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May 9, 2011

**Via Federal Express**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
PO Box 3265  
Harrisburg, PA 17105-3265

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MAY. 9 2011

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Core Communications, Inc. v. XO Communications, Inc.  
Docket No. C-2009-2133609

Dear Secretary Chiavetta:

On behalf of Core Communications, Inc., enclosed please find the original and three copies of its Motion for Admission of Exhibits with regard to the above-referenced matter. Copies have been served in accordance with the attached Certificate of Service.

Sincerely yours,



Deanne M. O'Dell, Esq.

DMO/lww

cc: Hon. Kandace Melillo (w/enc)  
Cert. of Service (w/enc)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Core Communications, Inc.

v.

XO Communications, Inc.

:  
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:  
:  
:

Docket No. C-2009-2133609

**NOTICE TO PLEAD**

To:

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Attorneys for XO Communications, Inc.

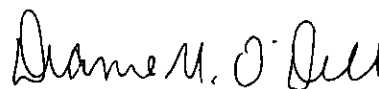
Pursuant to 52 Pa. Code § 5.103(b) you are hereby notified to file a written response to the enclosed Motion within twenty (20) days from service hereof or a judgment may be entered against you.

Respectfully submitted,

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MAY 9 2011

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**



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Dated: May 9, 2011

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Core Communications, Inc. :  
 :  
 v. : Docket No. C-2009-2133609  
 :  
 XO Communications, Inc. :

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**MOTION OF CORE COMMUNICATIONS, INC.  
FOR ADMISSION OF EXHIBITS**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

Pursuant to 52 Pa. Code §§ 5.103, 5.351, 5.403, 5.404, Core Communications, Inc.

("Core") respectfully requests that Administrative Law Judge ("ALJ") Kandace F. Melillo admit into the record the following exhibits:

- Core Cross Examination Exhibit No. 5, which is a copy of a discovery response provided by XO Communications Services, Inc. ("XO") to Core, a copy of which was unavailable at the time of the hearing.
- BLM-23 which was marked for identification on May 3, 2011 but admission of the exhibit was taken under advised by ALJ Melillo.
- BLM-24 and BLM-25 which were prepared in response to ALJ Melillo's inquiries and requests for updated factual information during the May 3, 2011 hearing.

In support of this Motion for Admission of Exhibits ("Motion"), Core states as follows:

**Background**

1. Core filed a Formal Complaint against and XO on September 23, 2009. In its Complaint, Core alleges that XO has failed to pay Core for Core's termination of XO's intrastate telecommunications traffic. Following the denial of its preliminary objections, XO filed an Answer and New Matter. Core filed a Reply to XO's New Matter on January 25, 2010.

2. The hearing on Core's complaint was held on May 3, 2011. On behalf of Core, the written direct testimony of Bret L. Mingo identified as Core St. No. 1 and the surrebuttal

written testimony of Mr. Mingo identified as Core St. No. 1-SR were admitted into the record. Attached to the testimony of Core and admitted into the record were Exhibit Nos. BLM -1 through BLM-22. Also admitted into the record on behalf of Core were Core Cross Examination Exhibit Nos. 1-4. As discussed further below, during the hearing, the parties agreed to admit an XO discovery response as Core Cross Examination Exhibit No. 5 which was to be provided subsequently by Core. Core also offered a 17-page exhibit containing excerpts from Core's Main Brief in another Commission proceeding involving its interconnection agreement arbitration with Embarq. The exhibit was marked BLM-23 and ALJ Melillo took its admission under advisement. Finally, in response to questioning from ALJ Melillo, Core agreed to provide two additional exhibits, which are pre-marked BLM-24 and BLM-25 and discussed further below.

