

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of )  
 )  
Technology Transitions Policy ) GN Docket No. 13-5  
Task Force Seeks Comment on )  
Potential Trials )

**REPLY COMMENTS OF SPRINT CORPORATION**

Sprint Corporation (“Sprint”)<sup>1</sup> hereby respectfully submits its reply comments in the above-captioned docket.<sup>2</sup> The Commission should not order a voice IP interconnection trial; instead, the Commission should immediately reiterate that Sections 251 and 252 apply to IP interconnection and remove all remaining roadblocks that are preventing competitive carriers from continuing their advance toward IP interconnection. The voluntary transition is well underway by CLECs, cable companies, and some wireless carriers. What is needed is unequivocal direction to the state commissions that the 251/252 mechanism is always available to force compliance for those incumbent carriers and their affiliates that are reluctant to engage in IP interconnection.

**I. VOICE IP INTERCONNECTION TRIALS ARE UNNECESSARY**

The majority of the industry agrees that trials are unnecessary to determine whether IP interconnection is feasible.<sup>3</sup> While different carriers do differ about the

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<sup>1</sup> On July 10, 2013, Sprint Nextel Corporation and SoftBank Corp. completed their merger. As part of the transaction, the new publicly traded company is named Sprint Corporation.

<sup>2</sup> Public Notice, *Technology Transitions Policy Task Force Seeks Comment on Potential Trials*, GN Docket No. 13-5, DA 13-1016, at 1 (released May 10, 2013).

<sup>3</sup> Comments of Cbeyond, EarthLink, Integra, Level 3, and tw telecom, GN Docket No. 13-5, at 11 (filed July 8, 2013) (“Cbeyond Comments”); Comments of AT&T, GN Docket No. 13-5, at 20 (filed July 8, 2013) (“AT&T Comments”); Comments of Verizon and Verizon Wireless, GN Docket No. 13-5, at 2 (filed

appropriate scope of regulation of IP interconnection, the consensus view is that IP interconnection is already widespread and that the Commission should take action to expedite the process for the benefit of carriers and their customers.

The lack of comprehensive technical standards, in Sprint's experience, has not hindered the progression toward IP interconnection among non-ILEC entities. Sprint agrees with COMPTTEL's comments that reengineering the vast database and other infrastructure that support the TDM network before engaging in IP interconnection is putting the cart before the horse.<sup>4</sup> Those systems have already successfully supported IP interconnection, and once IP interconnection is ubiquitous, those systems can then be updated and streamlined to eliminate inefficiencies and redundancies.

AT&T argues to the contrary, that IP interconnection cannot work successfully unless and until the standards organizations establish a new structure and systems based solely around voice IP traffic.<sup>5</sup> AT&T's argument is belied by the fact that AT&T voluntarily engages in IP interconnection among its affiliates.<sup>6</sup> Furthermore, AT&T offers a tariffed product that provides IP interconnection in its BellSouth states.<sup>7</sup> Thus, it appears that AT&T's real argument is not that voice IP interconnection cannot work until new standards and systems are developed, but rather that it wants IP interconnection implemented only on terms that it imposes, rather than on terms that promote competition and are beneficial to consumers.

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July 8, 2013) ("Verizon Comments"); Comments of Peerless Network Inc., GN Docket No. 13-5, at 1 (filed July 8, 2013) ("Peerless Comments"); Comments of XO Communications, LLC, GN Docket No. 13-5, at 7 (filed July 8, 2013) ("XO Comments").

<sup>4</sup> Comments of COMPTTEL, GN Docket No. 13-5, at 22-24 (filed July 8, 2013) ("Comptel Comments").

<sup>5</sup> AT&T Comments at 7-8, 25-27.

<sup>6</sup> Comments of Sprint Nextel Corporation, GN Docket No. 13-5, at 5 (filed July 8, 2013) ("Sprint Comments").

<sup>7</sup> AT&T recently filed a Section 214 application to discontinue this service. *See infra* at 6.

## **II. THE COMMISSION SHOULD REAFFIRM APPLICABILITY OF 251/252 TO IP INTERCONNECTION**

### **A. Sections 251 and 252 Apply to Voice IP Traffic**

The commenters almost universally recognize the applicability of Sections 251/252 to voice IP interconnection,<sup>8</sup> with three major and obvious exceptions: AT&T, Verizon, and CenturyLink.<sup>9</sup> The reasons for the RBOC's dissent are not hard to see: they want to protect their legacy revenue streams and continue the imposition of cost inefficiencies on their competitors. Allowing more efficient IP interconnection will make it less costly for the RBOC's competitors, which will promote lower retail service prices and enable better services.

