pets for recon. pending; pets. for rev. pending, sub nom. Direct Communications Cedar Valley, et al. v. FCC*, (10th Cir. Nos. 11-9581, *et al.*).

² CenturyLink shares Verizon's concern, reflected in its recent Petition for Reconsideration, that it has not had adequate time to identify all potential instances where compliance with the new rules may not be possible due to the Commission's unexpected omission of an exception for technical infeasibility. Petition for Clarification or, in the Alternative for Reconsideration of Verizon, filed in the instant proceedings on Dec. 29, 2011 at 8-12. CenturyLink has devoted considerable resources to trying to identify such instances as quickly as possible and may amend this waiver request in the event other instances are identified.

³ 47 C.F.R. § 1.3.

⁴ *USF/ICC Transformation Order* ¶ 703.

Commission action,⁵ and that filing precipitated substantial advocacy that led to a proposal by the United States Telecom Association in the spring of 2006.⁶ Phantom traffic has resulted in significant regulatory arbitrage and undermined the intercarrier compensation and universal service policies that are embodied in our access charge mechanisms. CenturyLink strongly supports the Commission's action and is working assiduously both to take advantage of the benefits of the rules as a terminating local exchange carrier and to comply with the rules as an originating carrier and interexchange carrier.

Among other things, these new rules require that originating providers "us[ing] Signaling System 7 (SS7) ... transmit the calling party number (CPN) ... in the ... CPN field to interconnecting providers, and ... transmit the calling party's charge number (CN) in the ... CN field to interconnecting providers for any PSTN Traffic where CN differs from CPN."⁷ And, under the rules, the CN field may only be used to contain a calling party's CN and it may not contain or be populated with a number associated with an intermediate switch, platform, or gateway, or number that designates anything other than a calling party's CN.⁸ The Commission also amended its rules to require originating service providers using Multi-Frequency (MF) signaling to pass the number of the calling party (or CN, if different) in the MF Automatic Number Identification (ANI) field.⁹ The Commission allowed carriers flexibility to devise their

⁵ See Letter to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission, from Ms. Karen Brinkmann, Latham and Watkins LLP, on behalf of the midsized carriers (of which CenturyTel is a party to), CC Docket No. 01-92, dated Dec. 5, 2005 (the midsized carriers updated their proposal on Mar. 31, 2006).

⁶ See Letter to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission, from Jeffrey S. Lanning, United States Telecom Association, CC Docket No. 01-92, dated Mar. 30, 2006.

⁷ *Id.*, Final Rule 64.1601 (a) (1) (Appendix A).

⁸ *Id.* ¶ 714.

⁹ *Id.* ¶ 716.

own means to pass this information in their MF signaling.¹⁰ And, the Commission noted that, to the extent that a party is unable to comply with the rule as a result of technical limitations related to MF signaling in its network, it may seek a waiver.¹¹ The new rules also require that “[i]ntermediate providers within an interstate or intrastate call path that originates and/or terminates on the PSTN ... pass unaltered to subsequent providers in the call path signaling information identifying the telephone number, or billing number, if different, of the calling party that is received with a call.”¹²

The Commission declined to adopt exceptions to the new 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.¹³ The Commission noted, however, that parties seeking limited exceptions or relief in connection with the call signaling rules may avail themselves of the Commission’s established waiver procedures.¹⁴

APPLICABLE STANDARD

The Commission may waive its rules for good cause¹⁵ and where strict application of the rule would be contrary to the public interest.¹⁶ In determining whether to grant a waiver, the

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*, Final Rule 64.1601 (a) (2) (Appendix A).

¹³ *Id.* ¶ 716.

¹⁴ *Id.*

¹⁵ 47 C.F.R. § 1.3.

¹⁶ *See Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*).

