STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission to Examine Issues Related to the Transition to Intermodal Competition in the Provision of Telecommunications Services.	))))	Case No. 05-C-0616

<u>COMMENTS OF WILTEL COMMUNICATIONS, LLC</u>

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Dated: August 12, 2005

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WilTel Communications, LLC ("WilTel") submits these comments in response to the Order Initiating Proceeding and Inviting Comments issued June 29, 2005 (the "Order") issued by the New York State Public Service Commission ("Commission") in the docket referenced above. Technological advances, new ways of bundling services and industry consolidation are changing the telecommunications industry, and WilTel applauds the Commission for opening this timely investigation into the proper regulatory response to such changes. Prompt Commission action to adopt regulation to these changes will benefit New York citizens by rationalizing rates structures and allowing telecommunications companies to focus on competing for end user customers rather than seeking loopholes to arbitrage the complex regulatory structure currently in place.

Like the Commission, WilTel believes that regulation is needed where competition is weak or non-existent and not where true competition exists. Specifically, the Commission must prevent monopoly carriers from abusing that control to inhibit competition. For traffic terminating to the public switched telephone network ("PSTN") in New York, local exchange companies ("LECs") control monopoly access to New York's consumers and have both the ability and the incentive to act anticompetitively absent effective regulation to constrain the LECs. As the Commission considers changes to its regulatory oversight of the industry, it must maintain rules to ensure that LECs do not abuse this monopoly power. These rules must ensure that access charges are not used to subsidize LEC competitive services or otherwise to discriminate against "unfavored" providers.

Further, the Commission should take this opportunity to reform the outdated intrastate access charge regime by immediately reducing intrastate access charges to interstate levels. Currently, Verizon charges over 400% more to terminate an intrastate call on its local network than an interstate call[1] and over 2900% more than a local call (based on the FCC's ISP-bound default termination rate), even though it provides exactly the same service in each case. Equalizing intrastate and interstate access rates would mitigate LEC ability to use access revenues to subsidize competitive services while giving due consideration to Federal Communications Commission ("FCC") efforts to establish nationwide intercarrier compensation regime with unified, cost-based rates. It would also eliminate the arbitrary distinction between interstate and intrastate rate levels and thereby prevent innumerable intercarrier disputes based on call jurisdiction and end the wasteful and contentious regulatory arbitrage that distracts telecommunications companies from focusing their efforts on serving New York's retail customers. The result will be a vibrant telecommunications market that will meet the Commission's goal of ensuring the availability of telecommunications services to New York's consumers at just and reasonable rates.

[1] *See* Exhibit A. These amounts represent the weighted average of Verizon's tariffed termination access charges, based on the assumption that the customer routes 80% of its traffic directly to Verizon's end offices.

I. INTRODUCTION

WilTel provides domestic and international voice and data services, transporting on average almost 60 million minutes of traffic per month in New York.[2] WilTel owns a fully-scaled state-of-the-art national network and provides the capabilities and services that underlie some of the nation's largest retail voice businesses and recently began providing retail services itself. As an interexchange carrier ("IXC"), WilTel purchases switched access service from Verizon and other LECs, in order to originate and terminate intrastate and interstate toll telephone calls to customers in New York. In WilTel's case, as is true for other IXCs, charges for originating and terminating traffic to the PSTN comprise nearly 80% of the cost of providing service. To the extent that some carriers are permitted to arbitrage the system and evade such costs, or can obtain exclusive rates, terms and conditions from bottleneck service providers such as Verizon, they enjoy a determinative competitive advantage.

