Investigation by the Department on its Own Motion to Determine whether an Agreement entered into by Verizon New England Inc., d/b/a Verizon Massachusetts is an Interconnection Agreement under 47 U.S.C. § 251 Requiring the Agreement to be filed with the Department for Approval in Accordance with 47 U.S.C. § 252

DTC 13-6

# DECLARATION OF GREGORY M. KENNAN IN SUPPORT OF COMPETITIVE CARRIERS' MOTION FOR SUMMARY JUDGMENT

- I, Gregory M. Kennan, declare:
- 1. I am a member of the bar of the Supreme Judicial Court of Massachusetts and counsel to the Competitive Carriers<sup>1</sup> in this action. I make this declaration in support of the Competitive Carriers' motion for summary judgment filed on or about March 28, 2014.
- 2. Attached as Exhibit A is a true copy of pages 6-7 of the Comments of Comcast Corporation dated April 18, 2011, filed in *In re Connect America Fund*, WC Docket 10-90.

<sup>&</sup>lt;sup>1</sup> CTC Communications Corp. d/b/a EarthLink Business; Lightship Telecom LLC d/b/a EarthLink Business; Choice One Communications of Massachusetts, Inc. d/b/a EarthLink Business; Conversent Communications of Massachusetts, Inc. d/b/a EarthLink Business; EarthLink Business, LLC (formerly New Edge Network, Inc. d/b/a EarthLink Business); Cbeyond Communications, LLC; tw data services llc; Level 3 Communications, LLC; and PAETEC Communications, Inc.

- 3. Attached as Exhibit B is a true copy of Comcast's Response to Competitive Carriers' First Set of Information Requests to Comcast, Preliminary Statement, p. 1, and response to Information Request No. 1, filed in this proceeding.
- 4. Attached as Exhibit C is a true copy of page 2 of the Comments of Comcast Corporation dated May 19, 2008, in *In the Matter of Petition for Declaratory Ruling Whether Voice over Internet Protocol Services Are Entitled to the Interconnection Rights of Telecommunications Carriers*, WC Docket No. 08-56.
- 5. Attached as Exhibit D is a true copy of pages 2-3 of the Reply of Verizon MA in Support of Motion for Abeyance, dated September 13, 2013, filed in this proceeding.
- 6. Attached as Exhibit E is a true copy of a letter from Alex Moore, Esq., of Verizon to Secretary Catrice Williams dated November 26, 2013, filed in this docket.
- 7. Attached as Exhibit F is a true copy of Verizon's responses to the Competitive Carriers' information requests, first set, Nos. 16, 18, 20, and 22.
- 8. Attached as Exhibit G is a true copy of pages 11-13 of the Direct Testimony of Eugene G. Spinelli, Sherri D. Schlabs, and Paul B. Vasington on Behalf of Verizon New England, Inc., dated January 15, 2014 ("Verizon Direct"), filed in this docket.
- 9. Attached as Exhibit H is a true copy of page 26 of the Direct Testimony of Eugene G. Spinelli, Sherri D. Schlabs, and Paul B. Vasington on Behalf of Verizon New England, Inc., dated January 15, 2014 ("Verizon Direct"), filed in this docket. This exhibit is being filed in redacted and Confidential versions due to Verizon MA's designation of certain portions of this page as Confidential.

- 10. Attached as Exhibit I is a true copy of the web page of the Association for Telecommunications Industry Solutions (ATIS) listing its board of directors, accessed on March 26, 2014.
- 11. Attached as Exhibit J is a true copy of pages 1 and 4-5 of the Comments of the Alliance for Telecommunications Industry Solutions, dated July 8, 2013, filed in *In the Matter of Technology Transitions Policy Task Force Seeks Comment on Potential Trials*, GN Docket No. 13-5.
- 12. Attached as Exhibit K is a true copy of the FCC report, *Local Telephone Competition: Status as of December 31, 2012,* Table 17 (released November 2013).
- 13. Attached as Exhibit L is a true copy of a letter (without attachments) from Michael Romano, President, NTCA, to FCC Secretary Marlene H. Dortch, dated April 1, 2013, filed in *In the Matter of Connect America Fund, WC* Docket No. 10-90.

[Rest of page intentionally blank.]

This Declaration of Gregory M. Kennan in Support of Competitive Carriers' Motion for Summary Judgment is signed under the penalties of perjury on March 27, 2014.

\*\*Huffyy M Lemma\*\*

Gregory M. Kennan

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
Connect America Fund	)	WC Docket No. 10-90
A National Broadband Plan for Our Future	)	GN Docket No. 09-51
Establishing Just and Reasonable Rules for Local Exchange Carriers	3	WC Docket No. 07-135
High-Cost Universal Service Support	3	WC Docket No. 05-337
Developing an Unified Intercarrier	)	CC Docket No. 01-92
Compensation Regime	}	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
Lifeline and Link-Up	)	WC Docket No. 03-109

## COMMENTS OF COMCAST CORPORATION

Kathryn A. Zachem Mary P. McManus COMCAST CORPORATION 300 New Jersey Avenue, NW, Suite 700 Washington, DC 20001 (202) 379-7134 (202) 379-7141

Brian A. Rankin Andrew D. Fisher COMCAST CABLE COMMUNICATIONS, LLC One Comcast Center, 50th Floor Philadelphia, PA 19103 and termination functions in a provider's network would be subject to uniform rates, the proposed regime would eliminate the opportunity for one carrier to "game the system" by incorrectly classifying traffic. Moreover, the use of a short transition will move the industry promptly to more economically efficient transport and termination rates for all traffic, rather than prolonging the harmful, anti-competitive intercarrier compensation system over a longer period.

# B. The Commission Possesses Legal Authority to Undertake Intercarrier Compensation Reform

The Commission has the statutory authority to establish uniform intercarrier compensation rules for all classes of telecommunications traffic and adopt guidelines to interpret section 251(f)(2).

