**PENNSYLVANIA**

**PUBLIC UTILITY COMMISSION**

**Harrisburg, PA 17105-3265**

Public Meeting held May 19, 2015

Commissioners Present:

Gladys M. Brown, Chairman

John F. Coleman, Jr., Vice Chairman

James H. Cawley

Pamela A. Witmer

Robert F. Powelson

Joint Petition of Verizon North LLC and A-2015-2474856

Vitcom, LLC for Approval of an Interconnection

Agreement under Section 252(e) of the

Telecommunications Act of 1996.

**OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration is a Joint Petition filed by Verizon North LLC (Verizon North) and Vitcom, LLC (Vitcom), requesting approval of an Interconnection Agreement (Agreement). The Agreement was filed pursuant to the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (codified as amended in scattered sections of Title 47, United States Code) (TA‑96), including 47 U.S.C. §§ 251, 252, and 271, and the Commission’s Orders in *In Re: Implementation of the Telecommunications Act of 1996*, Docket No. M‑00960799 (Order entered June 3, 1996; Order on Reconsideration entered September 9, 1996); *see also*, *Proposed Modifications to the Review of Interconnection Agreements,* Docket No. M-00960799 (Order entered May 3, 2004) (collectively, *Implementation Orders*)*.*

**History of the Proceeding**

On March 31, 2015, Verizon North and Vitcom filed the instant Joint Petition for approval of an Interconnection Agreement for network interconnection to allow the customers of each Party to complete local calls to the customers of the other Party within the local calling areas of Verizon North, and to fulfill the Parties’ needs to terminate Local Traffic and Local Internet Traffic. The Commission published notice of the Joint Petition and Agreement in the *Pennsylvania Bulletin* on April 18, 2015, advising that any interested parties could file comments within ten days. 44 *Pa. B*. 2030. No comments have been received.

The Agreement became effective as of February 23, 2015, and unless cancelled or terminated earlier in accordance with the terms thereof, will continue in effect until February 22, 2017 (the Initial Term). Thereafter, the Agreement will continue in full force and effect unless and until cancelled or terminated as provided in the Agreement. Under the Agreement, either Party may terminate the Agreement effective upon the expiration of the Initial Term or upon any date after expiration of the Initial Term by providing written notice of termination at least ninety days in advance of the termination. Agreement at 2.

In the Joint Petition before us, Verizon North is the Incumbent Local Exchange Carrier (ILEC). Vitcom is authorized to provide Competitive Local Exchange Carrier (CLEC) service in Verizon North’s service territory.[[1]](#footnote-1) The Agreement applies solely to the geographic territory in which Verizon North operates as an ILEC.

**Discussion**

**A. Standard of Review**

The standard for review of a negotiated interconnection agreement is set out in Section 252(e)(2) of TA-96, 47 U.S.C. § 252(e)(2). Section 252(e)(2) provides in pertinent part, that:

(2) Grounds for rejection. The state commission may only reject—

(A) an agreement (or any portion thereof) adopted by

negotiation under subsection (a) if it finds that –

(i) the agreement (or portion thereof) discriminates against a telecommu-nications carrier not a party to the agreement; or

(ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity. . . .

With these criteria in mind, we shall review the Agreement submitted by Verizon North and Vitcom.

**B. Summary of Terms**

The Agreement specifies the rights and obligations of each Party with respect to the establishment of rates, terms and conditions for interconnection and the exchange of Indirect Traffic and Direct Traffic with the other’s network.

The Agreement also contains a Glossary and the following seven attachments: (1) Additional Services Attachment; (2) Interconnection Attachment with Exhibit A to this attachment; (3) Resale Attachment; (4) Network Element Attachment; (5) Collocation Attachment; (6) 911 Attachment; and (7) Pricing Attachment with Appendix A.

The Additional Services Attachment contained in the Agreement details, in part, procedures for dialing parity; directory assistance; voice information service traffic; operations support system; poles; ducts; conduits; rights-of-way and good faith performance.

The Interconnection Attachment addresses such things as points of interconnection and trunk types, direct and indirect interconnection arrangements, transmission and routing of telephone exchange service traffic, traffic measurement and billing over interconnection trunks, transmission and routing of exchange access traffic, meet-point billing arrangements, toll free service access code traffic, transit traffic and reciprocal compensation arrangements.

The Resale Attachment addresses such things as use of Verizon Telecommunications Services; availability of Verizon Telecommunications Services; responsibility for charges; operations matters; and rates and charges.

The Network Elements Attachment includes terms relating to Verizon North’s provision of network elements; loop transmission types; line splitting and sharing; sub-loops; dark fiber transport; network interface devices; dedicated transport; operations support systems; availability of other network elements on an unbundled basis; maintenance of network elements; combinations, commingling and conversions; routine network modifications; and rates and charges.