Of the many important issues on which the Commission seeks comment, therefore, application of switched access charges to IXC voice services affects WilTel the most. In this critical part of the New York telecommunications market, PSTN termination is in every respect a LEC-controlled monopoly to which there is no foreseeable end. These LECs have both the ability and the incentive to abuse their market power (e.g., by providing special treatment for those service providers that have something the LEC needs) if not constrained by regulation. Industry consolidation, particularly through the "mega-mergers" of Verizon and MCI and of SBC and AT&T, will only serve to sharpen this incentive and provide greater opportunity for the LEC to discriminate by placing even more market power in the hands of a

[2] This figure represents traffic originated from or terminated to end users in New York.

few. Such concentration, discrimination and abuse will undermine the Commission's goal of "ensuring the provision of quality telecommunications services at reasonable rates."[3]

For this reason, it is imperative that the Commission carefully regulate the control that LECs maintain over bottleneck access to New York's telecommunications users and reform the access charge system. Above-cost intrastate access charges subsidize LECs who are in direct competition with the IXCs that are paying the subsidy. Moreover, through regulatory arbitrage, service providers find ways to blur and take advantage of the regulatory distinctions governing origination and termination of voice services on the PSTN and thereby obtain competitive advantage. While the FCC is considering options for addressing these problems,[4] this Commission has the ability to protect New York's consumers today by reducing intrastate switched access charges and by ensuring that all service providers can terminate their intrastate voice traffic to the PSTN at equal and nondiscriminatory rates.

II. THE COMMISSION MUST PROTECT END USERS FROM LEC ABUSE OF MARKET POWER OVER PSTN TERMINATION

Universal termination of voice calls to all LEC customers is an essential component for a voice service provider – whether it be an IXC, CLEC, wireless carrier, paging company, or IP-enabled voice company. This fundamental and universal need for every type of service provider to terminate over a single LEC network to reach a customer distinguishes intercarrier compensation for access service from compensation for other forms of telecommunications service. Each type of provider may have specific circumstances and unique business plans that result in varying solutions tailored to their specific needs; however, for competing

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[3] Order at 2.

[4] *In the Matter of Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92.

carriers to drive efficiency and innovation, they all need the same PSTN access at non-discriminatory rates, terms and conditions.

While many different types of providers require the same PSTN access to an end user, only one company can provide this access to such end user. Despite any increased levels of competition in other areas of telecommunications, LECs still retain monopoly control over the PSTN connection to the end user customers, resulting in no competition in the market for switched access services in New York. Even if consumers have choices for their retail voice services, each customer's LEC has monopoly control over the *connection* to the customer, and other carriers require access to that customer. Under the current intercarrier compensation regime, WilTel must terminate its voice traffic through the customer's LEC. If WilTel does not like the rate it is paying Verizon for switched access services, WilTel cannot simply go to another provider for a better rate. This lack of available choices means that there is no competition that WilTel and other IXCs can leverage to ensure reasonable and nondiscriminatory access to the LEC's end user customer base. Thus, this is not a problem that can be solved simply by introducing multiple providers in a given local market. The well-recognized terminating LEC monopoly problem[5] provides LECs with complete and long-lasting control over switched access to the end user that the access customer cannot challenge by threatening to route traffic to a competing provider.

With this bottleneck control, the LEC has both the incentive and the ability to charge access customers unreasonable, above-cost rates to terminate traffic to the LEC's customers. Over and over again, LECs have demonstrated that, absent effective regulatory controls, they

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[5] *See, e.g., Access Charge Reform; Reform of Access Charges Imposed by Competitive Local Exchange Carriers*, CC Docket No. 96-262, *Eighth Report and Order and Fifth Order on Reconsideration*, 19 FCC Rcd 9108 (2004) ("*CLEC Access Charge Reform Order*").

will raise prices, engage in discrimination and in other respects seek to provide themselves with a competitive advantage. For example, before the FCC clarified that CLECs must charge the same access charges as ILECs, a number of CLECs raised their prices above those charged by regulated ILECs.[6] Consummation of the mega-mergers will only exacerbate this situation by providing a very compelling incentive for access giants to provide each other with reciprocal access at exclusive, mutually favorable rates while continuing to charge above-cost access rates to other access customers. By forcing competitors to subsidize its long distance services with above-cost access charges, the LEC will obtain an unfair competitive advantage against the very companies that are forced to pay the above-cost charges. Absent effective Commission action to restrain the exercise of market power, prices will rise and customer choice will be limited as the larger LECs squeeze competition and strengthen their control over crucial services.