### 1. Section 251(b)(5)

The Commission correctly asserts that it has jurisdiction to adopt a uniform intercarrier compensation methodology for all telecommunications traffic, including intrastate, interstate, and wireless. <sup>16</sup> Congress drafted section 251(b)(5) expansively to apply to all compensation issues related to the transport and termination of "telecommunications," which the statute defines very broadly. <sup>17</sup> Moreover, section 251(b)(5) makes no distinctions among traffic on the basis of

The "reciprocal compensation" rates are generally lower than the access charges that apply to most toll traffic today.

NPRM ¶¶ 509-522. Comcast also agrees with the Commission's conclusion with respect to wireless traffic that it "plainly [has] authority under sections 201 and 332 to regulate charges with respect to interstate traffic involving a wireless provider, as well as charges imposed by wireless providers regarding intrastate traffic." Id. ¶ 511.

<sup>&</sup>lt;sup>17</sup> 47 U.S.C. § 153(50).

jurisdiction (local, toll, intrastate, interstate) or service definition (e.g., exchange access, local exchange service, VoIP). 18

Section 201(b) of the Communications Act authorizes the Commission to "prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of this Act." As the Supreme Court has confirmed, the Commission's section 201(b) rulemaking authority extends to all provisions of the Communications Act, including those that encompass matters that fell within the exclusive jurisdiction of the states prior to the Telecommunications Act of 1996. The Commission thus may adopt rules implementing section 251(b)(5) with respect to all traffic within the scope of that provision, including interstate and intrastate telecommunications. The Commission should use that authority to implement Comcast's

See, e.g., 2008 FNPRM ¶ 15 (explaining that the "broad language of section 251(b)(5)... supports our view that the transport and termination of all telecommunications traffic exchanged with LECs is subject to the reciprocal compensation regime in sections 251(b)(5) and 252(d)(2)"); id. ¶ 7 (finding that "section 251(b)(5) is not limited to local traffic"); Universal Service Contribution Methodology, Report and Order and Notice of Proposed Rulemaking, 21 FCC Rcd 7518, ¶¶ 39-41 (2006) (finding that interconnected VoIP traffic is "telecommunications" traffic, regardless of whether interconnected VoIP service is classified as a telecommunications service or an information service).

<sup>&</sup>lt;sup>19</sup> 47 U.S.C. § 201(b).

<sup>&</sup>lt;sup>20</sup> AT&T Corp. v. Iowa Utils. Bd., 525 U.S. 366, 377-86 (1999).

As the Commission previously has found, section 251(b)(5) applies not just to the exchange of traffic between two LECs, but more broadly to the exchange of any traffic involving a LEC at one end. Local Competition Provisions in the Telecommunications Act of 1996; Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers, First Report and Order, 11 FCC Rcd 15499, ¶ 1041 (1996) ("Although section 251(b)(5) does not explicitly state to whom the LEC's obligation runs, we find that LECs have a duty to establish reciprocal compensation arrangements with respect to local traffic originated by or terminating to any telecommunications carriers.") (emphasis added). In other words, "although the obligation to establish reciprocal compensation arrangements for the transport and termination of telecommunications falls on LECs, Congress did not limit to other LECs the class of potential beneficiaries of that obligation." Comments of the Intercarrier Compensation Forum, CC Docket No. 01-92, at 40 (May 23, 2005).

Investigation by the Department on its Own Motion to Determine whether an Agreement entered into by Verizon New England Inc., d/b/a Verizon Massachusetts is an Interconnection Agreement under 47 U.S.C. § 251 Requiring the Agreement to be filed with the Department for Approval in Accordance with 47 U.S.C. § 252

DTC 13-6

## COMCAST'S RESPONSE TO COMPETITIVE CARRIERS' FIRST SET OF INFORMATION REQUESTS TO COMCAST

Pursuant to M.G.L. c. 30A, 220 C.M.R. §§ 1.00 *et seq.* and the November 29, 2013 Procedural Schedule and Notice for the above-referenced matter, Comcast Phone of Massachusetts, Inc. hereby responds and objects to the Competitive Carriers' First Set of Information Requests to Comcast (the "Requests") as follows:

#### PRELIMINARY STATEMENT

The entity responding to these requests is Comcast Phone of Massachusetts, Inc. ("Comcast"). Comcast's affiliate, Comcast IP Phone II, LLC ("Comcast IP"), offers retail interconnected voice over internet protocol ("VoIP") services not subject to regulation by the Department of Telecommunications and Cable ("Department") pursuant to M.G.L. c. 25C, § 6A.

Comcast's Response to Competitive Carriers' First Set of Information Requests to Comcast D.T.C. Docket No. 13-6

## <u>Information Request 1</u>

Please identify each Comcast affiliate involved in the provision of Comcast phone service in Massachusetts, including any affiliate responsible for the retail service provided to the end-user, carrier access service, the acquisition of phone numbers, and the receipt/payment of reciprocal compensation.

## Response to Information Request 1

Comcast objects to this Request on the grounds that it is not reasonably calculated to lead to the discovery of admissible evidence and that the phrase "phone service" is vague and ambiguous. Comcast further objects to this Request to the extent "phone services" is intended to refer to retail interconnected VoIP service provided by Comcast's affiliate on the grounds that the affiliate is not subject to this Request nor to regulation by the Department pursuant to M.G.L. c. 25C, § 6A.

Notwithstanding and without waiving the foregoing objections, Comcast states that it has on file a statement of business registration with the Department as a CLEC and obtains phone numbers for the North American Numbering Plan Administration (NANPA) and is responsible for intercarrier compensation traversing its network for calls originating from or terminating to those numbers. Comcast further states that Comcast's affiliate, Comcast IP offers retail interconnected VoIP service under the name XFINITY Voice to residential customers and Comcast Business to business customers and is responsible for any compensation for traffic exchanged with a third party via a direct IP interconnection.

