

UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH DAKOTA  
CENTRAL DIVISION

Verizon Wireless (VAW) LLC,  
CommNet Cellular License Holding, LLC,  
Missouri Valley Cellular, Inc.,  
Sanborn Cellular, Inc., and  
Eastern South Dakota Cellular, Inc.,  
d/b/a VERIZON WIRELESS,

Plaintiff,

Vs.

Steve Kolbeck, Gary Hanson, and Dustin  
Johnson, in their official capacities as the  
Commissioners of the South Dakota Public  
Utilities Commission,

Defendant,

South Dakota Telecommunications Ass'n  
and Venture Communications Cooperative,

Intervenors.

Civil Number 04-3014

MOTION TO CONTINUE AND  
MOTION FOR ADDITIONAL  
DISCOVERY

COMES NOW the South Dakota Telecommunications Association ("SDTA") and Venture Communications Cooperative ("Venture") (the Intervenors herein) and Commissioners, Steve Kolbeck, Gary Hanson, and Dustin Johnson in their official capacities as the Commissioners of the South Dakota Public Utilities Commission, (collectively referred to as the Defendant herein) and hereby move for a continuance of these proceedings and for an amendment to the existing procedural schedule that will

permit additional discovery and designation of witnesses between the parties. As support for this Motion, the Intervenors and Defendant state as follows:

1. Since this Court issued its “Opinion and Order on Plaintiff’s Motion for Summary Judgment” in this matter, on October 13<sup>th</sup>, 2006, the Federal Communications Commission (“FCC”) has given a clear indication that it is moving toward taking action to address “Phantom Traffic” issues. This is evidenced most directly by the FCC’s issuance of a “Public Notice” on November 8, 2006 which specifically seeks comment from interested parties on “a proposed interim process to address phantom traffic issues and a related proposal for the creation and exchange of call detail records.”<sup>1</sup> The “phantom traffic” and “call detail records” proposals referenced in this Public Notice had been part of a broader “intercarrier compensation” reform plan (the “Missoula Plan”) submitted by numerous telecommunications companies including, among others, AT&T, BellSouth Corp., Cingular Wireless, Global Crossing, Level 3 Communications, and 336 rural carrier members of the “Rural Alliance.” The proposals now, however, have been split off from the FCC’s more extensive intercarrier compensation reform process and put on a separate and, likely, faster track for FCC action. In noticing the “Phantom Traffic Interim Process and Call Detail Records Proposal” for comment, the FCC established comment deadlines of December 7, 2006 for “initial comments” and December 22, 2006, for “reply comments.” This timeline was recently briefly extended to permit the filing of reply comments up through

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<sup>1</sup> FCC Public Notice in CC Docket No. 01-92, *Comment Sought on Missoula Plan Phantom Traffic Interim Process and Call Detail Records Proposal*, DA06-2294, released November 8, 2006.

January 5, 2007.<sup>2</sup> The separation of the “Phantom Traffic” issues, removing them from other more extensive inter-carrier compensation issues, and the establishment of an abbreviated schedule for comments suggests that the FCC will in some manner be addressing “Phantom Traffic” and “Call Detail Records” issues within a reasonable period of time.<sup>3</sup>

2. This Court in its “Opinion and Order on Plaintiff’s Motion for Summary Judgment” in this matter issued on October 13, 2006, correctly noted that there is a “gap in the intercarrier compensation rules,” inasmuch as the FCC rules do not “fully address” the “growth of the unidentified traffic problem (and the terminating LEC’s ability to bill for that traffic) . . .” “Opinion and Order,” p.17. As noted more specifically the FCC rules “do not address the information that must be transmitted with traffic, which would enable proper identification and which would ensure all traffic is subject to compensation at appropriate rates.” *Id.* Attached as Exhibit 1, hereto, is a copy of the FCC’s

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<sup>2</sup> CC Docket No. 01-92, *In the Matter of Developing a Unified Intercarrier Compensation Regime*, Order, DA 06-2548, released December 20, 2006.

<sup>3</sup> It is perhaps helpful in gauging the significance of the FCC’s action to compare the abbreviated comment schedule set up on the “phantom traffic” issues with the period of time that the FCC has been engaged in reviewing more extensive inter-carrier compensation reforms. The FCC first started its process on inter-carrier compensation reform with the issuance of a Notice of Proposed Rulemaking on April 27, 2001, which focused primarily around the implementation of certain “bill and keep” proposals for unifying access and reciprocal compensation charges. CC Docket No. 01-92, *In the Matter of Developing a Unified Intercarrier Compensation Regime*, FCC 01-132. The comment periods established on this Notice called for initial comments 90 days after publication of the Notice and reply comments 135 days after publication. A “Further Notice of Proposed Rulemaking” was later issued by the FCC on March 3, 2005. CC Docket No. 01-92, FCC 05-33. This subsequent “Further Notice” specifically requested comments on a number of different inter-carrier compensation reform proposals that had been submitted to the FCC by interested parties. The comment periods established by the FCC proposals were 60 days from publication of the Further Notice for initial comments and 90 days for reply comments. Finally, on July 25, 2006, the FCC issued another notice seeking comment on the “Missoula Plan.” Pursuant to this “Public Notice,” the comment schedule established asked for initial comments by September 25, 2006, and reply comments by November 9, 2006. This schedule has, however, been amended by the FCC on a couple of occasions and the reply comment cycle was completed on February 1, 2007. CC Docket 01-92, Order released December 22, 2006, DA 06-2577, and Order released November 29, 2006, DA 06-2339, and Order released August 29, 2006, DA 06-1730.

