

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

PETITION OF SOCKET TELECOM, LLC)
FOR COMPULSORY ARBITRATION OF)
INTERCONNECTION AGREEMENTS WITH)
CENTURYTEL OF MISSOURI, LLC AND)
SPECTRA COMMUNICATIONS, LLC)
PURSUANT TO SECTION 252(b)(1) OF THE)
TELECOMMUNICATIONS ACT OF 1996)

CASE NO. _____

PETITION FOR ARBITRATION OF SOCKET TELECOM, LLC

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SOCKET TELECOM, LLC

January 13, 2006

CASE NO.
MASTER LIST OF ISSUES BETWEEN CENTURYTEL AND SOCKET
ARTICLE V – INTERCONNECTION AND TRANSPORT AND TERMINATION OF TRAFFIC

| Issue Statement | Issue No. | Sec. Nos. | Socket Language | Socket Preliminary Position | CenturyTel Language | CenturyTel Preliminary Position |
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| taking responsibility for bringing its facilities to the POI? | | | the POI. | side of the POI. In his discussion of this issue, the ALJ stated that “[t]he Commission has previously approved interconnection agreements wherein the two parties have agreed that each party is financially responsible for facilities on its side of the POI. It is a fairly common provision and widely perceived to be fair.” | <p><u>following compensation for internetwork facilities, depending on facility type. Only Local Traffic will be used for calculation of this compensation.</u></p> <p>8.2 Collocation: CenturyTel will charge virtual or physical collocation rate from the applicable CenturyTel tariff.</p> <p>8.3 <u>Special Access: CenturyTel will charge special access and/or switched access rates from the applicable CenturyTel access tariff. Charges will be reduced to reflect the proportionate share of the facility that is used for transport of traffic originated by CenturyTel, excluding Local Traffic that is also Information Access Traffic (“CenturyTel Originated Local Traffic Factor”). The initial CenturyTel Originated Local Traffic Factor is set forth in Appendix A. This factor will be updated quarterly in like manner or as the Parties otherwise agree.</u></p> | at CenturyTel’s tariffed special access or switched access rates. |
| What language should the ICA include regarding intercarrier compensation for transport and termination of traffic? | 10 | 9.0 – 9.6 | <p>9.0 INTERCARRIER COMPENSATION FOR LOCAL INTERCONNECTION TRAFFIC</p> <p>9.1 This section addresses Intercarrier Compensation for the exchange of Local Interconnection</p> | Socket’s proposal for intercarrier compensation complies with Commission precedent and with governing FCC rules. Socket’s proposal limits the applicability of reciprocal compensation consistent with the Commission’s legal and policy decisions in Docket No. TO-2005-0336, the recently completed M2A | <p>9.0 <u>Transport and Termination of Traffic</u></p> <p>9.1 <u>Traffic to be Exchanged.</u></p> <p><u>The Parties shall reciprocally terminate Local Traffic, (or other traffic the Parties agree to exchange) originating on each other’s networks utilizing</u></p> | CenturyTel proposes to place limitations that prevent reciprocal compensation from being paid unless the traffic is “Local,” a qualification at odds with applicable FCC Orders. CenturyTel advocates application of intrastate access charges to FX traffic, and does not address differences between reciprocal compensation |