Person who will support response: Robert Munoz, Senior Director - Regulatory Affairs



# Before the FEDERAL COMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
Petition for Declaratory Ruling Whether	)	WC Docket No. 08-56
Voice over Internet Protocol Services	)	
Are Entitled to the Interconnection Rights of	)	
Telecommunications Carriers	)	

#### COMMENTS OF COMCAST CORPORATION

A. Richard Metzger, Jr.
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Attorneys for Comcast Corporation

Brian A. Rankin Andrew Fisher COMCAST CABLE COMMUNICATIONS, LLC One Comcast Center, 50<sup>th</sup> Floor Philadelphia, PA 19103

Dated: May 19, 2008

#### I. INTRODUCTION AND SUMMARY

The underlying factual premise of VTel's claim is demonstrably false. VTel's statements notwithstanding, the entity seeking interconnection with VTel is not a provider of retail Voice over Internet Protocol ("VoIP") services. The Comcast entity that seeks to interconnect with VTel is a wholesale "telecommunications carrier," and VTel has a statutory obligation to interconnect with that carrier so that it can provide telecommunications services in Vermont. That should end the matter. Specifically, the Vermont Public Service Board ("PSB") in 2006 issued a Certificate of Public Good ("CPG") to Comcast Phone of Vermont, LLC ("Comcast Phone"), authorizing Comcast Phone to provide "telecommunications services" within the state.<sup>3</sup> Pursuant to this authority, Comcast Phone furnishes wholesale telecommunications services, including underlying transport, interconnection with the public switched network ("PSTN"), access to emergency services, exchange access, and numbering resources to Comcast IP Phone II, LLC ("Comcast Digital Voice"). The latter is a wholly owned affiliate of Comcast that offers retail interconnected VoIP services to end user residential and business customers in the state of Vermont. Under Vermont's regulatory requirements, Comcast Phone is also obligated to offer comparable wholesale

Petition of Comcast Phone of Vermont, LLC for a certificate of public good to operate as a provider of telecommunications services in Vermont, Certificate of Public Good Issued Pursuant to 30 V.S.A. Section 231, CPG No. 834-CR (Aug. 24, 2006) (certifying Comcast Phone for "the provision of telecommunications service, including service to the local exchange" and subjecting Comcast Phone to "the obligations of telecommunications carriers in Vermont," id. at 1); Petition of Comcast Phone of Vermont, LLC for a certificate of public good to operate as a provider of telecommunications services in Vermont, including service to the local exchange, Order, CPG No. 834-CR (Aug. 24, 2006) (issuing Certificate of Public Good for Comcast Phone to operate "as a telecommunications carrier within the state," id. at 1) (collectively attached hereto as Exhibit 1).



Investigation by the Department on its Own Motion to
Determine whether an Agreement entered into by Verizon
New England Inc., d/b/a Verizon Massachusetts is an
Interconnection Agreement under 47 U.S.C. § 251
Requiring the Agreement to be filed with the Department
for Approval in Accordance with 47 U.S.C. § 252

D.T.C. 13-6

### REPLY OF VERIZON MA IN SUPPORT OF MOTION FOR ABEYANCE

The Department should grant Verizon MA's Motion for Abeyance. The CLECs argue that the Department should move forward with this investigation now because the three contract documents Verizon MA has submitted to the Department – without more – purportedly provide all the information the Department needs to find in their favor. The CLECs' arguments, however, misinterpret the terms of the documents and unduly minimize the importance of the technical terms of the parties' arrangements for exchanging traffic in IP format.

1. The multi-state VoIP Traffic Exchange Agreement does not affect, amend or impose a § 251interconnection obligation in Massachusetts.

The Competitive Carriers would have the Department dispense with this entire investigation and find, on Verizon MA's motion to hold the case in abeyance, that the provisions of the TEA regarding VoIP traffic exchanged in TDM format impose an ongoing obligation relating to § 251 and therefore require Department approval of the agreement. Specifically, they assert that [\*\*\* Begin Proprietary \*\*\*]

[\*\*\* End Proprietary \*\*\*] See CC Opposition at 6-8.

This is a merits-based argument, and Verizon MA has not had an opportunity to present testimony, other evidence or argument on these issues (aside from arguments herein, should the Department grant leave for Verizon MA to file this Reply). Moreover, the Competitive Carriers are wrong on the merits. [\*\*\* Begin Proprietary \*\*\*]

[\*\*\* Begin Highly Sensitive Proprietary \*\*\*]

" [\*\*\* End Highly Sensitive Proprietary \*\*\*]

Also premature and without merit is the Competitive Carriers' claim that the agreement at issue must be filed for Department approval because the provisions regarding the exchange of VoIP traffic in IP format relate to interconnection under § 251(c)(2). See CC Opposition at 8. See also Sprint Opposition, at 6-7. Verizon MA will demonstrate in this investigation that §§ 251 and 252 apply only to telecommunications services, not to VoIP service exchanged in IP

format, which is an information service. Consequently, the agreement is not subject to state commission approval.

2. The specific terms and conditions under which the parties agree to exchange VoIP traffic in IP format, as stated in an eventual written agreement, are important in understanding why the agreement is not subject to § 251.

The CLECs are eager for the Department to tread lightly in this investigation and not delve into the facts. Sprint, for example, argues that all the Department needs to know in this case is that Verizon MA has entered into an ongoing agreement under which it is exchanging VoIP traffic in IP format. *See* Sprint Opposition at 6. It also claims that, "[w]hether all business and operational terms have been agreed to is relevant only if their absence prevents on 'ongoing obligation' from being found. *Id.* at 5. But that is wrong, for the reasons explained above. The business and operational terms on which VoIP traffic is exchanged in IP format are relevant in determining that the agreement is not subject to § 251.