Public Notice issued on November 8, 2006, DA 06-2294, along with the phantom traffic and call detail record proposals that are covered by such Notice. A review of these proposals indicates that, if adopted, they will directly address the same type of matters that are currently addressed under the state statutes being challenged in this proceeding, SDCL §§ 49-31-109 thru 49-31-115. Generally, the Missoula Plan "Interim Phantom Traffic Solution" under review calls for the implementation of certain proposals "concerning call signaling and enforcement" and also proposals for the establishment of a "process for the creation and exchange of call detail records and call summary information." More specifically, the proposals under review would, like the state statutory provisions, define the types of carriers that may be involved in the exchange of telecommunications traffic – "sending carriers" or "originating carriers," "terminating carriers," and "transiting carriers" or "transit providers." They would also result in the establishment of specific call signaling requirements as set forth in §§ V.A-C of the Missoula Plan, and, in addition, would impose obligations on carriers exchanging traffic respecting: "Call Detail Record Format and Content"; the "Frequency of Records Exchange and Electronic Distribution"; the "Charges for Call Detail Records"; the "Creation and Distribution of Call Summary Information and Call Detail Records"; "Call Summary Information Content;" and "Charges for Summary Information and Call Detail Records." With respect to these proposals, it should also be noted that the "Scope of Traffic" to be covered by the proposals would be "wireline and commercial mobile

radio service (“CMRS”) traffic involving more than two carriers in a call path (including LWS traffic) where such traffic originates, terminates, transits, or is otherwise carried on the public switched telephone network (“PSTN”) for some portion of the call and the traffic is not subject to the Commission’s [already existing] requirements for jointly provided tariffed switched access service as prescribed in the *MECAB Standards Document*.” Thus, it appears that the various phantom traffic and call detail records requirements would apply to both interstate and intrastate traffic exchanged between telecommunications carriers.

3. Because at this time the FCC is engaged in a proceeding that is intended to establish federal regulatory requirements that will likely be similar to the requirements set forth in SDCL §§ 49-31-109 thru 49-31-115, Defendant and Intervenors, herein, are concerned regarding the existing schedule in this proceeding. Defendants and Intervenors believe that it is likely that the FCC will within a relatively short period of time adopt its own rules addressing phantom traffic issues. If this occurs, the FCC may have “occupied the field of regulation” in a way that substantially affects the validity of the current state statutes. Given these circumstances, considering the pending FCC proceedings, Defendant and Intervenors seek a continuance or postponement of the pre-trial conference for a reasonable period of time, not to exceed 6 months.
4. A continuance of the pre-trial conference is also sought because of a need for additional discovery into facts that this Court deems relevant to an analysis of

the pending claims concerning the South Dakota statutes. In its “Opinion and Order on Plaintiffs’ Motion for Summary Judgment,” the Court specifically identified the following factual issues: (1) whether the statutory requirements prohibit or have the effect of prohibiting the ability of any entity to provide interstate or intrastate telecommunications service; (2) whether the requirements at issue are non-discriminatory and competitively neutral; (3) whether the requirements are necessary to preserve universal service, protect the public safety and welfare, to ensure quality of service, or to safeguard consumer rights; (4) whether any technology exists to permit the identification of locations from which a call originates from a customer of a CMRS provider that could be “readily implemented without burdens,” and what the extent of these burdens may be; (5) what impact has the problem of unidentified traffic had on “market competitiveness and on universal access;” (6) do the statutory requirements unduly burden competition in contravention of the 1996 Act; (7) whether there are “commonly accepted industry standards” permitting the identification of calls; (8) whether any of these claimed standards interfere with federal rights of Verizon; and (9) what have the carriers done to negotiate before and after passage of the state legislation?

5. Prior to the issuance of the Court’s “Opinion and Order,” the parties efforts in this case were primarily focused around legal preemption arguments and it was not clear what particular factual issues might be deemed relevant in determining the validity of the state statutes. The Court’s Opinion and Order has offered helpful guidance on the relevant factual issues and has also made

it apparent that some additional limited discovery would be helpful in preparing the identified factual issues for trial. Accordingly, at this time, based on the Court's Opinion and Order, Defendant and Intervenors request that additional discovery be permitted between the parties.

6. Furthermore, in view of some of the specific factual issues identified by the Court, Defendant and Intervenors would seek permission from the Court to allow each of the parties to designate an additional witness to the current witness list.
7. Based on all of the foregoing, the Defendant and Intervenors request that the most recent Scheduling Order be amended as follows:
  - a. That the pre-trial conference scheduled for March 23, 2007, be continued for a period of not less than 6 months from the current scheduled date;
  - b. That all parties will be given an opportunity to designate an additional witness whom may be deemed necessary to address factual issues (any additional expert witness will be identified by March 1, 2007) and an expert report for such witness will be supplied by the same date, pursuant to Rule 26(a)(2).
  - c. That one additional set of interrogatories will be permitted each party, not to exceed 25 interrogatories;
  - d. That depositions of named experts and any additional named expert will be permitted if deemed necessary by the parties; and

e. That any additional discovery that is permitted shall be completed by

May 1, 2007.

Dated this 2 day of February, 2007.

RITER, ROGERS, WATTIER & BROWN, LLP

By Margo D. Northrup  
Darla Pollman Rogers  
Margo D. Northrup  
319 S. Coteau – P. O. Box 280  
Pierre, SD 57501  
Tel. (605) 224-7889  
Fax. (605) 224-7102

Rolayne Ailts Wiest  
Rolayne Ailts Wiest  
Public Utilities Commission  
500 E. Capitol  
Pierre, SD 57501  
Telephone 605-773-3201

ATTORNEYS FOR INTERVENORS  
AND DEFENDANT

CERTIFICATE OF SERVICE

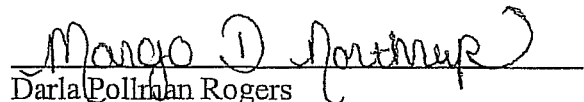
I hereby certify that a true and correct copy of the Motion was served via the method(s) indicated below, on the 2 day of February, addressed to:

- |  |     |                    |
|--|-----|--------------------|
| Rolayne Ailts Wiest, General Counsel     | ( ) | First Class Mail   |
| South Dakota Public Utilities Commission | ( ) | Hand Delivery      |
| 500 East Capitol Avenue                  | ( ) | Facsimile          |
| Pierre, South Dakota 57501               | ( ) | Overnight Delivery |
|  | (X) | E-Mail             |
| <br>                                     |     |                    |
| Richard D. Coit                          | ( ) | First Class Mail   |
| South Dakota Telecommunications Ass'n    | ( ) | Hand Delivery      |
| P. O. Box 57                             | ( ) | Facsimile          |
| Pierre, SD 57501                         | ( ) | Overnight Delivery |
|  | (X) | E-Mail             |



Gene N. Lebrun	( )	First Class Mail
Steven J. Oberg	( )	Hand Delivery
Lynn, Jackson, Shultz & LeBrun	( )	Facsimile
P. O. Box 8250	( )	Overnight Delivery
Rapid City, SD 57709	(X)	E-Mail
Philip R. Schenkenberg	( )	First Class Mail
David C. McDonald	( )	Hand Delivery
Briggs and Morgan, P.A.	( )	Facsimile
2200 IDS Center	( )	Overnight Delivery
80 South Eighth Street	(X)	E-Mail
Minneapolis, MN 55402		

Dated this 2 day of February, 2007.