3. On behalf of XO, the written rebuttal testimony of Gary Case and Richard Jackson identified at XO St. No. 1-R was admitted into the record on May 3, 2011. Attached to the written testimony and also admitted into the record were XO Exhibit Nos. 1-4. Subsequently by letter dated May 6, 2011, XO provided six additional exhibits numbered 5-10 which consist of various documents from other Commission proceedings which ALJ Melillo admitted into the record on May 3, 2011.

4. Pursuant to 52 Pa. Code § 5.431(a), ALJ Melillo directed that the record remain open pending a ruling on the admissibility of the additional information the parties were directed to submit and upon consideration of any objections/clarifications from the other party. *See* 52 Pa. Code § 5.431(a).

5. As discussed further below, Core requests that ALJ Melillo grant this motion and admit Core Cross Examination Exhibit No. 5 and Core Exhibit Nos. BLM-23 through 25 into the record.

Core Cross Examination Exhibit No. 5: XO's Response to Discovery

6. Attached is a pre-marked copy of Core Cross Examination Exhibit No. 5 which consists of XO's response to Core Set II-6 as well as Exhibit Core II-6 provided in response to Core's discovery question.

7. During Core's cross examination of XO Witnesses Case and Jackson at the hearing, reference was made to this information provided by XO in discovery. As indicated on the proposed exhibit, the discovery response was prepared by XO Witness Case and Witness Case was given the opportunity to respond, explain or clarify XO's response during cross examination. The proposed exhibit is an exact copy of the information that was provided by XO to Core in discovery. Agreement was reached by counsel at the hearing that the discovery response could be admitted into the record. Since copies of the exhibit were not available at the hearing, however, Core agreed to submit it for admission as part of this Motion.

8. Therefore, Core respectfully requests that ALJ Melillo grant this motion to admit proposed Core Cross Examination Exhibit No. 5 into the record of this proceeding.

Exhibit BLM-23

9. Attached is a pre-marked copy of Core proposed Exhibit BLM-23 which is a 17-page exhibit containing excerpts from Core's Main Brief in another Commission proceeding involving its interconnection agreement arbitration with Embarq. *See In re: Petition of Core Communications, Inc.; Petition of Core Communications Inc. for Arbitration of Interconnection*

*Rates, Terms and Conditions with the United Telephone Company of Pennsylvania d/b/a Embark*, Docket No. A-310922F7002 (decision pending) (*Core/Embarq ICA Arbitration*).

10. Exhibit BLM-23 was identified for the record during the May 3, 2011 hearing but a decision on its admission was taken under advisement.

11. In XO Statement No. 1-R, XO referenced Core's Supplemental Comments from the *Core/Embarq ICA Arbitration*. Subsequently, ALJ Melillo requested that the Comments be produced and admitted into the record of this proceeding. By letter dated May 6, 2011, XO provided the Comments as Exhibit No. 10. Core's request at the hearing that admission of Exhibit No. 10 be conditioned on the admission of Exhibit BLM-23 was taken under advisement.

12. The excerpts from Core's Main Brief in the *Core/Embarq ICA Arbitration* proceeding make clear that the context in which Core's statements arose was the issue of so-called "VNXX traffic," calls which are locally dialed and which originate and terminate in the same LATA, although in different exchange areas. Proposed Exhibit BLM-23 provides a fuller understanding the issues before the Commission in the *Core/Embarq ICA Arbitration* so that the subsequent comments of Core, labeled as XO Exhibit 10, are placed into the appropriate context when deciding the issues relevant in this proceeding.

13. The excerpts contained in BLM-23 were also included in the record of Core's complaint proceeding against AT&T as an attachment to the Answer of Core to AT&T's Motion to Dismiss Formal Complaint. *See Core Communications, Inc. v. AT&T Communications of PA, LLC and TCG Pittsburgh, Inc.*, Docket Numbers C-2009-2108186 and C-2009-2108239 (decision pending). XO has provided several documents, including Core's written testimony and the hearing transcript, from the AT&T proceeding to be admitted into the record of this proceeding.

