OF THE STATE OF MISSOURI



Petition of Socket Telecom, LLC for Compulsory Arbitration of Interconnection Agreements with CenturyTel of Missouri, LLC and Spectra Communications, LLC, pursuant to Section 251(b)(1) of the Telecommunications Act of 1996

Case No. TO-2006-0299

FINAL COMMISSION DECISION

Issue Date:

June 27, 2006

Effective Date:

June 30, 2006

Commission's Decision – Section 8.3 – CenturyTel's language references non-local traffic not subject to an interconnection agreement so this reference and language is not necessary.

<u>Issue 10</u> – What language should the interconnection agreement include regarding intercarrier compensation for transport and termination of traffic?

Petitioner (Socket) – Socket proposes the following title: 9.0 INTERCARRIER COMPENSATION FOR LOCAL INTERCONNECTION TRAFFIC.

Respondent (CenturyTel) – CenturyTel proposes the following title: 9.0 Transport and Termination of Traffic.

The Commission notes that this issue statement is too broad to rule on either party's position. The Commission necessarily will address each Section of the Interconnection Agreement language in ruling on this issue. The Commission finds that both titles accurately reflect the intent of this section. As such, this section should be titled: Intercarrier Compensation for Transport and Termination of Traffic subject to this Interconnection Agreement. The parties are directed to correct numbering to accommodate the Commission's decision on Issue 10.

Section 9.1

Petitioner (Socket) – Socket proposes the following language: 9.1 This section addresses Intercarrier Compensation for the exchange of Local Interconnection Traffic.

Respondent (CenturyTel) – CenturyTel proposes the following language: 9.1 Traffic to be Exchanged. The Parties shall reciprocally terminate Local Traffic including MCA traffic, (or other traffic the Parties agree to exchange) originating on each other's networks utilizing 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.

Commission's Decision – Section 9.1 – Neither party's language is reasonable or necessary. Socket's intent is covered by Section 9.0. CenturyTel's language includes the language; "or other traffic the Parties agree to exchange". Either the traffic should be included in this agreement or it is covered by some other means such as a tariff. Further, CenturyTel's language includes the requirement to notify parties of any reasonably anticipated change in traffic. This concept is covered during the forecasting planning language. Beyond that, the language could require parties to disclose confidential business planning information.

Section 9.2

Petitioner (Socket) – Socket proposes the following language: 9.2 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.

Respondent (CenturyTel) – CenturyTel proposes the following language: 9.2 Compensation For Exchange of Local Traffic.

Commission's Decision – Section 9.2 – Socket's language is the same as CenturyTel's language for MCA Traffic which appears as 9.2.XX FX Traffic (CenturyTel proposes inserting the following in Article II-Definitions). There does not appear to be a dispute on this language. CenturyTel's intent is addressed in Section 9.0 and is not needed at this time. Parties are directed to correct the numbering to address the Commission's ruling on Issue 10.

Section 9.2.1

Petitioner (Socket) – Socket proposes the following language: 9.2.1 Compensation for MCA Traffic will be consistent with the Commission's decisions in Case No. TO-92-306 and Case No. TO-99-483.

Respondent (CenturyTel) – CenturyTel proposes the following language: 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.

Commission's Decision – Section 9.2.1 – The Commission finds Socket's language acceptable. CenturyTel's language is not acceptable since it does not appear the "local mutual compensation" is defined by the agreement, the language references a Section that cannot be found in the Article (Section 3.2.2); "state exempt factor" does not appear to be defined and contains references to non-local traffic that should not be in an interconnection agreement.

Section 9.2.2

Petitioner (Socket) – Socket proposes the following language: 9.2.2 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.

Respondent (CenturyTel) – CenturyTel proposes the following language: 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. 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.

Commission's Decision – Section 9.2.2 – The Commission does not find it necessary to include Socket's language, but the section is factually correct so no harm is created by its inclusion. CenturyTel's language addresses bill and keep generally, which corresponds more closely with Socket's language at Sections 9.4.1 and 9.4.2. The Commission cannot make a ruling on CenturyTel's language since it refers to a compensation arrangement contained in Appendix A which does not appear to be in the record.

Section 9.2.3

Petitioner (Socket) – Socket proposed no language on the section.

Respondent (CenturyTel) – CenturyTel proposes the following language: 9.2.3 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 but shall be at bill and keep (provided that Socket agreed to maintain the terms of the recent addendum agreement between CenturyTel and Socket whereby Socket agreed to place a POI at every CenturyTel end office and where all ISP-bound traffic is at bill and keep. Should Socket not agree to abide by its recent addendum terms, CenturyTel reserves the right to revert to its advocacy position on this issue which is that access charges do apply to all ISP-bound traffic that terminates to a physical ISP location outside of the local calling area.)

Commission's Decision – Section 9.2.3 – The Commission finds that CenturyTel's language is consistent with the ISP Remand Order and there is nothing prohibiting a bill and keep arrangement in that order. The language in the parenthetical is not consistent with the Commission's finding on the establishment of the POI and shall be eliminated.