  
\_\_\_\_\_  
Darla Pollman Rogers  
Margo D. Northrup  
Riter, Rogers, Wattier & Brown, LLP  
P. O. Box 280  
Pierre, South Dakota 57501  
Telephone (605) 224-7889  
Fax (605) 224-7102



# PUBLIC NOTICE

Federal Communications Commission  
445 12th St., S.W.  
Washington, D.C. 20554

News Media Information 202 / 418-0500  
Internet: <http://www.fcc.gov>  
TTY: 1-888-835-5322

DA 06-2294

Released: November 8, 2006

## COMMENT SOUGHT ON MISSOULA PLAN PHANTOM TRAFFIC INTERIM PROCESS AND CALL DETAIL RECORDS PROPOSAL

CC Docket No. 01-92

COMMENTS DUE: December 7, 2006

REPLY COMMENTS DUE: December 22, 2006

By this Public Notice, we seek comment on a proposed interim process to address phantom traffic issues and a related proposal for the creation and exchange of call detail records. These proposals were contained in a written *ex parte* filed November 6, 2006 by the Supporters of the Missoula Plan.<sup>1</sup> Supporters of the original plan include AT&T, BellSouth Corp., Cingular Wireless, Global Crossing, Level 3 Communications, and 336 members of the Rural Alliance, among others.<sup>2</sup> According to its supporters, the original Missoula Plan sets forth a Comprehensive Solution for Phantom Traffic.<sup>3</sup> As part of that solution, the Plan called "for the filing of an industry proposal for a uniform process for the creation and exchange of call detail records."<sup>4</sup> It also called "for the filing of a process to be used in the interim until the uniform process can be implemented fully."<sup>5</sup> The supporters of the Missoula Plan state that this most recent *ex parte* filing meets these requirements.<sup>6</sup>

<sup>1</sup> See Letter from Supporters of the Missoula Plan to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 01-92 (filed November 6, 2006) (Missoula Plan Nov. 6 *Ex Parte*). The Missoula Plan for intercarrier compensation reform was filed July 24, 2006 by the National Association of Regulatory Utility Commissioners' Task Force on Intercarrier Compensation (NARUC Task Force). See Letter from Tony Clark, Commissioner and Chair, NARUC Committee on Telecommunications, Ray Baum, Commissioner and Chair, NARUC Task Force, and Larry Landis, Commissioner and Vice-Chair, NARUC Task Force, CC Docket No. 01-92, at 2 (filed July 24, 2006) (attaching the Missoula Plan) (Missoula Plan July 24 *Ex Parte*). On July 25, 2006, the Wireline Competition Bureau (WCB) released a Public Notice establishing a pleading cycle for comments on the Missoula Plan. See *Comment Sought on Missoula Intercarrier Compensation Reform Plan*, Public Notice, CC Docket No. 01-92, DA 06-1510 (WCB July 25, 2006). In response to a NARUC request for additional time, the pleading cycle on the Missoula Plan was extended so that comments were due October 25, 2006 and reply comments are due December 11, 2006. See *Developing a Unified Intercarrier Compensation Regime*, Order, CC Docket No. 01-92, DA 06-1730 (WCB Aug. 29, 2006).

<sup>2</sup> See Missoula Plan July 24 *Ex Parte*. See also *id.*, Attach. (providing a complete list of supporters).

<sup>3</sup> Missoula Plan Nov. 6 *Ex Parte* at 1.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

Interested parties may file comments on or before **December 7, 2006**, and reply comments on or before **December 22, 2006**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies.<sup>7</sup>

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
  - For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, NE., Suite 110, Washington, DC 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12<sup>th</sup> Street, SW, Washington DC 20554.

**People with Disabilities:** To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

All filings must be addressed to the Commission's Secretary, Marlene H. Dortch, Office of the Secretary, Federal Communications Commission, 445 12<sup>th</sup> Street, SW., Room TW-A325, Washington, D.C. 20554. Parties should also send a copy of their filings to Randy Clarke, Pricing Policy Division, Wireline Competition Bureau, Federal Communications Commission, Room 5-A360, 445 12<sup>th</sup> Street,

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<sup>7</sup> See *Electronic Filing of Documents in Rulemaking Proceedings*, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

SW., Washington, D.C. 20554, or by e-mail to [Randy.Clarke@fcc.gov](mailto:Randy.Clarke@fcc.gov). Parties shall also serve one copy with the Commission's copy contractor, Best Copy and Printing, Inc. (BCPI), Portals II, 445 12th Street, SW., Room CY-B402, Washington, D.C. 20554, (202) 488-5300, or via e-mail to [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com).

Documents in CC Docket No. 01-92 are available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12<sup>th</sup> St. SW., Room CY-A257, Washington, DC 20554. The documents may also be purchased from BCPI, telephone (202) 488-5300, facsimile (202) 488-5563, TTY (202) 488-5562, e-mail [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com). These documents may also be viewed on the Commission's website at <http://www.fcc.gov/cgb/ecfs>.

For further information, contact Randy Clarke of the Pricing Policy Division, Wireline Competition Bureau at (202) 418-1587 or Victoria Goldberg of the Pricing Policy Division, Wireline Competition Bureau at (202) 418-7353.

-FCC-

November 6, 2006

**VIA ECFS**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington DC 20554

**Re: In the Matter of Developing a Unified Intercarrier Compensation Regime  
CC Docket No. 01-92**

Dear Ms. Dortch:

To address phantom traffic issues that continue to plague the industry, the Missoula Plan (the "Plan") sets forth a Comprehensive Solution for Phantom Traffic. As part of that solution, the Plan calls for the filing of an industry proposal for a uniform process for the creation and exchange of call detail records. It also calls for the filing of a process to be used in the interim until the uniform process can be implemented fully. To meet those requirements, the supporters of the Missoula Plan submit the attached proposal for an interim and uniform process. The supporters of the Missoula Plan request that the Commission adopt the interim process immediately and adopt the uniform process as a part of an order adopting the overall Missoula Plan.