Many carriers in addition to Sprint have commented that negotiations for voice IP interconnection with the RBOCs have been fruitless. AT&T and Verizon claim that they are willing and able to interconnect in IP format, but their actions belie their words.<sup>10</sup> AT&T and Verizon are willing to negotiate agreements only outside the 251/252 framework in order to avoid having to abide by obligations to provide competitors with non-discriminatory, cost-based interconnection.<sup>11</sup> Sprint and T-Mobile both state that neither one has been able to reach agreements with any of the RBOCs.<sup>12</sup> COMPTTEL

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<sup>8</sup> Comments of Public Knowledge, GN Docket No. 13-5, at 15 (filed July 8, 2013) ; COMPTTEL Comments at 1-2; Comments of BullsEye Telecom, Inc. and Access Point, Inc., GN Docket No. 13-5, at 12-13 (filed July 8, 2013); Cbeyond Comments at 12-14; Comments of HyperCube Telecom, LLC, GN Docket No. 13-5 at 23-25 (filed July 8, 2013); Comments of Matrix Telecom, Inc., GN Docket No. 13-5, at 5-6 (filed July 8, 2013); Peerless Comments at 3; Comments of T-Mobile, GN Docket No. 13-5, at 10 (filed July 8, 2013) (“T-Mobile Comments”); Comments of Cablevision, GN Docket No. 13-5, at 5 (filed July 8, 2013) (“Cablevision Comments”); Comments of American Cable Association, GN Docket No. 13-5, at 4-5 (filed July 8, 2013); Comments of NTCA, GN Docket No. 13-5, at 6 (filed July 8, 2013); Comments of Texaltel, GN Docket No. 13-5, at 4-6 (filed July 8, 2013); Comments of New Jersey Division of Rate Counsel, GN Docket No. 13-5, at 7 (filed July 8, 2013).

<sup>9</sup> AT&T Comments at 23-24; CenturyLink Comments at 20. Verizon did not address Section 251 in its Comments in this docket but has argued in other proceedings that 251 does not apply to IP voice traffic. *See, e.g.*, Sprint Comments at 7-8 (summarizing Verizon's arguments).

<sup>10</sup> AT&T Comments at 23; Verizon Comments at 3; CenturyLink Comments at 10.

<sup>11</sup> Sprint Comments at 7-8.

<sup>12</sup> Sprint Comments at 11-12; T-Mobile Comments at 2.

similarly states that its members have been unsuccessful in negotiating IP interconnection agreements with the RBOCs.<sup>13</sup> Individual CLECs and cable providers also note that they have not reached agreements with AT&T and Verizon.<sup>14</sup> It goes without saying that something is amiss if all these entities have not been able to negotiate IP interconnection with two companies claiming they are willing to do so. The only plausible explanation is that the terms offered by AT&T and Verizon are self-serving and onerous, and they will not change unless the requirements of just, reasonable, and non-discriminatory interconnection are rigorously implemented and enforced.

### **B. FCC Must Resolve Conflicts Among State Commissions About Applicability of 251/252**

By pressing their erroneous interpretation of the law, the FCC's rules, and the Connect America Fund Order ("CAF Order"), AT&T, Verizon, and CenturyLink have created an unnecessary conflict among state commissions regarding the applicability of Sections 251 and 252 to IP voice interconnection. The FCC should act immediately reaffirm its CAF Order and thereby provide certainty to the industry and the state commissions that they continue to have authority to arbitrate interconnection agreements regardless of the technology used to carry the traffic or connect the networks.

The Illinois Commerce Commission recently stated in an arbitration between AT&T's Illinois ILEC and Sprint that "it has not determined that any provider has the right to exchange traffic with an incumbent local exchange carrier in IP format."<sup>15</sup> Sprint had initiated a 252 arbitration over this and various other issues. The Illinois

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<sup>13</sup> COMPTEL Comments at 3.

<sup>14</sup> BullsEye Telecom, Inc. Comments at 12-13; Cablevision Comments at 2-3.

<sup>15</sup> See *SprintCom, Inc., WirelessCo, L.P., NPCR, Inc. d/b/a Nextel Partners and Nextel West Corp., Petition for Arbitration pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Illinois Bell Telephone Company*, Illinois Commerce Commission (ICC) Arbitration Decision, ICC Docket No. 12-0550, at 34 (issued June 26, 2013).

Commission noted that “the legal question of whether IP Interconnection can be compelled pursuant to Section 251 has not been decided by the FCC.”<sup>16</sup> Even though it identified the issue as a legal question, the Illinois Commission declined to decide for itself the applicability of 251 and 252 to voice IP interconnection.

Sprint has also initiated an arbitration proceeding against AT&T in Michigan concerning voice IP interconnection.<sup>17</sup> Although that arbitration is in its early stages, the Michigan Public Service Commission filed comments in this docket that “[t]he MPSC [...] supports the application of Sections 251 and 252 of the Act regardless of the technology used to interconnect carriers' networks.”<sup>18</sup>

The California Public Utilities Commission noted the uncertainty that it faces absent clear Commission guidance: “The CPUC is wary of committing its Administrative Law Judge Division to any state arbitration responsibilities under section 251/252, should those responsibilities be expanded to include VoIP carriers, absent clear regulatory or statutory guidance to VoIP carriers.”

The statements of these three commissions highlight the pernicious effect of allowing the RBOCs’ faulty claims to continue. The FCC can correct this uncertainty by explicitly reiterating that voice interconnection requirements apply regardless of the technology used and that the states have the same authority and duty to require IP interconnection as they do TDM interconnection for the exchange of voice traffic.