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[6] *See Access Charge Reform; Reform of Access Charges Imposed by Competitive Local Exchange Carriers*, CC Docket No. 96-262, Seventh Report and Order and Further Notice of Proposed Rulemaking, 16 FCC Rcd 9923 (2001). The FCC found that "there is ample evidence that the combination of the market's failure to constrain CLEC access rates, our geographic rate averaging rules for IXCs, the absence of effective limits on CLEC rates and the tariff system create an arbitrage opportunity for CLECs to charge unreasonable access rates. Thus, we conclude that some action is necessary to prevent CLECs from exploiting the market power in the rates that they tariff for switched access services." *Id.* at 9936, para. 34 (citations omitted).

In New York, Verizon has shown a willingness to fashion agreements that benefit a "favored" party to the exclusion of others when it would benefit Verizon. *See, In the Matter of the Joint Application of Verizon New York Inc., and Level 3 Communications, LLC, for Approval of Amendment to an Interconnection Agreement Pursuant to Section 252 of The Communications Act of 1996,* Objection of WilTel Communications, LLC and WilTel Local Network, LLC to Joint Application, Case No. 01-C-0148.

III. COMMISSION SHOULD MODIFY ITS RULES TO REDUCE INCENTIVES FOR ANTICOMPETITIVE CONDUCT AND REGULATORY ARBITRAGE BY TYING INTRASTATE ACCESS RATES TO INTERSTATE LEVELS

The Commission must recognize marketplace reality and maintain regulation as necessary to ensure that LECs do not abuse their market power.[7] Existing regulation takes the form of Commission control over LEC switched access services. By all accounts, these charges exceed interstate access rates by as much as 400%,[8] not to mention the actual cost of providing the service. Ideally, the Commission would require LECs to reduce their access charges to a level commensurate with long run incremental costs. This step would align access charges with the costs that LECs actually pay themselves when providing competitive end-to-end services and therefore address concerns that LECs subsidize such competitive services with above-cost access revenues.

Although WilTel would welcome such alignment, doing so in the absence of interstate access reform could provide carriers with an incentive to mischaracterize traffic based on origination point to obtain the lowest rate. Of course, this problem exists today, with carriers mischaracterizing intrastate traffic as interstate or local to obtain the lower interstate or local rate. Carriers spend countless sums of money and waste considerable resources seeking to take advantage of and defending against these activities, engaging in disputes and litigation and needlessly tracking and jurisdictionalizing traffic while spending insufficient time focused on customers. The FCC is considering options to establish a unified rate applicable

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[7] WilTel commends the Commission for its enforcement efforts which are so vital to maintaining a competitive market. WilTel urges the Commission, however, to take an even more aggressive stance in ensuring that the monopoly control of the voice termination market does not result in discriminatory behavior by the controlling LECs.
[8] *See* Exhibit A.

to all traffic – interstate, intrastate, local, wireless, VoIP – requiring PSTN termination, to address this problem of regulatory arbitrage.

The Commission should take this opportunity to address both above-cost intrastate access rates and regulatory arbitrage. Considering the FCC's pending action to develop a unified intercarrier compensation rate, WilTel proposes that the Commission take an important step toward meeting these goals by reducing above-cost intrastate access rates to interstate levels and providing for reductions as the interstate levels are reduced. This interim step would enhance the welfare of New York telecommunications users while giving the FCC a chance to establish a nationwide rule addressing unification of local and access rates and LEC recovery (if any) of lost access revenues through federal mechanisms.