Sincerely,

The Supporters of the Missoula Plan

Attachment

cc: Don Stockdale  
Al Lewis  
Jennifer McKee

### **Industry Standards for the Creation and Exchange of Call Information**

The exchange of call detail records or call summary information is necessary for intercarrier compensation billing when there are more than two carriers involved in completing a call because call signaling information may not in all cases contain information essential to identifying the carrier responsible for payment of applicable intercarrier compensation charges.

To facilitate the creation and exchange of accurate call detail records and call summary information that carriers may use to bill intercarrier compensation charges, the Missoula Plan (the "Plan") sets forth a Comprehensive Solution for Phantom Traffic which consists of both an interim solution to be implemented immediately and a permanent solution which will become effective upon the Commission's adoption of the Plan (*see* § V. of the Plan).<sup>1</sup>

With respect to the permanent solution, the Plan requires the submission of an industry-driven proposal for the generation and exchange of call detail records for traffic that is not subject to the requirements established by the Commission for jointly provided switched access. In order to satisfy that requirement, the supporters of the Plan submit herewith the Uniform Process for the Creation and Exchange of Call Detail Records (the "Uniform Process") identified in Section II, below.

The Plan supporters note that the procedures used in the industry for intercarrier billing of jointly provided switched access services are well-established pursuant to prior Commission orders.<sup>2</sup> Such requirements are reflected in standards that have been developed by the industry through the Ordering and Billing Forum ("OBF").<sup>3</sup> Accordingly, the Plan supporters request that the

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<sup>1</sup> As with certain provisions of the Plan, the proposals contained in this document are a set of default rules. Accordingly, carriers responsible for payment of intercarrier compensation charges, carriers responsible for providing call detail records and/or call summary information and carriers entitled to bill intercarrier compensation charges may agree to use alternative arrangements to those prescribed herein.

<sup>2</sup> *See, e.g.*, Waiver of Access Billing Requirements and Investigation of Permanent Modifications, *Memorandum Opinion Order*, 2 FCC Rcd. 4518, CC Docket No. 86-104 (rel. July 31, 1987)(ILECs required to implement meet point billing for feature groups C and D)("Meet Point Billing FGD Order"); Access Billing Requirements for Joint Service Provision, *Memorandum Opinion and Order*, 4 FCC Rcd. 7183, CC Docket No. 87-579 (rel. Oct. 5, 1989)(ILECs required to implement meet point billing for feature group B).

<sup>3</sup> To implement the operational aspects of the Commission's requirements for jointly provided switched access services, at the Commission's direction the industry developed the *Multiple Exchange Carrier Access Billing (MECAB)*, ATIS/OBF-MECAB-008, Issue 8, January 2003 ("MECAB Standards Document"). The Commission requires ILECs to adhere to the *MECAB Standards Document* in their joint provision of switched access services, *see Meet Point Billing FGD Order* ¶ 12 (Commission defers to OBF "for maintenance and revision of all meet point billing standards"), including requiring carriers to specifically refer to the *MECAB Standards Document* in the meet point billing provisions of their interstate switched access tariffs. Waiver

Commission, in its order adopting the Plan, direct the OBF to add the Uniform Process requirements to the *MECAB Standards Document*. Such direction, however, should not delay carriers from implementing the Uniform Process. The Uniform Process contains sufficient technical detail, and the proposed format of the call detail records required by the Uniform Process is consistent with current industry standards contained in the *MECAB Standards Document*, such that carriers will be able to implement the Uniform Process in parallel with the administrative tasks required of the OBF to incorporate those requirements in the *MECAB Standards Document*.

The Plan also provides for an Interim Phantom Traffic Solution, which is designed to facilitate reliable billing of intercarrier compensation during the period *before* entry of a Commission order adopting the Plan. (See §§ V.E. & V.D.3.d. of the Plan.) The Interim Phantom Traffic Solution is an important step in implementing the Plan, and the supporters of the Plan request that the Commission immediately adopt it.

The Interim Phantom Traffic Solution consists of two parts. First, the supporters of the Plan request that the Commission (1) implement the proposals in the Plan concerning call signaling and enforcement (see Plan §§V.A – C), (2) confirm that carriers sending traffic via indirect interconnection arrangements, i.e., using tandem transit services, are responsible for paying terminating carriers applicable intercarrier compensation charges and transit service providers are not (see Plan § V.E.2.b), and (3) extend the requirements of its *T-Mobile Order* to interconnection arrangements between ILECs and other wireline carriers.<sup>4</sup>

The second part of the Interim Phantom Traffic Solution is the Interim Process for the Creation and Exchange of Call Detail Records and Call Summary Information (the “Interim Process”) identified in Section III, below. The Interim Process encompasses various existing methods carriers currently use to exchange call detail records and call summary information which may not conform to the Uniform Process. The key improvement proposed in the Interim Process is a uniform *requirement* to provide transit traffic call information, which currently does not occur in all instances. Because the Interim Process is to be supplanted by the Uniform Process once the Plan is adopted, the supporters of the Plan do not propose the inclusion of the Interim Process in the *MECAB Standards Document*.

Additionally, the supporters of the Plan request that the Commission, in its order adopting the Interim Phantom Traffic Solution, clarify that where a CLEC or CMRS carrier collaborates with an ILEC in the joint provision of switched access service for the termination or origination of an interexchange carrier’s (“TXC”) traffic, such CLEC or CMRS carrier is subject to the requirements prescribed in the *MECAB Standards Document*. This request is discussed further in Section IV below.

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of Access Billing Requirements and Investigation of Permanent Modifications, *Memorandum Opinion Order*, 3 FCC Rcd. 13, CC Docket No. 86-104 (rel. Dec. 22, 1987).

<sup>4</sup> Developing a Unified Intercarrier Compensation Regime, T-Mobile, et. al. Petition for Declaratory Ruling Regarding Incumbent LEC Wireless Termination Tariffs, *Declaratory Ruling and Report and Order*, 200 FCC Rcd. 4855, CC Docket No. 01-92 (rel. Feb. 24, 2005). This request is an additional requirement not covered under the Interim Phantom Traffic Solution provisions of the Plan.