14. To the extent the admission into the record of one document from a lengthy and complex interconnection arbitration proceeding between Core and Embarq bars Core from either placing the arbitration in the proper context by referencing other relevant documents from that proceeding, Core requests that its motion be granted and BLM-23 be admitted into the record of this proceeding.

Exhibit BLM-24

15. Attached is a pre-marked copy of Core proposed Exhibit BLM-24 which sets forth the number of Core's current Internet service provider ("ISP") customers and Voice over Internet Protocol ("VoIP") customers.

16. As explained by Core Witness Mingo, "Core has traditionally focused on the provision of telecommunications and regulated services to dial-up ISPs . . . [but] also offers services to VoIP providers." Core St. No. 1 at 2. Core Witness Mingo further explained that the both customers are treated the same for purposes of intercarrier compensation owed to Core for terminating traffic to these customers. *Id.*

17. In rebuttal, XO seems to argue that the "type" of customers served by Core is somehow relevant to XO's non-payment of Core's invoices. XO Statement No. 1-R at 6-7. In support of its position, XO Exhibit No 1 contains two discovery responses from Core stating the Core has approximately 55 ISP and 5 non-ISP business customers in Pennsylvania. XO Exhibit No. 1 at XO-CORE-1-37 and 1-39. Core refuted XO's premise regarding the relevancy of Core's "type" of customers in its surrebuttal testimony. Core St. No. 1-SR at 5. XO did not cross-examine Core's witness.

18. During the hearing, ALJ Melillo asked Core to update its current numbers of ISP and VoIP customers in Pennsylvania. Proposed Exhibit BLM-24 was prepared for this purpose

and, therefore, Core requests that its motion be granted and proposed Exhibit BLM-24 be admitted into the record of this proceeding.

Exhibit BLM-25

19. Attached is a pre-marked copy of Core proposed Exhibit BLM-25 which sets forth the amount of minutes of use (“MOUs”) sent by XO to Core from June 2004 through April 30, 2011 as well as an updated amount due on the invoices that have been submitted to XO for this time period. This proposed exhibit, at the request of ALJ Melillo, further breaks down the intrastate MOUs into: (a) non-locally dialed MOUs (or “Intra Toll MOUs”); and, (b) locally dialed MOUs (or “Local MOUs”).

20. As explained in its written testimony, XO sends Core intrastate traffic and Core invoices XO for this traffic pursuant to its intrastate switched access Pa. PUC Tariff No. 4. Core St. No. 1 at 10, 12. The amount of the invoices that had been sent by Core to XO through December 12, 2010 are identified in Exhibit BLM-14. Regarding XO’s claims that “the traffic at issue in this case is locally-dialed non-toll traffic,” Core Witness Mingo explained:

whether or not any of the XO Indirect Traffic is locally-dialed would only be relevant if XO were willing to enter into a TEA to implement reciprocal compensation under section 251(b)(5) of the Act — which XO has steadfastly refused to do. As a matter of fact, much of the [Carrier Identification Code] CIC 5119 traffic is and has been locally-dialed, although a growing proportion of it is rated as long-distance, based on the [Calling Party Number] CPN and the dialed number. The ancillary question of whether or not XO charged its subscribers a toll in connection with any of that traffic (locally-dialed or otherwise) is a complete mystery, since XO will not tell us one way or the other. The CIC 5607 traffic comes to us without any CPN, which makes it impossible for us to determine whether it is interstate, intrastate, or locally-dialed.

Core St. No. 1-SR at 7.

21. At the hearing on May 3, 2011, ALJ Melillo requested that the intrastate MOUs be further broken down into the “locally-dialed” MOUs and the “non-locally dialed” MOUs. While Core proffered an exhibit – marked in the record as Core Exhibit No. 1 – showing this breakdown, ALJ Melillo ultimately ruled that the exhibit would not be admitted because of concerns that information included in the document was shared among the parties in the context of settlement discussions. Rather than admit the proffered exhibit, ALJ Melillo requested that Core submit a new exhibit consistent with the on-the-record discussion seeking (a) a break-out on a monthly basis between local and non-local Pennsylvania minutes received indirectly from XO and associated charges and (b) a tabulation of Core’s final claim in this proceeding against XO.