A. The Current Intercarrier Compensation System is Discriminatory and Encourages Regulatory Arbitrage

In the monopoly PSTN voice termination market, service providers blur and take advantage of the regulatory distinctions present under the existing intercarrier compensation regime. In New York, there are vastly disparate rates for the same service depending upon how the traffic is labeled (*e.g.*, intrastate or interstate long distance). This disparity encourages some companies to seek artificial advantages by misclassifying their traffic in order to obtain a better rate. The result is discrimination in the rates that are paid to LECs by different providers for the same termination service. The Commission must act to immediately address this problem of regulatory distinctions.[9] By reducing intrastate access rates and ensuring nondiscriminatory access to the PSTN for voice termination, the

[9] The FCC is currently considering options to address this issue on a nationwide basis. *See In the Matter of Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92.

Commission can remove the incentive for abuse both by LECs that control these critical bottleneck facilities and by carriers that seek to misclassify their traffic.

The existing intercarrier compensation regime creates separate rules for each type of service – i.e., state tariffs govern intrastate long distance services and federal tariffs govern interstate long distance services. In New York, these separate mechanisms have resulted in vastly different rate structures for terminating voice traffic to LEC end users over the PSTN, notwithstanding that the service provided by the LEC is the same. For example, the rate paid to Verizon for voice termination service is over 400% higher under Verizon's intrastate tariff than under the interstate tariff and over 2900% higher than for local traffic:

- Intrastate switched access rate: $0.020396 per MOU[10]
- Interstate switched access rate: $0.004582 per MOU[11]
- FCC Local ISP-Bound Default Rate: $0.0007 per MOU[12]

There is no reasonable basis for any distinction between interstate and intrastate switched access rates, much less an over 400% difference, when the service being provided by the LEC is identical in both cases.[13] The only difference is how the traffic happens to be labeled based solely on the regulatory distinctions under the existing intercarrier compensation regime. The direct result of this disparity is discrimination between providers depending upon what "type" of traffic they are seeking to terminate under the current regime.

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[10] *See* Exhibit A. The information in Exhibit A is compiled from Verizon New York Inc. Tariff PSC NY No. 11, Section 6, governing intrastate switched access service, and Verizon Tariff F.C.C. No. 1, Section 6, governing interstate switched access service.
[11] *Id.*
[12] *See Intercarrier Compensation for ISP-Bound Traffic*, Order on Remand and Report and Order, 16 FCC Rcd 9151 (2001).
[13] *See* Exhibit A.

This discrimination seriously impairs competition in today's marketplace where carriers are increasingly responding to customer demand for "bundles" of local and long distance services. As companies offer bundles, their cost basis for PSTN termination varies significantly depending on the percentage of the traffic that is intrastate or interstate long distance, or local. Those with a lower cost basis because of their traffic mix have an advantage, not because they are more efficient or because providing local service or interstate long distance is inherently less costly than intrastate long distance, but rather solely because of the discriminatory regulatory regime applicable to each type of traffic.

Additionally, this system of different rates, terms and conditions for different categories of service creates incentive for companies to seek artificial advantages by misclassifying traffic to obtain the best rates. For example, this problem may arise when dealing with "roaming" wireless end users.[14] A wireless end user with a New York telephone number can make a call from outside of New York to an end user within New York, but it

[14] *See Petition for Declaratory Ruling of Global Crossing Telecommunications, Inc.* (filed October 27, 2004), and *Petition for Declaratory Ruling of SBC Communications, Inc.* (filed November 12, 2004), WC Docket No. 04-424 ("*Petitions for Declaratory Ruling*"). Global Crossing alleged that Southwestern Bell violated its interstate access tariff by charging Global Crossing intrastate access rates for mobile telephone calls based upon the telephone numbers of the parties even when the actual physical location of the mobile users are unknown. Global Crossing in its Petition asked the FCC to declare that when the geographic location of a mobile caller is unknown, SBC's tariff requires that jurisdiction be determined by the network entry points of the call. SBC in its Petition asked the FCC to declare that its tariff permits Southwestern Bell to determine the jurisdiction of a mobile call for access charge purposes by reference to the telephone number of the calling party *regardless of the actual geographic location of the caller*. With increasing instances of end user roaming, telephone numbers are increasingly unreliable identifiers of the geographic location of the end users for jurisdictional or any other purpose. Notwithstanding, the monopoly LEC is clearly willing to use regulatory arbitrage in order to obtain higher access charges even when there is overwhelming evidence that such charges are discriminatory and resulting in unjust and unreasonable rates for the consumer.