**I. Definitions**

- A. *Call Detail Record*: A call detail record means a set of data provided by a carrier to other carriers in an electronic format that includes data elements for each individual call exchanged between the carriers (*e.g.*, carrier identification, the called and calling party telephone numbers, and the duration of each call).
- B. *Call Summary Information*: Call summary information means a set of data provided by a carrier to other carriers that contains information about the aggregate characteristics of traffic exchanged between the carriers. Call summary information does not provide detailed data elements for each individual call. Call summary information may identify traffic characteristics such as month, total number of messages or minutes of use, and may contain other information. Call summary information that is provided by means of a common commercial application, such as an electronic spreadsheet, and common distribution media, such as e-mail or through an Internet website is generally referred to as a *call summary report*. Call summary information that is provided in a specific mechanized record format by direct electronic means, such as electronic data exchange, is generally referred to as a *call summary record*.
- C. *Local Wholesale Switching*: Local Wholesale Switching (“LWS”) means a service provided by a telecommunications carrier (the “LWS provider”) consisting of wholesale switching features and functions to another carrier (the “LWS purchaser”) to enable the LWS purchaser to provide local exchange and exchange access services and for which the LWS provider has not assumed financial responsibility for payment of intercarrier compensation charges to the Terminating Carrier for LWS traffic, *i.e.*, the LWS provider is not a Sending Carrier (as defined below).
- D. *Sending Carrier*: A sending carrier is a carrier that (1) sends traffic directly to a TTP or Transit Provider in order to indirectly interconnect with, and terminate traffic to, one or more other carriers, and (2) has financial responsibility for payment of intercarrier compensation charges to a Terminating Carrier.
- E. *Tandem Transit Provider (TTP)*: Tandem Transit Provider shall have the same meaning it has in the Plan (at § III.D.1.c. of the Plan)
- F. *Tandem Transit Service (TTS)*: Tandem Transit Service shall have the same meaning it has in the Plan (at § III.D.1.a. of the Plan).
- G. *Terminating Carrier*: A Terminating Carrier is the carrier that performs the traffic termination function and may assess termination charges for terminating telecommunications traffic it receives from other carriers.
- H. *Transit Provider*: Transit Provider means a provider of Transit Service, during the Interim Process, as that term is defined below.



- I. *Transit Service*: Transit Service is a switched transport service provided by a third-party carrier (*i.e.*, a Transit Provider) to effectuate indirect interconnection between two carriers within a LATA. Transit Service includes both tandem switching and tandem switched transport (also called common transport), or the functional equivalents, between the transit tandem location and a Terminating Carrier. The terms Transit Service and Transit Provider are used only in the Interim Process (Section III below) and are distinguished from the terms TTS and TTP, which are used in the Plan and in the Uniform Process (Section II below) in that TTS and TTP reflect Edge interconnection principles of the Plan which would not be relevant in the interim before the Commission issues an order adopting the Plan.

**II. Uniform Process for the Creation and Exchange of Call Detail Records (Uniform Process)(To be included in the Commission order adopting the Missoula Plan)**

- A.** *Scope of Traffic Covered.* Unless specified otherwise, traffic covered under this section includes wireline and commercial mobile radio service (“CMRS”) traffic involving more than two carriers in a call path (including LWS traffic) where such traffic originates, terminates, transits, or is otherwise carried on the public switched telephone network (“PSTN”) for some portion of the call and the traffic is not subject to the Commission’s requirements for jointly provided tariffed switched access service as prescribed in the *MECAB Standards Document*.
- B.** *Obligations to Create and Distribute Call Detail Records.* Beginning no later than the first day of Step 2 of the Plan, carriers shall create and distribute call detail records as specified below.
1. A TTP shall create call detail records for traffic it receives from Sending Carriers, except when the Sending Carrier is an ILEC that has elected to create call detail records in accordance with Section III.C.2 below.
  2. An ILEC shall create call detail records for traffic it sends to a TTP where it has elected to create call detail records in accordance with Section III.C.2. below.
  3. An LWS provider shall create call detail records for traffic originated by each of its LWS purchasers.
  4. Call detail records will be distributed to other carriers as follows.
    - a. A TTP shall distribute call detail records that it creates and that it receives from an ILEC to each Terminating Carrier. A TTP shall also distribute such call detail records to each TTP to which it is directly interconnected and to which it routes a Sending Carrier’s traffic.
    - b. An ILEC that elects to create call detail records in accordance with III.C.2. below shall distribute such call detail records to each TTP to which it is directly interconnected.
    - c. An LWS provider shall distribute call detail records to each carrier terminating traffic originated by its LWS purchasers.
- C.** *Additional Obligations.* Where implementation of the Uniform Process requires changes to interconnection arrangements between carriers (e.g., trunk translations and/or establishment of separate trunk groups), carriers shall work cooperatively in making such changes to ensure timely implementation.

**D.** *Call Detail Record Format and Content.* Under the Uniform Process, carriers will create and distribute call detail records that conform to ATIS EMI Category 11-01-XX specifications, which are the same types of call detail records used today for jointly provided switched access traffic and, in some cases, non-access traffic. (See *Exchange Message Interface (EMI), Industry Support Interface*, ATIS-0406000-2203, Issue 22 Revision 3 or successor versions) Category 11-01-XX call detail records currently contain data fields that are sufficient to allow carriers to determine the carrier responsible for payment of intercarrier compensation charges (*i.e.*, the Sending Carrier) and the correct category of intercarrier compensation charges to apply to a call (*e.g.*, reciprocal compensation or switched access) in accordance with the Plan. At a minimum, Category 11-01-XX call detail records shall continue to include:

1. Date of call;
2. Calling Party Telephone Number<sup>5</sup>;
3. Called Party Telephone Number;
4. Sending Carrier ID: Operating Company Number (OCN) or Carrier Identification Code (CIC); for LWS traffic, the LWS purchaser's OCN or CIC; and
5. Call Duration.

**E.** *Frequency of Records Exchange and Electronic Distribution Media.*

1. Consistent with the *MECAB Standards Document*, call detail records shall be exchanged electronically on a daily basis unless carriers agree otherwise.
2. The electronic distribution media used to distribute call detail records between carriers shall be that currently used to exchange EMI records between such carriers, unless the carriers agree otherwise.
3. Where carriers do not currently exchange call detail records, they shall use electronic distribution media (*e.g.*, Connect Direct, Secure FTP, etc.) or other mutually agreed upon media.

**F.** *Charges for Call Detail Records.* Charges for the creation and distribution of call detail records under the Uniform Process are covered by the charges for Tandem Transit Service prescribed in the Plan and no additional charges shall apply.

**G.** *Carrier Notification.* Carriers shall comply with the Carrier Notification Process established in the Interim Process as set forth in Appendix A.