Commission may consider hardship, equity, or the fact that a more effective implementation of public policy will attend the granting of the waiver.¹⁷

DISCUSSION

Good cause exists for the Commission to grant CenturyLink a waiver from the Commission's new signaling rules in the following circumstances and the public interest would be served by such a waiver:

SS7 Charge Number – Intermediate Carrier Obligation as an IXC. CenturyLink seeks a limited waiver of the requirement to pass the CN unaltered where it is different than the CPN in certain limited circumstances involving SS7 signaling where CenturyLink acts as an interexchange carrier (IXC). Specifically, for certain calls made to CenturyLink enhanced services platforms, when an end user calls to the platform and the call goes back out to the PSTN, CenturyLink passes the CPN. However, CenturyLink does not pass the CN if it is different from the CPN in these situations. This is because CenturyLink's enhanced services platforms cannot support the passage of both the customer CPN and CN without costly and time-consuming upgrades. Even if it made sense to modify CenturyLink's systems to address this issue, it is by no means clear that it would be technically feasible to do so. The services at issue are provided over platforms for which development support is no longer available from the manufacturer. Thus, it would make no sense to require CenturyLink to incur the significant costs necessary to modify this equipment to comply with the rules. Among other things, even if such a solution were possible, this would divert scarce capital and resources that could be used to build-out next-generation broadband networks. At the same time, granting this narrow waiver to CenturyLink will not undermine the policy goals of the *USF/ICC Transformation Order*. The

¹⁷ *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969), *cert. denied*, 409 U.S. 1027 (1972); *Northeast Cellular*, 897 F.2d at 1166.

Commission's revised call signaling rules are intended to ensure that service providers, including CenturyLink, receive the information that they need to bill for and receive intercarrier payments for traffic that terminates on their networks. The rules are primarily targeted at phantom-traffic schemes in which carriers intentionally disguise traffic to avoid higher compensation rates. That is not the case here. And, CenturyLink uses long-established and well-accepted industry practices (*e.g.*, auditable percent interstate use and other factors) to ensure proper settlements of intercarrier compensation with terminating carriers. Therefore, grant of this narrow waiver to CenturyLink is warranted for good cause and would serve the public interest.

MF Signaling Automatic Number Identification – Originating Carrier Obligation as a LEC. CenturyLink also seeks a limited waiver of the new rules for originating service providers that use SS7 or MF signaling, respectively. Compliance with these rules is technically infeasible at this time in three scenarios where CenturyLink (and, likely, many other carriers) acts as a local exchange carrier (LEC). First, CenturyLink sometimes uses MF signaling as a LEC when exchanging local EAS traffic with rural LECs and CLECs. For calls in this context, it will be technically infeasible to transmit the required signaling information – either CPN or CN if different from CPN. However, EAS/local exchange is, by definition, a context where such call stream information is not needed as CPN or CN is not used for billing of the calling party in such circumstances. And, MF signaling was not designed in this instance to forward originating CN or CPN data to a terminating carrier in the MF ANI field.¹⁸ Second, technical limitations also impact CenturyLink's ability to comply with the new rules where an originating customer interconnects to a CenturyLink switch via a DTMF (Dual Tone Multifrequency) signaling trunk group. In this scenario, CenturyLink does not receive the CPN from the originating customer. If

¹⁸ AT&T Inc. Petition for Limited Waiver, filed in the instant proceedings on Dec. 29, 2011, at 6 (AT&T Waiver Petition).

this call is passed to another provider, for an EAS/local call, CenturyLink either can send only CN or can send neither CPN nor the CN. For toll calls in this scenario, CenturyLink can only send CN. Regardless, CenturyLink's signaling limitations in each case are created by the limitations of the technology used by the connecting customer. Third, CenturyLink has the same concern regarding operator services/directory assistance ("OS/DA") calls that AT&T detailed in its recent Waiver Petition.¹⁹ As with AT&T's comparable services, CenturyLink's OS/DA services continue to rely heavily on MF signaling. And, as with AT&T, depending on the configuration of incoming and outgoing trunks to the OS/DA switches, CenturyLink will be partially compliant with the new call signaling rule under certain conditions. For many calls, however, it will be technically infeasible to transmit the required signaling information.²⁰

In each of these circumstances described above, good cause exists for granting the waiver requested and granting the waiver would be consistent with the public interest. As AT&T also observes in its Waiver Petition, MF signaling was not designed in many instances to forward originating CN or CPN data to a terminating carrier in the MF ANI field.²¹ Rather, the MF ANI standards and technology were developed to provide IXCs with the data they need to bill end-user customers that originate calls. In order to come into compliance in these scenarios, CenturyLink would have to implement costly switch upgrades to, or replace, legacy equipment and would have to devote considerable internal resources. But, doing so would do nothing to

¹⁹ *Id.* at 7.

