

**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  
NATIONAL CABLE & TELECOMMUNICATIONS ASSOCIATION  
ON EMERGENCY PETITION FOR WAIVER**

In response to the waiver petition filed by the various incumbent local exchange carrier (LEC) entities,<sup>1</sup> the National Cable & Telecommunications Association (NCTA) asks that the Commission continue its policy of treating all originating intrastate VoIP-PSTN traffic uniformly for purposes of intercarrier compensation.<sup>2</sup> Consistent with that policy, should the Commission

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<sup>1</sup> Emergency Petition for Waiver of NTCA–The Rural Broadband Association, The National Exchange Carrier Association, ITTA, The Eastern Rural Telecom Association, WTA–Advocates for Rural Broadband, Frontier Communications Corporation, and Windstream Communications, Inc., WC Docket No. 10-90 *et al.* (July 7, 2014) (Waiver Petition).

<sup>2</sup> The Commission defines “VoIP-PSTN traffic” as traffic that originates and/or terminates in Internet Protocol (IP) format and that is exchanged over public switched telephone network (PSTN) facilities between a LEC and another carrier in Time-Division Multiplexing (TDM) format. *Connect America Fund*, WC Docket No. 10-90 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 18006, ¶ 940 (2011) (*CAF Order*).

decide to grant the incumbent LEC petition, in whole or in part, the same modifications should be extended to the transitional rules governing intrastate VoIP-PSTN traffic that originates on the network of a competitive LEC or VoIP provider.<sup>3</sup>

In their petition the incumbent LEC entities ask the Commission to waive section 51.913(a) of the Commission's rules, which requires that, as of July 1, 2014, intrastate originating access charges for VoIP-PSTN traffic can no longer be set at intrastate rate levels, but must instead be set at interstate rate levels.<sup>4</sup> Specifically, the incumbent LECs ask the Commission to "pause, effective June 30, 2014, any reductions in intercarrier compensation ('ICC') rates for originating intrastate toll Voice over Internet Protocol ('VoIP') traffic until full implementation of the Connect America Fund ('CAF') Phase II mechanism, *in the case of price cap carriers*, or a tailored CAF mechanism *for rural, rate of return-regulated carriers ('RLECs')*, respectively."<sup>5</sup>

The petition ignores the fact that section 51.913(a) does not apply exclusively to incumbent LECs, but applies equally to all VoIP-PSTN traffic, including traffic that is originated by competitive LECs and VoIP providers. In setting out the intercarrier compensation transition framework for VoIP-PSTN traffic in the 2011 *CAF Order*, the Commission explained that it was adopting a symmetrical framework to avoid "marketplace distortions that give one category of providers an artificial regulatory advantage in costs and revenues relative to other market

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<sup>3</sup> 47 C.F.R. § 51.913(b).

<sup>4</sup> Waiver Petition at 2; 47 C.F.R. § 51.913(a)(2).

<sup>5</sup> Waiver Petition at 2 (footnotes omitted, emphasis added). The incumbent LECs provide further detail on their proposal in a footnote, explaining that "the 'pause' in these rate reductions should occur on separate tracks. Thus, *RLECs'* rates for originating intrastate toll VoIP traffic should remain at June 30, 2014 levels until adoption and full implementation of a CAF mechanism specifically designed for the unique needs of *these carriers*. *Price cap carriers'* rates for originating intrastate toll VoIP traffic should remain at June 30, 2014 levels until implementation of the CAF Phase II mechanism in the form of an extension of potential model-based support to *such carriers*." *Id.* at 2 n.4 (emphasis added).

participants.”<sup>6</sup> The Commission reiterated the importance of treating all VoIP-PSTN traffic the same when it amended section 51.913 in 2012, allowing all originating intrastate toll VoIP traffic to remain at intrastate rate levels until June 30, 2014.<sup>7</sup>

The Commission should not now abandon the principle of symmetry by granting a waiver that would apply only to VoIP-PSTN traffic originated on incumbent LEC networks. Instead, if the Commission takes any action in response to the petition, it should continue its sound policy of treating all originating toll VoIP-PSTN traffic the same for purposes of intercarrier compensation.

Respectfully submitted,

**/s/ Steven F. Morris**

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<sup>6</sup> *CAF Order*, 26 FCC Rcd at 18007-08, ¶ 942.

<sup>7</sup> *Connect America Fund*, WC Docket No. 10-90 *et al.*, Second Order on Reconsideration, 27 FCC Rcd 4648, 4666-68, ¶¶ 39-42 (2012).