Section 9.2.X and Section 9.2.XX – There is no disputed language.

Section 9.3

Petitioner (Socket) – Socket proposes the following language: 9.3 Non-MCA Traffic is all Section 251(b) (5) Traffic, ISP Traffic, Foreign Exchange Traffic including VNXX Traffic, and Transit Traffic that is not defined as MCA Traffic.

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision – Section 9.3 – MCA traffic is specifically defined through the references to Case No. TO-92-306 and Case No. TO-99-483. By default all other traffic is "non-MCA" traffic. Socket's language is not necessary.

Section 9.4

Petitioner (Socket) – Socket proposes the following language: 9.4 Compensation for Non-MCA Section 251(b)(5) Traffic, Non-MCA ISP Traffic and Non-MCA Foreign Exchange Traffic including VNXX Traffic.

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision – Section 9.4 – This language is not necessary based on the decisions in Sections 9.4.1 and 9.4.2.

Section 9.4.1

Petitioner (Socket) – Socket proposes the following language: 9.4.1 All non-MCA Traffic, including Non-MCA Section 251(b)(5) Traffic, Non-MCA ISP Traffic, Non-MCA Foreign Exchange Traffic including VNXX Traffic shall be exchanged on a Bill and Keep basis.

Respondent (CenturyTel) - CenturyTel proposed no language on this section.

Commission's Decision – Section 9.4.1 – CenturyTel's language at Section 9.2.3, addressing the appropriate application of bill and keep, is appropriate. Other traffic included in this section has been deemed non-local traffic through other determinations.

Section 9.4.2

Petitioner (Socket) – Socket proposes the following language: 9.4.2 "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.

Respondent (CenturyTel) - CenturyTel proposed no language on this section.

Commission's Decision – Section 9.4.2 – 47 C.F.R. 51.713 defines bill-and-keep arrangements as those in which neither of the two interconnecting carriers charges the

other for the termination of telecommunications traffic that originates on the other carrier's network. Socket's language, with the removal of the reference to terminating FX traffic, is acceptable and consistent with this definition.

Section 9.5

Petitioner (Socket) – Socket proposes the following language: 9.5 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 Interconnection Agreement to include that arrangement in the Agreement.

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision – Section 9.5 – This is a requirement of 4 CSR 240-3.513 and unnecessary for inclusion in this agreement.

Section 9.6

Petitioner (Socket) – Socket proposes the following language: 9.6 Compensation for Termination of Non-PIC'd IntraLATA Interexchange Toll Traffic.

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision – Section 9.6 – Socket's language references non-local traffic not subject to an interconnection agreement, so this reference and language is not necessary.

Section 9.6.1

Petitioner (Socket) – Socket proposes the following language: 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.

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision - Section 9.6.1 – Socket's language references non-local traffic not subject to an interconnection agreement, so this reference and language is not necessary.

Section 9.6.2

Petitioner (Socket) – Socket proposes the following language: 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).

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision – Section 9.6.2 – Socket's language references non-local traffic not subject to an interconnection agreement, so this reference and language is not necessary.

Section 9.6.3

Petitioner (Socket) – Socket proposes the following language: 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 Common Line (CCL) charge, as set forth in each Party's interstate access service tariffs or interstate price sheet.

Respondent (CenturyTel) – CenturyTel proposed no language on this section.

Commission's Decision – Section 9.6.3 – Socket's language references non-local traffic not subject to an interconnection agreement, so this reference and language is not necessary.

<u>Issue 11</u> – What are the appropriate rates, terms and conditions for compensation for transit traffic?

Petitioner (Socket) – Socket proposes the following language: 10.0 TRANSIT TRAFFIC.

Respondent (CenturyTel) – CenturyTel proposes the following language: 10.0 The Parties will provide Tandem Switching for Local Traffic between the Parties' end offices subtending each other's access Tandem, as [in the following subsections].

Commission's Decision – Section 10.0 (and the proceeding subsections) – The Missouri Public Service Commission has already decided that transiting is a §251 obligation. In the Final Arbitrator's Report in Case No. TO-2005-0336, the Commission ruled that transiting is a §251 obligation quoting its Chariton Valley Order where the Commission determined that "transit service falls within the definition of interconnection service . . . [b]ecause the transit agreement is an interconnection service, it must be filed with the Commission for approval." The Commission concludes that the Act, at §251(c)(2) and at §251(a)(1) obligates CenturyTel to receive transit traffic from Socket. Because transit traffic is an obligation imposed on CenturyTel pursuant to §§251(c)(2) and (3) of the Act, the applicable pricing standard is TELRIC. This allows Socket to effect an indirect interconnection with other carriers, which is expressly authorized by §251(a)(1) of the Act.

<u>Issue 12</u> – Should the parties agree to trunking, forecasting, availability of facilities, and requirements prior to exchanging traffic?

<u>Section 11.0</u> – No disputed language in this section.