

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

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**REPLY COMMENTS OF CENTURYLINK, INC.**

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**INTRODUCTION**

CenturyLink, Inc. (CenturyLink), on behalf of its affiliates, respectfully submits these reply comments regarding its Supplemental Petition for a limited waiver of the new call signaling rules recently adopted by the Commission in the above-captioned proceedings (Supplemental Petition).<sup>1</sup> As CenturyLink explained in its Supplemental Petition, CenturyLink

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<sup>1</sup> 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 Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform - Mobility Fund*,

requires a limited waiver in certain limited circumstances where compliance with the new rules is technically infeasible.<sup>2</sup> And, as CenturyLink described there, most of the situations addressed in its Supplemental Petition involve the same general scenarios that were identified in CenturyLink's initial waiver request (Initial Petition).<sup>3</sup> For these scenarios, CenturyLink filed its Supplemental Petition simply to make it unambiguously clear that certain contexts fall within the scope of its request for relief. Additionally, CenturyLink's Supplemental Petition addresses one additional context not covered in its Initial Petition that was identified by other carriers in their waiver requests.

Following the comments filed pursuant to the Commission's public notice of CenturyLink's Supplemental Petition, the record still demonstrates that good cause exists for a grant of the Supplemental Petition, that doing so would be in the public interest, and that the

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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) (*Clarification Order*), Erratum to *USF/ICC Transformation Order* (rel. Feb. 6, 2012), Application for Review pending, USCC, *et al.*, filed Mar. 5, 2012, *Further Clarification Order*, DA 12-298, 27 FCC Rcd 2142 (2012), Erratum to *Clarification Order* (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, 27 FCC Rcd 4648 (2012), *pet. for rev.*, *Windstream v. FCC* (10<sup>th</sup> Cir. No. 12-9575); Third Order on Recon., FCC 12-52, 27 FCC Rcd 5622 (2012), Erratum to *Second Order on Recon.* (rel. June 1, 2012), *Order Clarifying Rules*, DA 12-870, 27 FCC Rcd 5986 (2012), Erratum to *Order Clarifying Rules* (rel. June 12, 2012), Second Report and Order, FCC 12-70, 27 FCC Rcd 7856 (rel. June 27, 2012), Fourth Order on Recon., FCC 12-82, 27 FCC Rcd 8814 (2012), *Order Clarifying Rules*, DA 12-1155, 27 FCC Rcd 8141 (2012), *pets. for rev. of USF/ICC Transformation Order pending, sub nom. In re: FCC 11-161* (10<sup>th</sup> Cir. No. 11-9900, Dec. 16, 2011).

<sup>2</sup> CenturyLink, Inc. Supplemental Petition for Limited Waiver, WC Docket Nos. 10-90, *et al.*, filed Sept. 13, 2012. *And see* Public Notice, DA 12-1564, rel. Oct. 1, 2012.

<sup>3</sup> Petition for Limited Waiver of CenturyLink Inc., WC Docket Nos. 10-90, *et al.*, filed Jan. 23, 2012.

waiver request otherwise satisfies Commission Rule 1.3.<sup>4</sup> Indeed, only one comment was filed that was critical of CenturyLink's Supplemental Petition in any way. That comment, by North County, lacked any credible basis whatsoever as discussed below. Accordingly, CenturyLink's Supplemental Petition should be granted.

### **DISCUSSION**

As CenturyLink explained in its Supplemental Petition, it has long been and remains a strong proponent of phantom traffic rules. As part of the approach to phantom traffic adopted by the Commission in the *USF/ICC Transformation Order*, it encouraged carriers to seek waivers of the rules where it was technically not feasible for a carrier to comply -- rather than adopt a technical infeasibility exception to the rules themselves.<sup>5</sup> With each of the scenarios addressed in its Supplemental Petition, CenturyLink has demonstrated in great detail why good cause exists for the Commission to grant the waiver, and demonstrated how the public interest would be served by such a waiver. No party has rebutted this demonstration. Indeed, the only other comments filed, other than the North County comments discussed in detail below, was the United States Telecom Association (USTA) filing in support for CenturyLink's requested waiver.<sup>6</sup> And, as noted above, the Commission should reject North County's contentions as it either mischaracterizes CenturyLink's Supplemental Petition or simply rehashes faulty arguments already posed in its comments in response to CenturyLink's Initial Petition, or both.

First, the Commission should reject North County's baseless contentions in its comments that CenturyLink fails to adequately demonstrate technical infeasibility because ANI can be

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<sup>4</sup> 47 C.F.R. § 1.3.

<sup>5</sup> *USF/ICC Transformation Order*, 26 FCC Rcd at 17895-96 ¶ 716.