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<sup>5</sup> For VoIP-originated traffic, the telephone number of the calling party may not be available or, where it is available, it may not always be useful for determining the appropriate rate as provided under the Plan. As such, Appendix B contains provisions for carriers to provide information to ensure VoIP-originated traffic is appropriately billed.

**III. Interim Process for the Creation and Exchange of Call Detail Records and Call Summary Information (Interim Process)(To be adopted immediately)**

- A.** *Scope of Traffic Covered.* Unless specified otherwise, traffic covered under this Section III includes wireline and CMRS traffic involving more than two carriers in a call path (including LWS traffic), where such traffic originates, terminates, transits, or is otherwise carried on the public switched telephone network (“PSTN”) for some portion of the call and the traffic is not subject to the Commission’s requirements for jointly provided tariffed switched access services as prescribed in the *MECAB Standards Document*.
- B.** *Obligations for Creation and Distribution of Call Summary Information and Call Detail Records.* Beginning no later than the effective date of a Commission order adopting the Interim Phantom Traffic Solution, carriers shall create and distribute call summary information and call detail records in accordance with the timeframes and obligations set forth below. The rules set forth in this section shall remain in effect until the first day of Step 2 of the Plan.<sup>6</sup>
1. A Transit Provider that currently creates call detail records and/or call summary information shall continue to create such call detail records and/or call summary information.
  2. If a Transit Provider is not currently creating call detail records or call summary information, it shall, within 270 days of the release of a Commission order adopting the Interim Phantom Traffic Solution, create call summary information. When an ILEC is a Sending Carrier and elects to create call summary information under Section III.C.2. below, the Transit Provider is not obligated to create call summary information for traffic sent by such ILEC.
  3. An ILEC that currently creates call summary information and/or call detail records and elects to create call summary information or call detail records in accordance with Section III.C.2. shall continue to create such call summary information and/or call detail records.
  4. An ILEC that currently does not create call detail records or call summary information and elects to create such information in accordance with Section III.C.2. below shall fulfill these obligations within 270 days of the release of a Commission order adopting the Interim Phantom Traffic Solution.
  5. An LWS provider that currently creates call summary information and/or call detail records for traffic originated by its LWS purchasers shall continue to create such call summary information and/or call detail records.

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<sup>6</sup> This represents a clarification to the Plan regarding the duration of the Interim Process discussed in the Plan (§ V.E.1).

6. An LWS provider that does not currently create call summary information or call detail records shall create call summary information for traffic originated by its LWS purchasers within 270 days of the release of the Commission order adopting the Interim Phantom Traffic Solution.
7. Carriers that have an obligation to create call summary information or call detail records may satisfy this obligation by electing to create call detail records that conform to the requirements specified in the Uniform Process (Section II. D. & E.). Carriers that elect to create such call detail records will not be required to provide call summary information or other call detail records. When such an election is made, and the carrier is not currently producing call summary information or other call detail records, the carrier shall satisfy its obligation within the 270 day period specified for the production of call summary information.
8. Call summary information and call detail records will be distributed to other carriers as follows:
  - a. A Transit Provider shall distribute call summary information and/or call detail records that it creates and that it receives from an ILEC to each Terminating Carrier. A Transit Provider shall also distribute such call detail records and/or call summary information to each Transit Provider to which it is directly interconnected and to which it routes the Sending Carrier's traffic.
  - b. An ILEC that elects to create call summary information in accordance with III.C.2 above shall distribute call summary information, or call detail records where it elects, to each Transit Provider to which it is directly interconnected.
  - c. An LWS provider shall distribute call summary information and/or call detail records to each carrier that terminates its LWS purchasers' traffic.

C. *Additional Obligations*

1. Where an ILEC is the Sending Carrier and its switch is not equipped with the capability to perform LNP queries, for each Transit Provider to which the ILEC sends traffic from that switch, the ILEC shall, within 180 days of the release of a Commission order adopting the Interim Phantom Traffic Solution, establish a separate trunk group to the Transit Provider's tandem switch. Such trunk group shall be used to carry the ILEC's own end user customer traffic and, to the extent it is an LWS provider, traffic originated by its LWS purchasers. The ILEC shall utilize the separate trunk group to send to the Transit Provider *only* traffic not subject to the Commission's requirements for jointly provided tariffed switched access service as prescribed in the *MECAB Standards Document*. To the extent that an

ILEC is currently providing call summary information or call detail records, it shall discontinue doing so once the separate trunk group is established and the Transit Provider begins providing call summary information.

2. Where an ILEC is the Sending Carrier and its switch is equipped with the capability to perform LNP queries, the ILEC shall, within 30 days of the release of a Commission order adopting the Interim Phantom Traffic Solution, declare for each such switch whether or not it will create call summary information for traffic it sends to a Transit Provider.<sup>7</sup> Such an election shall be effective for the ILEC's own end user customer traffic and, to the extent it is an LWS provider, for traffic originated by its LWS purchasers. An ILEC's election to create call summary information shall also obligate the ILEC to create call detail records under the Uniform Process after the Commission adopts the Plan. If the ILEC elects not to create call summary information, it shall, within 180 days of the release of a Commission order adopting the Interim Phantom Traffic Solution, establish a separate trunk group to the Transit Provider's tandem switch. The ILEC shall utilize the separate trunk group to send to the Transit Provider *only* traffic not subject to the Commission requirements for jointly provided tariffed switched access service as prescribed in the *MECAB Standards Document*. If the ILEC elects to create call summary information (or call detail records, as discussed in note 7, below), it shall perform LNP queries on all traffic it sends to the Transit Provider to ensure that the call summary information or call detail records it creates properly identify the Terminating Carrier. An ILEC's election under this section does not alter its obligation to create call summary information and/or call detail records for traffic originated by LWS purchasers in accordance with Section III.B.5 and 6 above to the extent that it is an LWS provider.
3. Where implementation of the Interim Process requires changes to interconnection arrangements between carriers (*e.g.*, trunk translations and/or establishment of separate trunk groups), carriers shall work cooperatively in making such changes to ensure timely implementation.

D. *Call Summary Information Content.* At a minimum, call summary information provided shall contain the following information<sup>8</sup>:

1. Sending Carrier ID: OCN or CIC (for LWS traffic, the OCN or CIC of the LWS purchaser);

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<sup>7</sup> This election also shall be available for ILECs that provide call detail records, and an ILEC that elects not to provide call detail records shall be required to establish separate trunk groups as set forth in this provision.