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| | | | <p>Traffic.</p> <p>9.1.1 Calls originated by Socket’s end users and terminated to CenturyTel’s end users (or vice versa) will be classified as “Section 251 (b)(5) Traffic” under this Agreement and subject to reciprocal compensation if the call: (i) originates and terminates to such end-users in the same CenturyTel exchange area; or (ii) originates and terminates to such end-users within different CenturyTel Exchanges that share a common mandatory local calling area, as defined in CenturyTel’s tariff, e.g., mandatory Extended Area Service or other like types of mandatory expanded local calling scopes. Calls originated by CenturyTel’s end users and terminated to as ISP served by Socket (or vice versa) will be classified as compensable “ISP-Bound Traffic” in accordance with the FCC’s Order on Remand and Report and Order, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic, FCC 01-131, CC Docket Nos. 96-98, 99-68 (rel. April 27, 2001) (“FCC ISP Compensation Order”) if the call (i) originates from end users and terminates to as ISP in</p> | <p>successor arbitration. Socket follows Commission precedent in applying “bill-and-keep” to all MCA Traffic and to FX Traffic. The compensation rate proposed by Socket for traffic subject to reciprocal compensation comes directly from the FCC’s <i>ISP Remand Order</i>, which applies to all ILECs. The Socket proposal also permits the parties to negotiate and settle on an alternative method of handling reciprocal compensation, including bill-and-keep for all compensable traffic.</p> <p>CenturyTel’s proposed language denies compensation for categories of traffic that the FCC has held are subject to intercarrier compensation, most notably ISP-Bound Traffic. In addition, CenturyTel erroneously seeks to apply intrastate access charges to FX traffic (even in MCA areas where the Commission has held that bill-and-keep applies).</p> | <p><u>either Direct or Indirect Network Interconnections as provided in Sections 4, 5 and 6 herein. To this end, the Parties agree that there will be interoperability between their networks. In addition, the Parties will notify each other of any reasonably anticipated material change in traffic to be exchanged, in terms of e.g., traffic type, volume.</u></p> <p><u>9.2 Compensation For Exchange of Local Traffic.</u></p> <p><u>9.2.1 Local Mutual Compensation. The Parties shall compensate each other for the exchange of Local Traffic originated by or terminating to the Parties’ end-user customers in accordance with Section 3.2.2 of this Article, subject to any applicable regulatory conditions, such as a State exempt factor, if any. The Charges for the transport and termination of optional EAS, intraLATA toll and interexchange traffic shall be in accordance with the Parties’ respective intrastate or interstate access tariffs, as appropriate.</u></p> <p><u>9.2.2 Bill and Keep. Either Party may initiate a traffic study no more frequently than once a quarter. Such traffic study shall examine all Local Traffic excluding Local Traffic that is also Information Access Traffic.</u></p> | <p>available in MCA areas versus non-MCA areas.</p> |

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| | | | <p>the same CenturyTel exchange area; or (ii) originates from end users and terminates to an ISP within different CenturyTel Exchanges that share common mandatory local calling area, as defined in CenturyTel’s tariff, e.g., mandatory Extended Area Service or other like types of mandatory expanded local calling scopes.</p> <p>9.2 For purposes of Intercarrier Compensation, Section 251(b)(5) Traffic, ISP-Bound Traffic, Foreign Exchange Traffic (“FX Traffic”), and Transit Traffic shall be further defined as MCA traffic and non-MCA traffic.</p> <p>9.2.1 MCA Traffic is traffic originated by a party providing a local calling scope pursuant to the Case No. TO-92-306 and Case No. TO-99-483 (MCA Orders) and routed as a local traffic based on the calling scope of the originating party pursuant to the MCA Orders.</p> <p>9.3 Non-MCA Traffic is all Section 251(b)(5) Traffic, ISP Traffic, Foreign Exchange Traffic, and Transit Traffic that is not defined as MCA Traffic.</p> <p>9.4 Compensation for MCA</p> | | <p><u>Should such traffic study indicate, in the aggregate, that either Party is terminating more than sixty percent (60%) of the Parties’ total terminated minutes for Local Traffic, excluding Local Traffic that is also Information Access Traffic, either Party may notify the other that mutual compensation will commence pursuant to the rates set forth in Appendix A of this Agreement and following such notice it shall begin and continue for the duration of the Term of this Agreement unless otherwise agreed. Local Traffic that is also Information Access Traffic will remain subject to Bill-and-Keep.</u></p> <p>9.2.3 <u>VNXX Traffic. If Socket assigns NPA/NXXs to a customer physically located outside of the CenturyTel Local Calling Area containing the rate center with which the NPA/NXX is associated, traffic originating from CenturyTel customers within that CenturyTel Local Calling Area to Socket customer physically located outside of the CenturyTel Local Calling Area, shall not be deemed Local Traffic, and shall be subject to applicable access charges established in CenturyTel’s Access Service Tariffs.</u></p> | |

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| | | | <p>Traffic including Section 251(b)(5) Traffic, ISP Traffic, Foreign Exchange Traffic.</p> <p>9.4.1 Consistent with the Commission’s decision in Case No. TO-92-306 and Case No. TO-99-483, all MCA traffic shall be exchanged on a bill and keep basis. The parties agree to use the Local Exchange Routing Guide (LERG) to provision the appropriate MCA NXXs in their networks. The LERG should be updated in accordance with industry standards for opening a new code to allow the other party the ability to make the necessary network modifications. If the Commission orders the parties to use an alternative other than the LERG, the parties will comply with the Commission’s final order.</p> <p>9.5 Compensation for Non-MCA Section 251(b)(5) Traffic, Non-MCA ISP Traffic and Non-MCA Foreign Exchange Traffic.</p> <p>9.5.1 The Parties will compensate each other on a minute of use basis at \$0.0007 per minute of use for all non-MCA Section 251(b)(5) Traffic and non-MCA ISP-Bound Traffic. The rate of \$.0007 per minute of use shall not vary according to whether the</p> | | | |