may be difficult to accurately identify the physical location of the roaming party.[15] If the physical location is not known, or if the terminating LEC's tariff provides that the jurisdiction of a call is to be determined by CPN (calling party number) regardless of the physical location of the caller,[16] then the LEC will misclassify the call simply to take advantage of the regulatory distinction between intrastate and interstate traffic. Further, if the IXC is billed by the LEC at the higher intrastate access rate for a misclassified interstate call, the IXC is forced to pass this cost on to the consumer. The inconsistent application of switched access charges distorts the market and unfairly penalizes honest competitors resulting in higher rates for New York consumers.

B. The Commission Should Immediately Reduce Intrastate Access Rates

The Commission can resolve the discrimination resulting from the disparity between intrastate and interstate access rates by tying intrastate rates to the same level as interstate rates. Voice traffic handed to a LEC at a specific location for termination on the LEC's PSTN is the same traffic regardless of whether it originates or is handed to the LEC as a wireless, local, interstate or intrastate long distance call. By eliminating this disparity, both the ability and the incentive to arbitrage the switched access regime would be alleviated, and the level of discrimination would be reduced substantially in New York.[17]

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[15] To determine the jurisdictional nature of calls, calls are viewed on an end-to-end basis (i.e., where the call originates and terminates).

[16] *See, e.g., Petitions for Declaratory Ruling.*

[17] WilTel does not wish to dissuade the Commission from reducing intrastate access charges to parity with local rates if the Commission is inclined to do so. To the contrary, interstate switched access charges are unreasonable, subsidize LEC competitive services and quickly must be reduced to cost. Moreover, while reducing intrastate access charges to local termination levels would itself open opportunities for regulatory arbitrage, much of such arbitrage results from differences in rates for intrastate access and local termination charges. Ultimately, the only way to ensure nondiscrimination and a level playing field is through a

An example of the need for intrastate access charge reform can be seen in the "carrier common line" charge. The single highest charge making up Verizon's intrastate switched access costs is the carrier common line charge, which is unique to the intrastate access tariff.[18] The carrier common line charge is itself discriminatory and is assessed by LECs without reasonable basis for doing so. It has been eliminated as an elemental charge making up interstate switched access,[19] but it remains a usage-based element of intrastate switched access. LECs may argue that it covers the cost of the circuit that connects the end user's premises with the central office. However, the cost of this circuit should be, and in all likelihood is, recovered by Verizon from the end user through its purchase of basic local service.[20] Clearly, therefore, assessing a carrier common line charge against IXCs constitutes double recovery. WilTel strongly urges this Commission to act by eliminating the carrier common line charge as an element of intrastate switched access.

Based upon existing law, the Commission has the authority to tie intrastate access charges to their equivalent interstate access levels. It is well-settled law that "the policy of nondiscriminatory rates is violated when similarly situated customers pay different rates for

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low unified rate that must apply to all termination services regardless of whether they are classified as wireless, interstate or intrastate toll, "local" or IP-enabled.

[18] *See* Exhibit A.

[19] *See Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers; Federal-State Joint Board on Universal Service; Access Charge Reform for Incumbent Local Exchange Carriers Subject to Rate-of-Return Regulation; Prescribing the Authorized Rate of Return for Interstate Services of Local Exchange Carriers*, 16 FCC Rcd 19613, *Second Report and Order and Further Notice of Proposed Rulemaking in CC Docket No. 00-256, Fifteenth Report and Order in CC Docket No. 96-45, and Report and Order in CC Docket Nos. 98-77 and 98-166* (2001).