Likewise, the Competitive Carriers ask the Department to move forward and review the agreement at issue even though all but its most fundamental terms [\*\*\* Begin Proprietary \*\*\*]

\*\*\*] remain in development, on the grounds that ICAs for telecommunications services are often submitted for Department approval even while "numerous technical aspects of interconnection"

[\*\*\* End Proprietary

remain open. See CC Opposition at 10. In those situations, however, the contracting parties

generally do not intend to include those technical terms in the agreement itself. In addition, the

"technical aspects" of the flow and processing of VoIP traffic as it is exchanged between

networks in IP format pursuant to the operational terms of the agreement help explain how and why the agreement is not subject to § 251. Terms the parties may agree to regarding codecs and

See e.g., Verizon Comments (Feb. 24, 2012) and Reply Comments (Mar. 30, 2012) regarding the Further Notice of Proposed Rulemaking, *Connect America Fund*, WC Docket No. 10-90, et al.

transcoding obligations, for example, help demonstrate generally the capability of VOIP to transform information.

Finally, Sprint's argument that state commissions have found oral agreements to constitute ICAs subject to § 252 review and approval, *see* Sprint Opposition at 5, misses Verizon MA's point, which is that trying to identify and determine any oral terms and conditions in this instance, while possible, would require substantial resources, and that such effort will be mooted (and wasted) once the parties sign a written agreement stating the terms of their agreement.

For these reasons, Verizon MA urges the Department to place this investigation in abeyance on the terms stated in the Motion.

Respectfully submitted,

VERIZON NEW ENGLAND INC.

mx Moore

By its attorney,

Alexander W. Moore

125 High Street

Oliver Street Tower, 7<sup>th</sup> Floor

Boston, MA 02110 (617) 743-2265

Dated: September 11, 2013





125 High Street Oliver Street Tower – 7<sup>th</sup> Floor Boston, MA 02110-1585

Phone 617 743-2265 Fax 617 737-0648 alexander.w.moore@verizon.com

November 26, 2013

Catrice Williams, Secretary Department of Telecommunications & Cable 1000 Washington Street – Suite 820 Boston, MA 02118

Re: D.T.C. 13-6 – Agreement of Verizon New England Inc.

Dear Secretary Williams:

I write in brief response to the substantive arguments made in the Competitive Carriers' Scheduling Proposal dated November 22, 2013.

The CLECs are wrong in asserting that "no further factual development is needed" in this proceeding because the Verizon/Comcast agreement allegedly "contains numerous obligations and provisions relating to § 251 (b) or (c) that make it an interconnection agreement subject to § 252." Competitive Carriers' Scheduling Proposal, at 5. The CLECs ignore that § 251(b) and (c) apply only to telecommunications services – not to VoIP service, which is an information service - and that therefore the filing requirements of § 252 do not apply to the agreement. See Reply of Verizon MA In Support of Motion For Abeyance, at 2-3. Accordingly, the Department should provide for – and Verizon MA is entitled under G.L. c. 30A, § 11, to offer – testimony and other evidence showing that VoIP is an information service, for example that it offers customers a suite of integrated capabilities and features that allow them to "generate, acquire, store, transform, process, retrieve, utilize, or make available information via telecommunications" or that it offers the capability to perform a net protocol conversion.<sup>2</sup> The Department should also seek and Verizon MA must be allowed to offer evidence on related matters such as, for example,

<sup>47</sup> U.S.C. § 153(24).

See Southwestern Bell Tel. L.P. v. Missouri Pub. Serv. Comm'n, 461 F. Supp. 2d 1055, 1081-1082 (E.D. Mo. 2006).

Catrice Williams, Secretary November 26, 2013 Page 2

how a proper application of the facts to the law here results in good policy, by encouraging more parties to enter into agreements to exchange VoIP traffic in IP and thereby further the overall transition to IP-enabled services.

The Proposed Schedule that Verizon MA, Sprint and Comcast submitted allows for the presentation of evidence and argument on all issues raised by this investigation, without prejudice to any party. The Department should adopt that proposal.

Very truly yours,

Alexander W. Moore

an Moone

cc: Service List



#### **Commonwealth of Massachusetts**

#### D.T.C. Docket No. 13-6

**Respondent:** Eugene J. Spinelli

**Title:** Manager – Corporate

Technology

**REQUEST:** Competitive Carriers to Verizon, Set #1

**DATED:** December 20, 2013

**ITEM**: CC-VZ 1-16

At the present time, can customers of Verizon's VoIP services make voice calls to customers of Comcast's VoIP services:

a. within the same local calling area in Massachusetts;

b. within the same the same LATA but between different local calling areas in Massachusetts;

c. in a different LATA?

#### **Commonwealth of Massachusetts**

#### **D.T.C. Docket No. 13-6**

**Respondent:** Eugene J. Spinelli

**Title:** Manager – Corporate

Technology

**REQUEST:** Competitive Carriers to Verizon, Set #1

**DATED:** December 20, 2013

**ITEM**: CC-VZ 1-18

At the present time, can customers of Verizon's non-VoIP services make voice calls to customers of Comcast's VoIP services:

- a. within the same local calling area in Massachusetts;
- b. within the same the same LATA but between different local calling areas in Massachusetts;
- c. in a different LATA?

#### **Commonwealth of Massachusetts**

#### D.T.C. Docket No. 13-6

Respondent: Eugene J. Spinelli

**Title:** Manager – Corporate

Technology

**REQUEST:** Competitive Carriers to Verizon, Set #1

**DATED:** December 20, 2013

**ITEM**: CC-VZ 1-20

At the present time, can customers of Comcast's VoIP services make voice calls to customers of Verizon's VoIP services:

- a. within the same local calling area in Massachusetts;
- b. within the same the same LATA but between different local calling areas in Massachusetts;
- c. in a different LATA?