<sup>8</sup> The Plan supporters believe that call summary information and call detail records currently provided by carriers contain information that satisfies these minimum requirements.

2. Terminating carrier ID: OCN or CIC;
3. Total minutes of use of traffic exchanged between the Sending Carrier (for LWS traffic, the LWS purchaser) and the Terminating Carrier;
4. LATA in which the traffic was exchanged;
5. Usage date range;
6. Sending Carrier end office switch ID: CLLI Code (required only for call summary information created by a Sending Carrier that is an ILEC and has elected to create call summary information in accordance with section III.C.2. below);
7. LWS provider switch ID: CLLI Code (required only for call summary information created by LWS providers for LWS traffic).

E. *Electronic Distribution Media, Format and Frequency*

1. The media used to exchange call detail records between carriers during the Interim Process set forth herein shall be the same as that currently used to exchange EMI records between such carriers, unless the carriers agree otherwise. Where carriers do not currently exchange records, they shall use electronic distribution media (e.g., Connect Direct, Secure FTP, etc.) or any other mutually agreed upon media.
2. The electronic distribution media used to exchange call summary information between carriers shall be the same as that currently used by such carriers, unless the carriers agree otherwise.
3. Call summary information shall be provided using mechanized electronic formats or commercially available business software applications (e.g., commonly used spreadsheet programs). Carriers may also distribute call summary information using a password protected website from which carriers may download call summary information.

F. *Charges for Call Summary Information and Call Detail Records.*<sup>9</sup>

1. *Call Summary information.* There shall be no charge for call summary information in the interim period except where call summary information is currently provided by a Transit Provider for a charge, in which case the Transit Provider will continue to provide such call summary information at the same charge.
2. *Call Detail Records.*
  - a. Call detail records, regardless of format or content, currently provided by a Transit Provider for a charge will continue to be provided at the same charge. If such call detail records are

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<sup>9</sup> These provisions have been modified by the supporters of the Plan and differ from the provisions in the Plan (§ V.E.2.c.v.) addressing charges for call summary information and call detail records during the Interim Process.

provided at no charge, they will continue to be provided at no charge.

- b.** To the extent that a Transit Provider currently provides Category 11-01-XX call detail records at a charge and conforms the content contained in those call detail records to comply with the requirements prescribed in the Uniform Process (Section II. D. & E.), no additional charge will apply.
  - c.** A Transit Provider is entitled to charge the Terminating Carrier \$0.0025 per call detail record that the Transit Provider creates where the Transit Provider:

    - i.** does not currently provide call detail records or call summary information and begins providing Category 11-01-XX call detail records that conform with the requirements prescribed in the Uniform Process (Section II. D. & E.);
    - ii.** replaces call summary information that it currently provides with Category 11-01-XX call detail records that conform with the requirements prescribed in the Uniform Process (Section II. D. & E.);
    - iii.** replaces call detail records that it currently provides in an EMI format other than Category 11-01-XX with Category 11-01-XX call detail records that conform with the requirements prescribed in the Uniform Process (Section II. D. & E.).
- G.** *Carrier Notification.* All CLECs, ILECs and CMRS carriers interconnected within each LATA shall comply with the carrier notification process set forth in Appendix A.



#### IV. Extension of the Commission's Requirements for Jointly Provided Switched Access

The Commission's requirements for jointly provided switched access services, as prescribed in the *MECAB Standards Document*, apply where switched access service is provided by more than one ILEC to an interexchange IXC.<sup>10</sup> Under those requirements, an ILEC that originates traffic destined for an IXC is required to create and distribute call detail records to the other carriers that jointly provide switched access service to the IXC. Likewise, when an IXC delivers traffic to an ILEC, the ILEC creates and distributes call detail records to the other carriers involved in completing the call.<sup>11</sup> Adherence to this process ensures that each ILEC receives call detail records required to render accurate billing for switched access charges to the IXC.

The Commission's requirements for jointly provided switched access services were established well before the Telecommunications Act of 1996, and thus reflect a view of the telecommunications industry prior to the possibility that a CLEC or CMRS carrier could collaborate with an ILEC to originate or terminate IXC traffic (*i.e.*, traffic for which an IXC is the carrier responsible for payment of switched access charges). For example, where a CLEC today delivers IXC traffic for termination to an ILEC, there is uncertainty in the industry whether such CLEC is subject to the Commission's prior orders concerning the joint provision of switched access services and thus whether it is required to create and distribute call detail records in accordance with the *MECAB Standards Document*.<sup>12</sup> Unless the CLEC creates and distributes call detail records in accordance with the requirements prescribed in the *MECAB Standards Document* for such traffic, the ILEC terminating that traffic will be unable to identify or bill the IXC responsible for payment of switched access charges and may instead bill the CLEC. Similarly, where a CLEC originates, and passes to an ILEC, traffic to be delivered to an IXC, the CLEC is not required to adhere to the requirements prescribed in the *MECAB Standards Document*. Hence, the ILEC that delivers the traffic to the IXC will not receive a call detail record required for billing the IXC for switched access charges.

Accordingly, to facilitate accurate billing for the provision of switched access services to IXCs, the supporters of the Plan request that the Commission, in its order adopting the Interim Phantom Traffic Solution, require that when a CLEC or CMRS carrier collaborates with an ILEC in originating or terminating an IXC's traffic, such CLEC or CMRS carrier must comply with the *MECAB Standards Document* for jointly provided switched access services. The Commission should also direct the OBF to modify the *MECAB Standards Document* to reflect this clarification.

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<sup>10</sup> See, *e.g.*, notes 2 and 3, *supra*.

<sup>11</sup> Such other carriers to which the ILEC will make available call detail records include ILECs, CLECs and CMRS carriers.

<sup>12</sup> For purposes of clarity, the examples provided above describe situations where a CLEC collaborates with an ILEC to originate or terminate an IXC's traffic. The same circumstances can apply between a CMRS carrier and an ILEC as well.

## Appendix A

### Carrier Notification Process

In order to facilitate the exchange of call summary information and call detail records and the establishment of billing relationships between Sending Carriers and Terminating Carriers, the supporters of the Plan ask the Commission to adopt the notification process as proposed herein as part of its order approving the Interim Phantom Traffic Solution. The notification process requires ILECs, CLECs and CMRS carriers operating within a LATA to provide certain identification and contact information to other carriers within the same LATA.