[20] *Id.*, at 19623. The FCC has repeatedly stated that such costs should be recovered from the end user through a flat charge since loop costs do not vary with usage. *Id.*; *see also id.*, at 19630 (simply by requesting telephone service, the subscriber causes local loop costs whether the service is used for intrastate or interstate calls).

the same services."[21] New York state law prohibits a carrier from demanding or collecting compensation from one provider which it would not charge another provider under the same or substantially the same circumstances and conditions,[22] and further prohibits a carrier from subjecting another carrier "to any undue or unreasonable prejudice or disadvantage in any respect whatsoever."[23]

The Commission clearly has authority to determine that a LEC's intrastate access charges are unlawful when they are vastly disparate from its equivalent interstate access charges. The Commission has the obligation to enforce existing nondiscrimination obligations, and WilTel urges the Commission to take the opportunity through this proceeding to correct this disparity and alleviate the discrimination that results.

IV. THE COMMISSION MUST ENSURE NONDISCRIMINATORY ACCESS TO THE PSTN FOR ALL "TYPES" OF TRAFFIC

The Commission should resist the impulse to free monopoly LECs from their basic nondiscrimination obligations. In its Order and elsewhere, the Commission has advocated allowing the market to regulate the telecommunications industry. Some carriers may attempt to argue that this Commission should move generally toward a regime where providers negotiate commercial agreements governing intercarrier compensation for PSTN termination. In the area of PSTN termination, however, WilTel has shown that LECs have and into the indefinite future will maintain monopoly power. Accordingly, the Commission not only must reduce intrastate access charges as described herein, but it also must take decisive action to

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[21] *American Telephone and Telegraph Company v. Central Office Telephone, Inc.*, 524 U.S. 214, 223 (1998).
[22] NY CLS Pub. Ser. § 91.1.
[23] *Id.*

prevent LECs from exercising their market power by providing exclusive rates, terms and conditions to "favored" customers.

WilTel urges this Commission to continue its effective enforcement of nondiscrimination requirements and to create guidelines setting forth prohibitions on behavior that would result in one carrier's inability to obtain rates, terms and conditions available to another carrier for the same termination services. Given the LEC terminating monopoly, there is absolutely no justification for LECs negotiating "carrier-specific" agreements from PSTN termination that are not available to every other company seeking the same service. Such exclusionary agreements are nothing more than the blatant exercise of LEC market power to disadvantage competitors, and the Commission should not be fooled into believing that they are the product of "market forces". In particular, LEC monopoly control of bottleneck facilities would undermine any meaningful negotiation between LECs and any party other than a carrier with a countervailing access monopoly of their own – i.e., a local end user customer base. Any agreement would result from pure coercion rather than any meaningful "give and take". Moreover, if the pending merger between Verizon and MCI is consummated, there will be greater ability and incentive for carriers to enter exclusive arrangements for intercarrier compensation that could exclude third parties from the voice marketplace, the result of which is lessened competition in New York and fewer competitive choices for New York's consumers.

In this proceeding, therefore, the Commission must make it clear that any off-tariff arrangements that provide for more favorable rates, terms and conditions for access to the PSTN must be available to all companies requesting PSTN access, regardless of their particular circumstances. Such a guideline would deter LECs from using their monopoly power to obtain beneficial treatment from "favored" companies and would provide customers with the benefits of rigorous competition for their end-to-end telecommunications service needs.

Although commercial negotiation may work in areas that are truly competitive, in the market for switched access services it is simply not the solution. WilTel strongly urges the Commission not to abandon or lessen regulatory protections designed to keep in check abuses that can be had in the presence of monopoly conditions. As the Commission itself has noted, such protections should not be abandoned merely on the promise that the market may eventually provide them through competition.