<sup>6</sup> Comments of the United States Telecom Association, WC Docket Nos. 10-90, *et al.*, filed Oct. 31, 2012 at 3-7.

transmitted with MF Signaling. As with its near verbatim identical comments regarding CenturyLink's Initial Petition, North County misconstrues the nature of CenturyLink's Supplemental Petition. North County suggests that CenturyLink is contending that it "cannot transmit ANI, CN or CPN via MF signaling," and that it cannot "retransmit ANI, CN, or CPN from MF carriers to carriers using SS7 signaling" and that this latter problem occurs because CenturyLink "refuses to accept ANI from MF carriers."<sup>7</sup> But, none of the scenarios in CenturyLink's Supplemental or Initial Petitions deal with the ability to "retransmit ANI, CN, or CPN from MF carriers to carriers using SS7 signaling." Rather, CenturyLink's Petitions concern three types of scenarios involving MF signaling:

(1) situations where CenturyLink is the originating carrier and uses MF signaling when originating EAS, local or intraLATA toll traffic *because of the terminating carrier's insistence that MF signaling be used (i.e., the scenarios discussed on page 6 of its Initial Petition and pp. 7-8 of its Supplemental Petition)*;<sup>8</sup>

(2) situations where CenturyLink is the originating carrier and is limited in what it can pass using SS7 signaling because of the limitations of the MF functionality being used *by its originating customer (e.g., the LEC DTMF (Dual Tone Multifrequency) and operator services/directory assistance (OS/DA) scenarios discussed on pages 6-7 of its Initial Petition and pages 8-10 of its Supplemental Petition, and the interexchange carrier (IXC) dedicated access scenario discussed on pages 8-9 of its Initial Petition)*;<sup>9</sup> and

(3) the one new scenario addressed in CenturyLink's Supplemental Petition -- where CenturyLink is an intermediate carrier and receives traffic in SS7 but is limited in what it can pass to the terminating carrier *because of the limitations of the MF functionality being used by the terminating carrier*.<sup>10</sup>

Thus, to begin with, North County's criticisms about CenturyLink's actions when upstream carriers use MF signaling have no relevance whatsoever to the petitions. And, North County's

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<sup>7</sup> North County at 3.

<sup>8</sup> Initial Petition at 6; Supplemental Petition at 7-8.

<sup>9</sup> Initial Petition at 6-9; Supplemental Petition at 8-10.

<sup>10</sup> Supplemental Petition at 8-10.

contentions regarding CenturyLink's ability to pass call stream information on MF signaling only have relevance to the first and third set of situations.

And, as to those scenarios, it cannot be emphasized enough that this is a situation entirely of the terminating carrier's (in this case, North County's) making. It is only because of the terminating carrier's insistence on using antiquated MF signaling facilities that these situations arise to begin with. It is also noteworthy that, because of its particular business model, North County's traffic is almost entirely one-way traffic terminating to North County.<sup>11</sup>

Additionally, North County is still confused in its descriptions of the relevant capabilities of MF signaling and the bases of CenturyLink's waiver request. CenturyLink does not contend, as North County suggests, that CN and CPN can never be passed when CenturyLink uses MF signaling. Rather, CenturyLink contends merely that CN and CPN *is currently not signaled* in these situations for EAS, local or intraLATA traffic under current industry practices/standards and that it would be exceedingly costly and wasteful to require such functionality to now be put in place. This is particularly so given that the problem is not CenturyLink's making to begin with. And, as is further demonstrated in the Declaration of Philip Linse attached to CenturyLink's reply comments regarding its Initial Petition and in the Supplemental Declaration of Philip Linse attached hereto, that contention cannot be seriously disputed.<sup>12</sup> Thus, the underlying factual bases for the aspects of CenturyLink's Supplemental Petition dealing with limitations when CenturyLink uses MF signaling are undisputed.

Second, the Commission should reject North County's contentions that adequate data and processes do not exist to assure accurate jurisdictionalization and billing in this context without additional call stream information. The processes currently used by CenturyLink and North

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<sup>11</sup> Linse Supplemental Declaration ¶ 5.

<sup>12</sup> Linse Declaration ¶ 2; Linse Supplemental Declaration ¶¶ 2-3.

County to jurisdictionalize and bill such traffic are those that were established in arbitrations leading to the existing interconnection agreements between CenturyLink and North County. These processes were carefully considered by the Arizona and Oregon state commissions as arbitrators, and provide a good solution. As cited in North County's comments, it has very recently initiated state proceedings in Oregon and Arizona regarding these processes.<sup>13</sup> North County's contentions in these new proceedings lack any merit. To the extent North County may contend otherwise, those state proceedings can adequately address those contentions. Here, it is also noteworthy that, not only is North County's traffic almost entirely one-way traffic terminating to North County, but the focus of North County's complaints is billing for local traffic. And, it is the only terminating carrier that CenturyLink has identified that insists upon the use of MF signaling while also having an agreement that provides a positive rate for local traffic.<sup>14</sup> In other words, this is yet another way in which North County itself creates this limited situation.