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<sup>16</sup> *Id.*

<sup>17</sup> *In the matter of the Petition of Sprint Spectrum L.P. for Arbitration pursuant to Section 252(b) of the Telecommunications Act of 1996 to establish an Interconnection Agreement with Michigan Bell Telephone Company d/b/a AT&T Michigan*, Case No. U-17349 (Mich. Public Service Comm.).

<sup>18</sup> Comments of Michigan Public Service Commission, GN Docket 13-5, at 3 (filed July 8, 2013).

### C. AT&T's Argument that the Commission Lacks Jurisdiction Under Sections 251/252 Is Without Merit

The FCC has consistently used its Title II authority and ancillary jurisdiction to regulate VoIP services.<sup>19</sup> Regulating IP interconnection under 251 and 252 is no different despite AT&T's claim to the contrary.<sup>20</sup> AT&T is currently seeking to discontinue its switched access Common Transport IP Option ("CTIP"), a tariffed voice IP interconnection service it offers in its BellSouth states.<sup>21</sup> The fact that AT&T included CTIP in its interstate access tariff may reasonably be interpreted as an acknowledgement by AT&T that such IP traffic handoffs involve a regulated activity subject to tariff, and that voice IP interconnection has been technically feasible for the several years in which CTIP was included in its ILEC access tariff. The fact that AT&T currently has no customers for its CTIP service may well be a function of the rates associated with this service; the applicable switched access charges (the same rates that apply to traffic delivered to BellSouth in TDM format) remain above cost and thus deter potential customers from subscribing to CTIP. If CTIP rates are reduced and ultimately give way to bill-and-keep arrangements—consistent with the Commission's intercarrier-compensation reforms—CTIP may well become a financially acceptable transport

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<sup>19</sup> See, e.g., Report and Order, *In the Matter of Preserving the Open Internet*, GN Docket No. 09-191, ¶¶ 125-126 and authorities cited therein. Furthermore, the Commission has applied other Title II requirements to VoIP providers, including the consumer privacy regime of Section 222 of the Communications Act (*In the Matter of Implementation of the Telecommunications Act of 1996*, CC Docket No. 96-115 (March 13, 2007) ¶¶ 54-59); the service discontinuation requirements of Section 214 (*In the Matter of IP-Enabled Services*, WC Docket No. 04-36 (May 13, 1999)); the telephone disability access rules 214 (*In the Matter of IP-Enabled Services*, WC Docket No. 04-36 (May 31, 2007)); number porting requirements (*In the Matter of Telephone Number Requirements for IP-Enabled Services Providers*, WC Docket No. 07-243 (Oct. 31, 2007), ¶¶ 21-29); and 911 emergency calling regulations (*In the Matter of IP-Enabled Services*, WC Docket No. 04-36 (May 19, 2005)).

<sup>20</sup> AT&T Comments at 23-24.

<sup>21</sup> See Section 63.71 *Application of BellSouth Telecommunications, LLC d/b/a AT&T Southeast for Authority Pursuant to Section 214 of the Communications Act of 1934, As Amended, to Discontinue the Provision of Service*, filed June 11, 2013 in WC Docket No. 13-176 and Comp. Pol. File No. 1116 (Public Notice DA 13-1514 released July 3, 2013).

alternative for carriers that wish to deliver their traffic to BellSouth's switched network in IP format.

### **III. THE INDUSTRY AGREES THAT THE IP NETWORK SHOULD NOT REPLICATE THE TDM NETWORK ARCHITECTURE**

As Sprint explained in its initial comments, it would be folly to structure the voice IP network of the future based on the TDM network architecture of the past. There is no need to have thousands of POIs at thousands of end offices throughout the country deep within the incumbents' networks. The voice IP network should follow the lead of the data IP network, which has a handful of interconnection points. Given that much of the voice IP traffic will inevitably be carried on the same facilities as existing data traffic, it makes perfect sense to use those same interconnection locations for both types of traffic. Competitive carriers, cable providers, and wireless carriers support this approach,<sup>22</sup> as does AT&T.<sup>23</sup>

### **IV. CONCLUSION**

The industry and consumers are eager to implement IP interconnection. The carriers are ready, even those that deny the Commission and state commissions have a role to play in crafting agreements. The way forward is for the Commission to explicitly reaffirm the applicability of Sections 251 and 252 so that negotiations—and arbitrations as needed—can proceed apace.

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<sup>22</sup> See, e.g., Cablevision Comments at 2; T-Mobile Comments at 3-6; Sprint Comments at 10.

<sup>23</sup> AT&T Comments at 22; CenturyLink Comments at 18-20 (recognizing that fewer interconnection points will be needed but arguing against a single, nationwide interconnection point). Verizon did not address this issue in its comments.

Respectfully submitted,

**SPRINT CORPORATION**

/s Keith C. Buell

Charles W. McKee  
Vice President, Government Affairs  
Federal and State Regulatory

Keith C. Buell  
Senior Counsel, Government Affairs  
Federal Regulatory

900 Seventh St. NW  
Suite 700  
Washington, DC 20001  
(703) 592-2560

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