VOTE SHEET

AUGUST 20, 2002

RE: Docket No. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996.

ISSUE 13: How should a "local calling area" be defined, for purposes of determining the applicability of reciprocal compensation?

- a) What is the Commission's jurisdiction in this matter?
- b) Should the Commission establish a default definition of local calling area for the purpose of intercarrier compensation, to apply in the event parties cannot reach a negotiated agreement?
- c) If so, should the default definition of a local calling area for purposes of intercarrier compensation be: 1) LATA-wide local calling, 2) based upon the originating carrier's retail local calling area, or 3) some other default definition/mechanism?

 PRIMARY RECOMMENDATION: The local calling area should be defined through negotiations between the parties. While staff believes the Commission has jurisdiction to define local calling areas, staff does not believe a compelling case can be made to exercise the Commission's jurisdiction to designate a default in the event negotiations are unproductive.

DENIED

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Milal A Palash'

COMMISSIONERS ASSIGNED: Jaber, Deason, Baez, Palecki

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER - DATE

08808 AUG 208

VOTE SHEET

AUGUST 20, 2002

Docket No. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996.

(Continued from previous page)

<u>ALTERNATIVE RECOMMENDATION</u>: Alternative staff believes that the Commission has jurisdiction to define local calling areas, and recommends that the originating carrier's retail local calling area be used as the default local calling area for purposes of reciprocal compensation.

APPROVED

ISSUE 17: Should the Commission establish compensation mechanisms governing the transport and delivery or termination of traffic subject to Section 251 of the Act to be used in the absence of the parties reaching an agreement or negotiating a compensation mechanism? If so, what should be the mechanism?

- a) Does the Commission have jurisdiction to establish bill-and-keep?
- b) What is the potential financial impact, if any, on ILECs and ALECs of bill-and-keep arrangements?
- c) If the Commission imposes bill-and-keep as a default mechanism, will the Commission need to define generically "roughly balanced"? If so, how should the Commission define "roughly balanced"?
- d) What potential advantages or disadvantages would result from the imposition of bill-and-keep arrangements as a default mechanism, particularly in comparison to other mechanisms already presented in Phase II of this docket?

RECOMMENDATION: No. Staff does not recommend the imposition of a single compensation mechanism governing the transport and delivery or termination of traffic subject to Section 251 of the Act to be used in the absence of the parties negotiating a compensation mechanism. While staff believes the Commission has the jurisdiction to establish bill-and-keep subject to either a determination or a presumption that traffic between carriers is roughly balanced, the record of this proceeding does not support such a determination and argues against a presumption of balance. Should the Commission determine that the imposition of a bill-and-keep default is desirable, staff recommends the Commission define roughly balanced to mean the traffic imbalance is less than 10 percent between carriers over a three-month period.

APPROVED

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Docket No. 000075-TP - Investigation into appropriate methods to compensate carriers for exchange of traffic subject to Section 251 of the Telecommunications Act of 1996.

(Continued from previous page)

ISSUE 19a: Should this docket be closed?

RECOMMENDATION: Yes. This docket should be closed upon the expiration of the time to file a motion for reconsideration or an appeal since no further action is required by the Commission.

APPROVED