#### A. Initial Notification Obligations.

1. Within 30 days of the release of a Commission order adopting the Interim Phantom Traffic Solution, each ILEC, CLEC and CMRS carrier shall send its notification information as described below to each Transit Provider to which it is directly interconnected. An LWS purchaser shall provide its notification information to its LWS provider who, in turn, will provide such notification to each Transit Provider to which it is directly interconnected.
2. Within 30 days of the deadline established in A.1 above, a Transit Provider shall distribute the notification information it received to each Transit Provider to which it is directly interconnected.
3. No later than 90 days after the release of a Commission order adopting the Interim Phantom Traffic Solution, a Transit Provider shall distribute all notification information it received from all other carriers to each ILEC, CLEC and CMRS carrier to which it is directly interconnected.

**B. Updated Notification Obligations for All Carriers.** When a change occurs to a carrier's notification information, such carrier shall provide an updated notification to all ILECs, CLECs and CMRS carriers operating in the LATA. Such updated notification will be distributed to other carriers based on information obtained from other carriers in the initial notification process described in A above.

#### C. Notification Obligations for New Entrants.

1. When a new entrant carrier enters a LATA either as a Transit Provider, TTP or as a Sending Carrier, it shall request from each Transit Provider or TTP to which it is directly interconnected notification information the Transit Provider or TTP obtained previously in A & B above.
2. Within 30 days of receipt of the request, each such Transit Provider and TTP shall then provide the new entrant carrier with the requested notification information.
3. The new entrant carrier shall, within 60 days of exchanging traffic directly with a Transit Provider or TTP, send its notification information to each ILEC, CLEC and CMRS carrier identified in the notification information it received under C.2. above.

**D. Notification Information Content.** Notifications provided by carriers shall include the following:

1. Company Name;
2. Operating Company Number(s) (OCN);
3. CIC code(s) (if carrier has one assigned to it);
4. Company contact(s) for billing and interconnection issues: Name, Address, Telephone No., Fax No., and e-mail.

**E. Notification Media** Notifications shall be provided electronically (*e.g.*, e-mail) using commercially available business software (*e.g.*, spreadsheet software).<sup>1</sup>

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<sup>1</sup> The Commission may wish to consider engaging an independent third party for the ongoing administration of the notification process as a means to further standardize and streamline the process.

**Appendix B****Process for Identification of VoIP-Originated Traffic**

Whether to apply interstate access charges or reciprocal compensation charges for VoIP-originated traffic terminated on the PSTN will be determined based upon the calling and called telephone numbers beginning at Step 1 (see Plan at II.D.3.). Under the Plan, intrastate access charges will not apply to the termination of VoIP-originated traffic. Current technology does not allow all carriers to identify VoIP-originated traffic in the call signaling or call detail information they exchange. As such, it will be incumbent upon the carrier responsible for payment of terminating intercarrier compensation charges for VoIP-originated traffic to track this information so it can be provided to Terminating Carriers. Moreover, in certain instances, the calling telephone number of VoIP-originated traffic may not be forwarded in the call signaling information. For example, a carrier may have encountered a legitimate technological limitation or the call may have originated from services to which North American Numbering Plan (“NANP”) telephone numbers are not assigned, e.g., services that permit end users to place calls to the PSTN from a personal computer. To improve billing accuracy by Terminating Carriers, those carriers responsible for payment of intercarrier compensation charges for the termination of VoIP-originated traffic will be required to provide factors to identify two broad categories of VoIP-originated traffic: (1) terminating traffic where calling telephone and called telephone numbers are received, and (2) terminating traffic that is received without calling telephone number information.

- A. **Factor 1:** This factor will be used by Terminating Carriers to correctly bill terminating interstate access rates for VoIP-originated traffic to which intrastate access charges would appear to apply based on the calling and called telephone numbers. Factor 1 represents the percentage of total terminating intrastate access traffic that was VoIP-originated.
- B. **Factor 2:** This factor will be used by Terminating Carriers to identify the terminating traffic received without calling telephone number information that was VoIP-originated. (See Plan at II.D.3.a.iii.)
- C. Terminating carriers will perform the following calculations using Factors 1 and 2.
  1. Factor 1 will be used to identify VoIP-originated traffic for which intrastate switched access charges would appear to apply based on the calling and called telephone numbers. Terminating carriers will apply Factor 1 to total terminating intrastate access traffic.
  2. Factor 2 will be used to identify terminating VoIP-originated traffic that is received without calling telephone number information. Terminating carriers will apply Factor 2 to total terminating traffic received without calling telephone number information.
  3. The product of the Factor 2 calculation will be allocated to the reciprocal compensation and interstate access categories as follows. The percentage of all traffic received with calling telephone number that is in the reciprocal

compensation category will be multiplied by the product of the Factor 2 calculation. This will determine the amount of VoIP-originated traffic received without calling telephone number that will be billed at reciprocal compensation rates. Terminating carriers will subtract the amount of VoIP-originated traffic received without calling telephone number that was allocated to the reciprocal compensation category from the product of the Factor 2 calculation to determine the amount of VoIP-originated traffic received without calling telephone number information that will be billed at interstate access rates.

- D. Factors will be calculated specific to each Terminating Carrier and for each LATA in which traffic is terminated. Where the Terminating Carrier is a provider of LWS, the factors will be calculated including traffic terminating to its LWS purchaser(s). Factors provided to LWS purchasers will be the same factors as provided to its LWS provider. Factors will be updated and provided quarterly using traffic terminated in the prior quarter.
- E. Factors will be provided to Track 1 and Track 2 carriers until Step 3 when factors will no longer be required because terminating intercarrier compensation is unified for these carriers at Step 3.
- F. Factors will be provided to Track 3 carriers until Step 4 when factors will no longer be required because access rates are unified for these carriers at Step 4.
- G. The factors provided for purposes of identifying and billing VoIP-originated traffic will be subject to the following audit provisions:
  - 1. For VoIP-originated traffic determined to be subject to interstate access charges through the use of carrier supplied factors, audit provisions will be governed by the Terminating Carrier's interstate access tariff;
  - 2. For VoIP-originated traffic determined to be subject to reciprocal compensation charges through the use of carrier supplied factors, audit provisions will be governed by the interconnection agreement between the Terminating Carrier and the carrier supplying the factors.

If as a result of an audit, it is determined that VoIP-originated factors were calculated incorrectly, billing for the period in which the factors were used will be adjusted by the Terminating Carrier. The adjustment may increase or decrease billing for the period in which the original factors were used.