#### **Commonwealth of Massachusetts**

#### **D.T.C. Docket No. 13-6**

Respondent: Eugene J. Spinelli

**Title:** Manager – Corporate

Technology

**REQUEST:** Competitive Carriers to Verizon, Set #1

**DATED:** December 20, 2013

**ITEM**: CC-VZ 1-22

At the present time, can customers of Comcast's VoIP services make voice calls to customers of Verizon's non-VoIP services:

a. within the same local calling area in Massachusetts;

b. within the same the same LATA but between different local calling areas in Massachusetts;

c. in a different LATA?

Investigation by the Department on its Own Motion
to Determine whether an Agreement entered into by
Verizon New England Inc., d/b/a Verizon
Massachusetts is an Interconnection Agreement under
47 U.S.C. § 251 Requiring the Agreement to be filed
with the Department for Approval in Accordance
with 47 U.S.C. § 252

#### DIRECT TESTIMONY OF

EUGENE J. SPINELLI, SHERRI D. SCHLABS AND PAUL B. VASINGTON ON BEHALF OF VERIZON NEW ENGLAND INC.

January 15, 2014

1 2	Q.	HOW HAVE COMPANIES INTERCONNECTED TO EXCHANGE VOICE TRAFFIC ON THE PUBLIC SWITCHED TELEPHONE NETWORK?
3	A.	Historically, because the PSTN is circuit-switched, companies interconnected and
4		exchanged traffic with one another in TDM format.
5	Q:	CAN EXISTING TDM INTERCONNECTIONS SUPPORT VOIP?
6	A.	Yes. And they do. Companies today successfully exchange VoIP traffic through those
7		existing PSTN interconnection arrangements in TDM format. Thanks to those existing
8		arrangements, VoIP services have flourished, growing at an incredible rate.
9		VoIP-PSTN traffic must be converted to TDM at some point in order to complete
10		the call. Currently, the VoIP provider is responsible for performing that conversion, and
11		may do so itself or by contracting with one of the many companies in the marketplace
12		offering IP-to-TDM conversion services. This conversion is necessary regardless of
13		whether the VoIP provider is an ILEC, a CLEC, a cable company, a wireless broadband
14		provider, or a company like Vonage, Skype, or Google.
15	Q:	WHAT ARE SOME OF THE DIFFERENCES BETWEEN CIRCUIT-SWITCHED
16		INTERCONNECTIONS AND INTERCONNECTIONS IN IP FORMAT?
17	A.	The ways in which IP networks route data packets allow for far more efficient
18		interconnection of IP networks than interconnection of circuit-switched networks that are
19		routing traffic over dedicated pathways in TDM format. For example, CLECs and
20		CMRS providers interconnect with ILECs at one POI per LATA, at a minimum, to
21		exchange PSTN traffic between their respective customers. Each LATA where the
22		carriers have customers requires at least one TDM interconnection arrangement and one

POI. (Massachusetts has two LATAs – one encompassing the 413 area code, and the other the rest of the state.) Where the carriers have substantial traffic volumes, it is not uncommon to have dozens of connections to circuit switches (both tandems and end offices) in a single LATA. With nearly 200 separate LATAs, interconnecting carriers operating in multiple jurisdictions may have hundreds of POIs and thousands of connections in their TDM interconnection arrangements across the country. In addition, an intermediate carrier, commonly an interexchange carrier (IXC), is often used to carry traffic between LATAs.

In contrast, VoIP service providers can exchange all domestic traffic across the country in IP format pursuant to a single IP interconnection arrangement and over a limited number of mutually-agreed-upon interconnection points. Verizon and Comcast, for example, have interconnected in IP format at \*\*\* Begin Confidential \*\*\*

\*\*\* End Confidential \*\*\* The use of IP

routing enables Verizon and Comcast efficiently to route calls between customers in Massachusetts through these distant interconnection points, because the routers and transmission pathways involved are not dedicated to that (or any) particular call, and the routers can intelligently process large volumes of traffic at high speed on to many different destinations. Only a few such interconnection points, moreover, are needed to provide the level of redundancy needed to ensure a high level of service quality.

# Q. GIVEN THESE EFFICIENCIES, PLEASE DISCUSS VERIZON'S INCENTIVES TO INTERCONNECT IN IP FOR VOIP TRAFFIC.

Verizon has significant business incentives to pursue IP interconnection for VoIP traffic, and its actions confirm those incentives. For the growing volume of traffic that both originates and terminates in VoIP, IP interconnection allows Verizon and other service providers to avoid the needless expense of converting VoIP-originated traffic to TDM format solely to exchange it with another provider that will then have to convert the traffic back to IP to deliver it to its VoIP customer on the terminating end. In addition, it is more efficient for Verizon to transport the data packets that comprise a VoIP call over whichever pathways between IP routers are most efficient as the call progresses than it is to dedicate a physical connection to carry a POTS call between the caller and the called party, over a series of end-office and tandem switches dedicated solely to voice traffic. and to maintain that same connection for the duration of the call. And as noted above, IP interconnection enables providers (including Verizon) to reduce the number of interconnection points they need to maintain from hundreds to a mere handful. It makes business sense for VoIP providers – Verizon included – to pursue IP interconnection arrangements, especially where traffic is IP on both ends and both parties have maximum incentive to interconnect and exchange traffic in IP format. As more customers move to Verizon's FiOS Digital Voice VoIP service, Verizon's market-based incentives to enter into IP interconnection arrangements for VoIP traffic will continue to grow.

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A.



Investigation by the Department on its Own Motion
to Determine whether an Agreement entered into by
Verizon New England Inc., d/b/a Verizon
Massachusetts is an Interconnection Agreement under
47 U.S.C. § 251 Requiring the Agreement to be filed
with the Department for Approval in Accordance
with 47 U.S.C. § 252

#### DIRECT TESTIMONY OF

EUGENE J. SPINELLI, SHERRI D. SCHLABS AND PAUL B. VASINGTON ON BEHALF OF VERIZON NEW ENGLAND INC.