The Collocation Attachment details Verizon North’s methods for provisioning of collocation.

The 911 Attachment provides that Vitcom may, in accordance with applicable law, interconnect to the Verizon North 911/E-911 Tandem Office(s)/Selective Router(s) or Verizon North interface points. Verizon North will designate interface points where Vitcom may interconnect with Verizon North for the transmission and routing of 911/E-911 calls to all subtending Public Safety Answering Points that serve the areas in which Vitcom provides telephone exchange services. Agreement at 117.

The Pricing Attachment indicates that the charges that Vitcom bills Verizon North for Vitcom’s services shall not exceed the charges for Verizon North’s comparable services, except to the extent that Vitcom’s cost to provide its services to Verizon North exceeds the charges for Verizon North’s comparable Services and Vitcom has demonstrated such costs to Verizon North or to the Commission or the FCC. *Id.* at 121.

Appendix A to the Pricing Attachment contains reciprocal compensation rates of $0.000987 per minute of use for traffic that terminates at an end office and $0.002439 per minute of use for tandem transit traffic. The wholesale discount offered for resale services will be 22 percent if Vitcom provides its own operator services platform and 18.34 percent if Vitcom uses Verizon North’s operator services platform. *Id.* at 123, 130.

**C. Disposition**

We shall approve the Agreement, finding that it satisfies the two-pronged criteria of Section 252(e) of TA-96. We note that in approving this privately negotiated Agreement, we express no opinion regarding the enforceability of our independent state authority preserved by 47 U.S.C. § 251(d)(3) and any other applicable law.

We shall minimize the potential for discrimination against other carriers not parties to the Agreement by providing here that our approval of this Agreement shall not serve as precedent for agreements to be negotiated or arbitrated by other parties. This is consistent with our policy of encouraging settlements. 52 Pa. Code § 5.231; *see also*, 52 Pa. Code §§ 69.401-69.406, relating to settlement guidelines, and our Statement of Policy relating to the Alternative Dispute Resolution Process, 52 Pa. Code §§ 69.391- 69.397. On the basis of the foregoing, we find that the Agreement does not discriminate against other telecommunications carriers not parties to the negotiations.

TA‑96 requires that the terms of the Agreement be made available for other parties to review. 47 U.S.C. § 252(h). However, this availability is only for purposes of full disclosure of the terms and arrangements contained therein. The accessibility of the Agreement and its terms to other parties does not connote any intentthat our approval will affect the status of negotiations between other parties. In this context, we will not require Verizon North and Vitcom to embody the terms of the Agreement in a filed tariff.

With regard to the public interest element of this matter, we note that no negotiated interconnection agreement may affect those obligations of the ILEC in the areas of protection of public safety and welfare, service quality, and the rights of consumers. *See*, *e.g*., Section 253(b). This is consistent with TA‑96 and with Chapter 30 of the Public Utility Code, wherein service quality and standards, *i.e.*, Universal Service, 911, Enhanced 911, and Telecommunications Relay Service, are inherent obligations of the local exchange company and continue unaffected by a negotiated agreement. We have reviewed the Agreement’s terms relating to 911 and E-911 services and conclude that these provisions of the Agreement are consistent with the public interest.

Before concluding, we note that the Joint Petitioners have filed a signed, true and correct copy of the Agreement as part of their Joint Petition. The Commission’s Secretary’s Bureau has published an electronic copy of the Agreement to the Commission’s website prior to publishing notice of the Agreement in the *Pennsylvania Bulletin*. Consistent with *Proposed Modifications to the Review of Interconnection Agreements,* Docket No. M-00960799 (Order entered May 3, 2004), since we will approve the Agreement without any modifications, as filed, we will not require the Joint Petitioners to file an electronic copy of the Agreement after the entry of this Opinion and Order.

**Conclusion**

Based on the foregoing and pursuant to Section 252(e) of TA‑96 and our *Implementation Orders,* we determine that the Agreement between Verizon North and Vitcom is non-discriminatory to other telecommunications companies not parties to it and that it is consistent with the public interest; **THEREFORE,**

**IT IS ORDERED:**

1. That the Joint Petition for approval of an Interconnection Agreement, filed on March 31, 2015, by Verizon North LLC and Vitcom, LLC, is granted, consistent with this Opinion and Order.

2. That approval of the Interconnection Agreement shall not serve as binding precedent for negotiated or arbitrated agreements between non-parties to the Interconnection Agreement.

3. That this matter be marked closed.

 **BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: May 19, 2015

ORDER ENTERED: May 19, 2015

1. We note that regardless of the types of services covered by this Interconnection Agreement, it would be a violation of the Public Utility Code, 66 Pa. C.S. §§ 101, *et seq*., if Vitcom began offering services or assessing surcharges to end users which it has not been authorized to provide and for which tariffs have not been authorized. [↑](#footnote-ref-1)