Finally, the Commission should reject North County's contentions that CenturyLink has failed to adequately demonstrate the cost of coming into compliance. For all aspects of CenturyLink's petitions, CenturyLink has provided detailed descriptions of the technical issues that prevent it from complying, the scope and high cost of what would be required to come into compliance, and the relatively small amount of traffic at issue.<sup>15</sup> Specifically, CenturyLink has previously provided a declaration further demonstrating these facts as to the EAS and local scenarios addressed in its Initial Petition. With this reply, CenturyLink provides a supplemental

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<sup>13</sup> North County at 3.

<sup>14</sup> Linse Supplemental Declaration ¶ 5.

<sup>15</sup> Initial Petition at 5-6; CenturyLink Reply Comments regarding Initial Petition, filed Mar. 15, 2012 at 5-6 and Linse Declaration attached thereto at ¶ 2; Supplemental Petition at 7-8; Linse Supplemental Declaration.

declaration further demonstrating these facts as to the originating carrier intraLATA toll scenario and intermediate carrier scenarios addressed in its Supplemental Petition.<sup>16</sup> In this context, it is self-evident that the costs that would be incurred would not serve the interests of the phantom traffic rules or the public interest broadly.<sup>17</sup>

### **CONCLUSION**

For all of the reasons stated herein, CenturyLink respectfully requests that the Commission expeditiously grant its Supplemental Petition.

Respectfully submitted,

**CENTURYLINK**

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Its Attorney

November 15, 2012

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<sup>16</sup> Linse Supplemental Declaration ¶ 3.

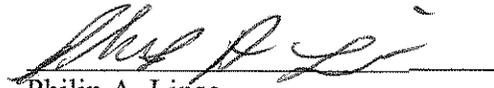
<sup>17</sup> Initial Petition at 5-6; Supplemental Petition at 6-7.

## SUPPLEMENTAL DECLARATION OF PHILIP LINSE

1. My name is Philip Linse. On March 15, 2012, I submitted a declaration in this proceeding to respond to certain contentions in the comments of North County Communications Corp. in response to CenturyLink's initial petition for a limited waiver from the Federal Communications Commission's new phantom traffic rules (Initial Petition). In its Initial Petition, CenturyLink demonstrated that it cannot comply with the FCC's new rules when it, as an originating carrier, originates EAS or local traffic over facilities where MF signaling is utilized.
2. In a supplemental limited waiver petition filed on September 13, 2012 (Supplemental Petition), CenturyLink explained that this limitation also applies where, as an originating carrier, CenturyLink originates intraLATA toll traffic. And, CenturyLink also expanded the scope of its waiver request to cover scenarios where CenturyLink acts as a local exchange carrier serving as an intermediate carrier in all call flow types (*i.e.*, local/EAS, intraLATA toll and interLATA toll) where CenturyLink receives the call over SS7 facilities, but uses MF signaling facilities on the terminating side.
3. I hereby submit this Supplemental Declaration to likewise clarify that my statements regarding the passage of ANI, CN and CPN when using MF signaling as an originating carrier on non-access calls applies equally to CenturyLink's ability to pass ANI, CN and CPN when using MF signaling in these other situations. As with the non-access traffic originating carrier scenarios I previously addressed, MF signaling was not developed or standardized to enable an originating carrier to provide ANI on intraLATA LEC toll calls or to enable intermediate carriers to provide ANI on any call flow type terminating to a LEC. Such a requirement would require modified and updated standards and the costly update and reconfiguration of CenturyLink's North American multivendor switching network for the declining use of a signaling technology that currently makes up less than 2% of CenturyLink's LEC network.
4. It is my opinion that a grant of CenturyLink's supplemental waiver petition will serve the public interest by relieving CenturyLink of unnecessary and costly requirements by preventing the diversion of capital from investment in forward looking technology and, thereby, allowing CenturyLink to compete more effectively.
5. Finally, I note that, apparently because of its particular business model, North County's traffic is almost entirely one-way traffic terminating to North County. Also, North County is the only carrier that CenturyLink has identified that not only insists upon the use of MF signaling but also has an agreement that provides a positive rate for local traffic.

I certify that the foregoing is true and correct to the best of my information and belief.

Executed on November 15, 2012

  
Philip A. Linse

CERTIFICATE OF SERVICE

I, Richard Grozier, do hereby certify that I have caused the foregoing **REPLY COMMENTS OF CENTURYLINK, INC.** 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 Mr. Christopher Koves, Pricing Policy Division, Wireline Competition Bureau at [Christopher.koves@fcc.gov](mailto:Christopher.koves@fcc.gov); 3) served via e-mail on the FCC's duplicating contractor, Best Copy & Printing, Inc. at [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com); and 4) served via First Class United States Mail, postage prepaid, on the parties listed on the attached service list.

/s/ Richard Grozier

November 15, 2012

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