January 15, 2014

1	Q.	HOW IS A CALL THAT IS ORIGINATED BY A VERIZON FIOS DIGITAL
2		VOICE CUSTOMER EXCHANGED WITH COMCAST IN IP FORMAT?
3	A.	Essentially in the way described above, but in reverse. *** Begin Confidential ***
4		
5	Q.	
6		
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8		
9		
10	A.	
11		
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17		*** End Confidential *** *** Begin Highly Sensitive
18		Confidential ***
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  - o Contributions Database
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  - o Editorial Guide
  - o Telecom Glossary
  - o XML Reference
- Legal & Public Policy
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**ATIS ATIS** 

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• PRIVACY POLICY

### Before the Federal Communications Commission Washington, DC 20554

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

### COMMENTS OF THE ALLIANCE FOR TELECOMMUNICATIONS INDUSTRY SOLUTIONS

Thomas Goode General Counsel ATIS 1200 G Street, NW Suite 500 Washington, DC 20005 (202) 628-6382

## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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

### COMMENTS OF THE ALLIANCE FOR TELECOMMUNICATIONS INDUSTRY SOLUTIONS

The Alliance for Telecommunications Industry Solutions (ATIS) submits these comments in response to the Commission's May 24, 2013, *Public Notice* seeking comment on possible trials relating to the on-going transitions from copper to fiber, wireline to wireless, and time-division multiplexing (TDM) to Internet Protocol (IP) technologies. Among the issues on which input is sought is how to structure trials to help identify the need and scope for technical or industry standards for the exchange of voice traffic in IP formats, particularly in the areas such as signaling, media format, non-voice media, fault location, fail-over, and Quality of Service (QoS) measurements. As a leading developer of technical and operational standards for the communications industry and the North American Organizational Partner in the 3rd Generation Partnership Project (3GPP), ATIS has developed a significant number of standards related to the transition of wireline and wireless networks to new and evolving technologies. This work includes voice over IP (VoIP) interconnection and next generation 9-1-1 (NG9-1-1) emergency communications, QoS, and North American Numbering Plan (NANP) numbering. ATIS urges

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<sup>&</sup>lt;sup>1</sup> Public Notice at p. 5.

#### II. INPUT TO THE PUBLIC NOTICE

As noted above, the Commission in its *Public Notice* seeks comment regarding how to structure the proposed trials to help identify whether industry standards or standard profiles are needed.<sup>2</sup> ATIS strongly believes that, in order to identify any gaps in the standards ecosystem, the trial participants must be familiar with existing industry standards. In order to provide input on the need for new standards, there must be an understanding of the significant work that has been accomplished and is underway by the ICT community. As explained below, numerous ATIS industry-supported standards and technical reports address important issues related to the transition from legacy systems to new and emerging wireline and wireless networks. These standards go beyond basic interconnection to ensure that key network functions are retained as new functions and services are deployed. ATIS recommends that the Commission urge trial participants to consider the industry technical and operational standards referenced below when constructing their trials.<sup>3</sup> ATIS believes that compliance with voluntary industry standards will help promote seamless interconnection and interoperability with existing networks and services, and ensure that consumers' expectations are satisfied.

### A. VoIP Interconnection

ATIS has a robust set of work programs aimed at ensuring the seamless and reliable transition from legacy to next generation technologies, including VoIP. ATIS PTSC, for example, has published a number of standards in support of transitioning from circuit-switched to packet-switched (i.e., IP) technologies. Among these are standards focused on the interconnection of VoIP networks, including *IP Network-to-Network Interface (NNI) Standard* 

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<sup>2</sup> *Public Notice* at p. 5.

<sup>&</sup>lt;sup>3</sup> ATIS' standards and technical reports, including those referenced in these comments, are publically available from the ATIS Document Center at: <a href="http://www.atis.org/docstore/default.aspx">http://www.atis.org/docstore/default.aspx</a>. While fees are charged to recover the costs of some documents, other documents, such as the industry standards developed by INC, are made available free of charge.

for VoIP (ATIS-1000009). This standard addresses the IP NNI for VoIP between carriers, as well as the need for a standard interface as telecommunications networks migrate the NNI from TDM circuit-switched to IP systems. It supports VoIP by defining: (1) interconnection architecture; (2) Session Initiation Protocol (SIP) call/session control signaling; (3) signaling and media transport; (4) QoS; (5) association between call control and media control; and (6) mandatory SIP uniform resource identifiers (URI) to be supported. Other VoIP interconnection standards developed by PTSC include:

- Session Border Controller Functions and Requirements (ATIS-1000026.2008(R2013)), which define the Session Border Controller (SBC) functions and requirements that reside within a service provider's network, including operation, administration, maintenance, and provisioning (OAM&P) requirements.
- Technical Parameters for IP Network to Network Interconnection Release 1.0 (ATIS-1000038), which specify the "Interconnection Technical Parameters" that need to be collected and eventually exchanged between two service providers so that they can successfully interconnect IP-based facilities and VoIP services at an NNI.
- Testing Configuration for IP Network to Network Interconnection Release 1.0 (ATIS-1000039), which specifies the service under test configurations that shall be utilized in order to verify the settings (to support ingress and egress processing) of the network border elements for interoperability of a service between providers.
- Protocol Suite Profile for IP Network to Network Interconnection Release 1.0 (ATIS-1000040), which identifies a set of protocols and specifies their profile so that signaling, media, and network related parameters can be uniformly and consistently (as identified by the test scenarios defined in ATIS-1000041) utilized across the interconnection interface.
- Test Suites for IP Network to Network Interconnection Release 1.0 (ATIS-1000041), which specifies a set of call test scenarios involving SIP and other signaling messages which for various situations may be required to provide an expected reaction to an event or a sequence of events appropriate to the previously-signaled message. This "expected reaction" is based upon the protocol profile established in the messages that flow across the NNI.
- *IP Device (SIP UA) to Network Interface Standard* (ATIS-1000028.2008(R2013)), which supports SIP-based interconnection for VoIP between a carrier and the user. The SIP UNI specified in this document is applicable to individual SIP phones as well as to SIP private branch exchanges.