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| | | | <p>traffic is routed through a tandem switch or directly to an end office switch. The transport and termination compensation for FX Traffic will be Bill and Keep. To the extent that ISP-Bound Traffic is provisioned via FX or FX-type arrangements, it is subject to the compensation mechanism of Bill and Keep. “Bill and Keep” refers to an arrangement in which neither of two interconnecting parties charges the other for terminating FX traffic that originates on the other party’s network.</p> <p>9.5.1.1 The Terminating Carrier shall be responsible for not billing any minutes of use on its network that are FX Traffic. To the extent minutes of use are nevertheless billed and paid by the originating carrier, but later found to be FX Traffic that should have been subject to Bill and Keep, the terminating carrier will be responsible for reimbursing the originating carrier the amount of compensation paid.</p> <p>9.5.2 The Parties may mutually agree to another compensation arrangement. In the event the Parties do mutually agree to another Intercarrier Compensation arrangement, the Parties will make the necessary amendment to the</p> | | | |

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| | | | <p>Interconnection Agreement to include that arrangement in the Agreement.</p> <p>9.6 Compensation for Termination of Non-PIC'd IntraLATA Interexchange Toll Traffic.</p> <p>9.6.1 IntraLATA Interexchange Traffic that is carried on jointly provided LEC-to-LEC network is considered as IntraLATA Toll Traffic and is subject to tariffed access charges. Billing arrangements are outlined in Section 10 – Recording and Billing of this Article.</p> <p>9.6.2 Compensation for the termination of this traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including Carrier Common Line (CCL) charge, as set forth in each Party's intrastate access tariff(s).</p> <p>9.6.3 For interstate IntraLATA service compensation for terminating of Intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier</p> | | | |

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| | | | Common Line (CCL) charge, as set forth in each Party's interstate access service tariffs. | | | |
| What are the appropriate rates, terms and conditions for compensation for transit traffic? | 11 | 10.0 | 10.0 TRANSIT TRAFFIC 10.1 Compensation for MCA Transit Traffic 10.1.1 Consistent with the Commission's decision in Case No. TO-92-306 and Case No. TO-99-483 and notwithstanding any other provision of the agreement to the contrary, neither party shall assess transit charges on any MCA transit traffic. 10.2 Compensation for Non-MCA Transit Traffic. 10.2.1 The Transit Rate is charged by the Transit Provider to the originating Party on a MOU basis. The Transit Rate element is only applicable when calls do not terminate to the Transit Provider's End User. 10.2.2 The Transit Rate is based upon the tandem switching and common transport rates set forth in Article VII, Schedule of Pricing. 10.2.3 Where the Transit Provider is sent CPN by the originating carrier, the Transit Provider will send the original and true CPN to the | Socket's proposed language on Transit Traffic is consistent with prior Commission precedent, as reflected most recently in Docket No. TO-2005-0336, the arbitration of the successor agreement to the M2A. Socket's proposal recognizes that transit compensation is not required if the traffic involved constitutes MCA traffic. Moreover, the Socket language includes important provisions left out of the CenturyTel proposals (including a mutual commitment to pass Calling Party Number information to the other party, which will increase the transiting carrier's ability to bill for the traffic it transits). Socket's contract language most accurately reflects the Commission's legal and policy determinations on transit traffic. | 10.0 <u>The Parties will provide Tandem Switching for Local Traffic between the Parties' end offices subtending each other's access Tandem, as follows:</u> 10.1 <u>The originating Party will compensate the Tandem Party for each minute of originated Tandem switched traffic which terminates to a third party (e.g., other Socket, ILEC, or wireless service provider). The applicable rate for this charge is the Tandem Transiting charge identified in Appendix A.</u> 10.2 <u>The originating Party also assumes responsibility for compensation to the company that terminates the call. Compensation to third parties terminating traffic on either Party's behalf shall be covered by specific arrangements between the originating Party and the terminating third party.</u> 10.3 <u>Each Party shall deliver Tandem traffic to CenturyTel with CCS and the appropriate Transactional Capabilities Application part ("TACP") message to facilitate full interoperability of CLASS Features and billing functions. The Parties will mutually agree to the types of records</u> | CenturyTel agrees that language concerning Transit Traffic obligations and compensation should be included in the parties' ICA, but does not include provisions on many issues approved by the Commission in previous arbitration proceedings. CenturyTel proposes that its transit obligations be limited to a single DS1 level of Transit Traffic, a limitation that has no demonstrated basis in technical or network limitations. |

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