²⁰ The following statement from AT&T's Petition also describes CenturyLink's situation: "When the signaling is from an MF Trunk, no information will be passed on intraLATA traffic. When the signaling is from an MF trunk, the contents of the ANI field will be populated to the CN field on outgoing SS7 trunks for interLATA traffic. When the signaling is from an SS7 trunk, only CPN is passed on IntraLATA calls. When the signaling is from an SS7 trunk, CPN and CN if different are passed on interLATA calls." AT&T Waiver Petition at 7 n.26.

²¹ *Id.* at 6.

eliminate the phantom-traffic schemes that the rules were designed to prevent. And, for these same reasons, granting this waiver will not create any of the problems the rules are designed to address.

MF Signaling Automatic Number Identification – Originating Carrier Obligation as an IXC. MF signaling also comes into play in certain circumstances where CenturyLink acts as an IXC for certain traffic originated over dedicated access facilities. In these circumstances, the call is ultimately handed-off to the next carrier using SS7 signaling, but customers purchasing the service may initially hand a call to CenturyLink using MF signaling. When that occurs, these customers sometimes choose to transmit a number in the MF ANI field that does not reflect CPN. This could occur for several reasons. For example, the customer may be a telemarketer that uses an 8XX number for call back or that places a client’s number in the field rather than the location of the call – all pursuant to the Commission’s independent requirement imposed on such customers that such a number be provided.²² In still other cases, these customers using MF signaling equipment fail to pass a number in the MF ANI field. In all of these situations, CenturyLink hands the call off to the next carrier using SS7 signaling and transmits the number from the customer’s MF ANI field, assuming one is provided, in the SS7 CPN field. However, CenturyLink also deploys a pseudo CN application in these circumstances whereby it inserts in the SS7 CN field a number reflecting the location of the relevant originating trunk group – thus providing an indication of the physical location of the calling party. This application, thus, has no impact on the billing to the end user but provides (via the CN) accurate information to the terminating carrier for call jurisdiction—it works to facilitate billing, which is consistent with the purpose of the phantom traffic rules. But, the CN is not the customer’s charge number. As

²² *USF/ICC Transformation Order* ¶ 716.

noted above, the *USF/ICC Transformation Order* specifies that the CN field may only be used to contain a calling party's CN and it may not contain or be populated with a number associated with an intermediate switch, platform, or gateway, or number that designates anything other than a calling party's CN.²³ CenturyLink requests a waiver of this requirement in the limited circumstances described above. Such a waiver will allow it to continue to use its pseudo CN application. If CenturyLink were to turn this pseudo CN application off, it would simply increase the volume of indeterminate jurisdiction traffic on its network – a result directly contrary to the purpose of the Commission's new signaling rules.

Good cause exists for granting the waiver requested for the scenario described above and granting this waiver would be consistent with the public interest in each scenario.

CONCLUSION

For all of the reasons stated herein, CenturyLink respectfully requests that the Commission expeditiously grant this Petition for Limited Waiver of 47 C.F.R. § 64.1601(a).

Respectfully submitted,

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²³ *Id.* ¶ 714.

CERTIFICATE OF SERVICE

I, Richard Grozier, do hereby certify that I have caused the foregoing **COMMENTS OF CENTURYLINK** to be: 1) filed via ECFS with the Office of the Secretary of the FCC in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, GN Docket No. 09-51, CC Docket Nos. 01-92, 96-45 and WT Docket No. 10-208; 2) served via e-mail on Belinda Nixon, Pricing Policy Division, Wireline Competition Bureau at belinda.nixon@fcc.gov; and 3) served via e-mail on the FCC's duplicating contractor, Best Copy & Printing, Inc. at fcc@bcpiweb.com.

/s/ Richard Grozier

June 22, 2012