ATIS PTSC is also working to enhance the NNI to support multimedia services, and 3GPP/GSM Association specifications.



# **Local Telephone Competition: Status as of December 31, 2012**

Industry Analysis and Technology Division Wireline Competition Bureau November 2013



This report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, DC. Copies may be purchased by contacting Best Copy and Printing, Inc., 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone (800) 378-3160, or via their website at www.bcpiweb.com. The report can also be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at <a href="https://www.fcc.gov/wcb/stats">www.fcc.gov/wcb/stats</a>.

Table 17 Number of Reporting ILECs, Non-ILECs, and VoIP Providers by State as of December 31, 2012

	as of December 31, 2012									
State	ILECs	Non-ILECs	Total <sup>1</sup>	VoIP Providers <sup>2</sup>						
Alabama	20	130	143	105						
Alaska	17	25	41	25						
American Samoa	1	0	1	0						
Arizona	15	128	139	112						
Arkansas	20	94	110	76						
California	15	185	196	157						
Colorado	26	146	169	121						
Connecticut	2	108	108	93						
Delaware	1	86	87	72						
District of Columbia	1	90	91	73						
Florida	10	216	221	168						
Georgia	27	180	197	141						
Guam	1	6	7	5						
Hawaii	2	45	46	41						
Idaho	18	85	97	72						
Illinois	44	186	219	144						
Indiana	29	137	157	105						
Iowa	134	130	235	82						
Kansas	39	120	145	95						
Kentucky	17	134	143	106						
Louisiana	10	114	118	89						
Maine	7	71	75	56						
Maryland	2	146	146	119						
Massachusetts	4	133	134	109						
Michigan	25	138	154	110						
Minnesota	47	131	163	100						
Mississippi	13	103	110	81						
Missouri	31	125	148	98						
Montana	17	73	83	57						
Nebraska	30	89	111	67						
Nevada	12	103	113	92						
New Hampshire	6	90	96	75						
New Jersey	3	151	151	125						
New Mexico	16	91	100	72						
New York	26	171	185	141						
North Carolina	19	155	165	122						
North Dakota	23	64	80	44						
Northern Mariana Isl	1	0	1	0						
Ohio	33	156	179	124						
Oklahoma	38	102	135	77						
Oregon	23	120	139	98						
Pennsylvania	22	170	183	143						
Puerto Rico	1	19	19	17						
Rhode Island	1	77	78	60						
South Carolina	17	128	134	97						
South Dakota	29	63	83	49						
Tennessee	18	140	153	111						
Texas	51	214	247	158						
Utah	13	95	105	80						
Vermont	7	69	75	59						
Virgin Islands	1	4	5	4						
Virginia	15	141	150	118						
Washington	16	143	155	124						
West Virginia	6	89	92	78						
Wisconsin	40	138	162	102						
Wyoming	9	77	81	61						
Nationwide	753	913	1,442	591						
		,	-, · ·-							

<sup>&</sup>lt;sup>1</sup> Providers that report both ILEC and non-ILEC operations in a state are counted once in the ILECs column and once in the Non-ILECs column and once in the Total column for that state. Either type of operations might report interconnected VoIP subscribers.

<sup>&</sup>lt;sup>2</sup> The providers reporting interconnected VoIP subscribers in a state are a subset of the ILECs and non-ILECs in that state.





April 1, 2013

### Ex Parte Notice

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

> Re: Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337; AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition; Petition of the National Telecommunications Cooperative Association for a Rulemaking to Promote and Sustain the Ongoing TDM-to-IP Evolution, GN Docket No. 12-353; Technology Transitions Policy Task Force, GN Docket No. 13-5; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92; Petitions for Waiver of Commission's Rules Regarding Access to Numbering Resources, CC Docket 99-200

#### Dear Ms. Dortch:

On March 28, 2013, the undersigned and Joshua Seidemann, Director of Policy, met on behalf of NTCA-The Rural Broadband Association ("NTCA") with the following members of the Technology Transitions Task Force of the Federal Communications Commission (the "Commission"): Sean Lev, General Counsel, Tejas Narechania, and Marcus Maher of the Office of General Counsel; Carol Mattey, Lisa Gelb, and John Visclosky of the Wireline Competition Bureau; Patrick Halley of the Office of Legislative Affairs; Al Lewis of the International Bureau; and Steve Wildman and Henning Schulzrinne of the Office of Strategic Policy. John McHugh, Technical Advisor to NTCA, participated in the meeting via telephone.

NTCA explained that its petition to promote and sustain the ongoing TDM-to-IP evolution proceeds from the premise that the Commission and state regulators have important roles to play in the establishment and enforcement of regulatory frameworks that govern IP-enabled networks and essential communications services provided atop them. NTCA emphasized that technological innovation and evolution should certainly inform regulatory constructs, but that such changes neither, *ipso facto*, necessitate nor eliminate regulation. Rather, statutory principles – including those relating to consumer protection, competition, and universal service – must permeate policies to guide and foster evolving networks, regardless of underlying technological transition. NTCA clarified that this is not to say that regulations should be maintained in current form, but only that regulatory certainty and sound public policy require that any potential changes should be evaluated to determine how the core statutory objectives of the Communications Act of 1934 (the "Act") can be fulfilled in the face of shifting consumer preferences, technological developments, and dynamic market forces.