V. CONCLUSION

The Commission must continue to regulate LEC PSTN access charges in the absence of competition. Access to the PSTN remains (and will remain in the foreseeable future) a monopoly service, because a single LEC controls access to the end user. Intrastate access charges set by these LECs require access customers to subsidize LEC competitive services, putting these customers at a competitive disadvantage and reducing availability of new and improved services and service providers to end users in New York. To address this issue and also alleviate the regulatory arbitrage resulting from disparate interstate and interstate access rates, the Commission immediately should reduce intrastate access charges. Finally, the Commission should reiterate that LECs may not enter into off-tariff PSTN access arrangements that are not available to all companies seeking access to the PSTN.

Respectfully submitted,

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Dated: August 12, 2005

EXHIBIT A

Intrastate Terminating Access Paid To Verizon to Complete a Call to a Verizon Wireline Customer

	per mou		day rate 40%		evening rate 35%		overnight and weekend rate 25%	
Routed Through Verizon Tandem								
POP to SWC	0.000200							
SWC to Tandem	0.000330		2,308.00	per DS3				
MUX Allocation	0.000102		0.000146	day rate	0.000088	evening rate	0.000051	night rate
Tandem Port	0.000950		237.60	per	250,000	mous		
Tandem Switching	0.000816		0.001170	day rate	0.000702	evening rate	0.000410	night rate
Tandem Transport	0.000457	10 mi	0.000659	day rate	0.000391	evening rate	0.000227	night rate
Shared EO Port	0.002346		0.003364	day rate	0.002018	evening rate	0.001177	night rate
Local Switching	0.005935		0.008500	day rate	0.005100	evening rate	0.003000	night rate
Carrier Common Line Charge	0.011690		0.016760	day rate	0.010056	evening rate	0.005866	night rate
Host Remote Allocation 5%	0.000028	5 mi	0.000331	day rate	0.000865	evening rate	0.000503	night rate
Tandem Route Total	0.022855							
Routed on Direct Trunk to Verizon End Office								
POP to SWC	0.000200							
SWC to End Office	0.000800		70.00	plus	21.00	per mi times	10	miles
MUX Allocation	-							
EO Port	0.001128		394.80	per	350,000	mous		
Local Switching	0.005935		0.008500	day rate	0.005100	evening rate	0.003000	night rate
Carrier Common Line Charge	0.011690		0.016760	day rate	0.010056	evening rate	0.005866	night rate
Host Remote Allocation 5%	0.000028	5 mi	0.000331	day rate	0.000865	evening rate	0.000503	night rate
DEOT Total	0.019781							
Overall Average Based on 80% DEOT	0.020396							

Interstate Terminating Access Paid To Verizon
to Complete a Call to a Verizon Wireline Customer

	per mou						
Routed Through Verizon Tandem							
POP to SWC	0.000200						
SWC to Tandem	0.000330	2,310.00	per DS3				
MUX Allocation	0.000111	775.00	per DS3				
Tandem Port	0.001200	300.00	per	250,000	mous		
Tandem Switching	0.001161						
Tandem Transport	0.000300	0.00003	per mou times	10	miles		
Shared EO Port	0.001595						
Local Switching	0.002084						
Host Remote Allocation 5%	0.000084						
Tandem Route Total	0.007065						
Routed on Direct Trunk to Verizon End Office							
POP to SWC	0.000200						
SWC to End Office	0.000736	63.00	plus	19.46	per mi times	10	miles
MUX Allocation	-						
EO Port	0.000857	300.00	per	350,000	mous		
Local Switching	0.002084						
Host Remote Allocation 5%	0.000084						
DEOT Total	0.003961						
Overall Average Based on 80% DEOT	0.004582						

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of August, 2005, a true and correct copy of the foregoing Comments of WilTel Communications, LLC, was served upon the individuals in the attached active parties list via electronic mail.

Adam Kupetsky

CASE 05-C-0616

ACTIVE PARTY LIST

(As of August 12, 2005)

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