Marlene H. Dortch March 28, 2013 Page 2 of 4

Citing its 2012 Broadband/Internet Availability Survey Report (a copy of which was distributed in the meeting and is attached hereto), NTCA described the achievements of its members, who have in many respects led the IP evolution to date. Subject and pursuant to tailored regulatory incentives that date back at least a decade, NTCA members have deployed fiber deeper into their networks over time to respond to consumer demands for higher speeds and additional capacity, and have supplemented wired facilities with wireless offerings, including small cell technologies. Many have also deployed soft switches either to replace or supplement existing TDM Class 5 switches. NTCA explained that while its members have taken strong strides toward modernizing their networks, the "twin D's" of rural deployment, "dollars and distance," drive development decisions – and also present many of the challenges that require solving if the IP evolution is to take root and remain sustainable in rural areas. Moreover, while such challenges may remain constant, financial confidence and investment incentives are affected by regulatory changes. In this regard, NTCA revealed the findings of a January 2013 survey which revealed that 69 percent of member company respondents have postponed or cancelled deployment projects, with many providers citing regulatory uncertainty over the past eighteen months.

To address such uncertainty and to set broadband deployment in rural areas back on track, the Commission should confirm that statutory principles relating to consumer protection, competition, and universal service will be incorporated faithfully into IP-related policies, and then take several near-term steps as discussed below to manifest that position. Indeed, policies underlying universal service and the ability to connect to distant locations and users on economically rational bases remain paramount within the context of capital intensive networks, which in rural areas can demand 25 years or more before their costs are recovered. NTCA therefore encouraged the Commission to build upon the best of what has worked to date in deciding how to modernize critical regulatory constructs, rather than seeking to re-invent regulation from a blank slate or to discard it altogether. NTCA also urged the Commission to ensure that any potential "trial" in connection with a technology transition - whether such a trial implicates regulation (including, but not limited to, the award of telephone numbers to unregulated providers) or is merely a "technical trial" of some kind - is clearly articulated in scope, is subject to parameters that have specifically been made available for public review and comment prior to adoption, and is coordinated thoughtfully in advance with pre-defined longer-term policy and technical objectives associated with the technology transition. We also discussed how the pace of technological evolution will of course differ across different networks, and must ultimately be driven by consumer demand and the capability of operators to upgrade their networks rather than pursuant to regulatory fiat.

NTCA then highlighted two near-term ways in which the Commission could, consistent with the statutory framework that governs all communications, promote and sustain the ongoing technology evolution. First, NTCA observed that technical fixes to the Commission's long-standing "no barriers" policy are necessary to ensure that consumers in rural areas can obtain the affordable fixed broadband services that provide the essential foundation for other communications services, including over-the-top voice and wireless services. The Commission clearly grasped the need for such an evolution in its *Transformation Order*, indicating that universal service support would no longer be limited to the *sale* of plain-old telephone service, but rather would go toward the *offer* of "voice telephony service." Specifically, the Commission stated that "Section 254 grants . . . the authority to support not only voice telephony service but also the facilities over which it is offered," and that "the modified definition simply shifts to a technology neutral approach, allowing companies to provision voice service over any platform, including the PSTN and IP networks." *Connect* 

Marlene H. Dortch March 28, 2013 Page 3 of 4

America Fund, WC Docket No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Lifeline and Link-Up, WC Docket No. 03-109, Universal Service – Mobility Fund, WT Docket No. 10-208, Report and Order and FNPRM, 26 FCC Rcd. 17663, 17685 and 17692-93 (2011) ("Transformation Order"), at ¶ 64, 77-81.

In the wake of the *Transformation Order*, the Commission took steps to begin to implement this policy shift in areas served by larger carriers via the Connect America Fund. Unfortunately, this unmistakably clear, forward-looking vision in the text of the Commission's order did not carry through as a mechanical matter to the rules that govern distribution of universal service support for smaller carriers. This lingering limitation in the rules harms rural consumers in areas served by those smaller carriers, who unlike their neighbors in areas served by price cap-regulated carriers cannot take over-the-top voice service or "cut the cord" without fear of facing increased fixed broadband rates as universal service support for the loop that serves them is lost. Since even the most purportedly innovative over-the-top voice service cannot be offered without a robust underlying broadband connection, and since wireless broadband depends in significant part upon the soonestpossible access to a wireline network (in the form of a Wi-Fi connection or a cell tower with sufficient backhaul), this result defies consumer interests, flies in the face of the text of the Transformation Order, and undermines the Commission's clear desire to promote and sustain technology evolutions. In short, providing support for loops that are used to provide standalone broadband services would promote and accelerate the ongoing IP evolution, and it would finally provide the basis for a Connect America Fund that supports broadband-capable networks that enable advanced communications and enhanced consumer choice in *all* rural areas.

Second, NTCA continues to support a reasonable and well-defined regulatory backdrop for the terms and conditions by which carriers connect and exchange traffic between networks, even as those networks become increasingly IP-enabled. As an initial matter, with the Commission just having determined in the past 18 months that sections 251 and 252 of the Act confer jurisdiction over and permit it to set rates for the exchange of all traffic with local exchange carriers (including traffic traditionally classified as access traffic or intrastate in nature and VoIP traffic as well), see Transformation Order, at ¶¶ 760-762, 933, it logically and necessarily follows that interconnection between carriers for the exchange of all such traffic is governed by that statute. Clarifying that sections 251 and 252 apply to the exchange of traffic between carriers in any technological format would thus be consistent with the Commission's own reasoning in reforming intercarrier compensation. Such clarification would also promote certainty by incorporating a well-known, timetested regulatory backdrop and stimulate IP deployment by creating a level competitive playing field and minimizing opportunities for arbitrage. Finally, such clarification would help to serve the public interest; by contrast, the ongoing experience of rural call completion issues underscores the perils of insufficient oversight with respect to the transmission and exchange of traffic across multiple networks.

Marlene H. Dortch March 28, 2013 Page 4 of 4

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

/s/ Michael R. Romano Michael R. Romano Senior Vice President - Policy

### Enclosure

cc: Sean Lev

Tejas Narechania Marcus Maher Carol Mattey Lisa Gelb John Visclosky Patrick Halley Al Lewis Steve Wildman

Henning Schulzrinne Rebekah Goodheart