22. Proposed Exhibit BLM-25 is consistent with the request made by ALJ Melillo and provides updated information regarding the MOUs sent by XO to Core between June 2004 and April 30, 2011. The first five pages of the exhibit address XO’s CIC 5119. Pages one through three of the exhibit provide the invoice numbers submitted to XO, identify the amounts paid by XO and show that a total of \$96,637.31 with late charges remains outstanding for CIC 5119. The invoices submitted as identified in this chart are consistent with Core’s primary theory of this case that all the intrastate MOUs sent by XO to Core should be paid pursuant to Pa. PUC Tariff No. 4. Core St. No. 1 at 19.

23. Pages four and five of proposed Exhibit BLM-25, list the same MOUs invoiced by Core but break them down by “Intra Toll” and “Local” based on the calling party’s telephone number and the dialed party’s telephone number. For the “Local” MOUs, the amount due is calculated based on the Commission’s approved tandem reciprocal compensation rate of \$0.002439 per MOU. This is consistent with Core’s alternate theory that – the extent the

Commission concludes that another rate other than Core's tariff should be applied to the locally-dialed MOUs, – the \$0.002439/MOU rate derived by the Commission using the Total Element Long Run Incremental Cost ("TELRIC") methodology should be applied. Core St. No. 1 at 21. After applying the TELRIC rate to the "local MOUs," a total amount due for local charges with late fees is \$7,253.47, while the total amount due for the remaining "Intra Toll" MOUs with late charge is \$31,236.06 which is consistent with Core's tariffed rate elements.

24. Pages six and seven of the exhibit address XO's CIC 5607. As set forth in the record, traffic associated with CIC 5607 does not provide the calling party's number and, therefore, does not permit Core to determine whether these calls are locally-dialed or not. Core St. No. 1 at 5. In this situation, Core invoiced XO pursuant Pa. PUC Tariff No. 4 for all traffic from CIC 5607 terminated to Core's Pennsylvania customers. As set forth on page seven of BLM-25, XO owes Court a total of \$51,941.97, including late charges for this traffic.

25. Proposed Exhibit BLM-25 provides the calculation of how much is due and owing through April 30, 2011 based on the MOUs that have been sent by XO to Core through that date and consistent with both Core's primary theory and alternate theory of the case regarding the local MOUs. XO receives monthly invoices from Core identifying the amount of intrastate MOUs it has received. As XO Witnesses explained during cross-examination, they have the ability to audit these MOUs on a monthly basis and the only audit of such invoices appears to be that provided in discovery which Core seeks to have admitted herein as Core Cross Examination Exhibit No. 5. Moreover, as also acknowledged during the hearing, Core's breakdown of intrastate MOUs between locally-dialed and non-locally traffic has also been provided informally to XO. Finally, XO has had access to the call detail records Core receives from the Verizon tandem since the parties first began discussing payment for XO's traffic. XO

could have audited the MOUs at any time during this period and broken out the local MOUs using the same methodology Core has employed for purposes of this exhibit.

26. For all these reasons, Core requests that this motion be granted and proposed Exhibit BLM-25 be admitted into the record.

**Conclusion**


27. Admitting the documents into evidence will ensure that the record in this proceeding is complete. Good cause is shown for admission of each of the above-described exhibits because they serve to clarify inquiries made by ALJ Melillo and/or XO. *See* 52 Pa. Code §§ 5.351, 5.404. It is in the public interest that the record in this proceeding be complete in that it will aid the ALJ and the Commission in reaching a reasoned decision in this proceeding.

28. Each of the above-described exhibits constitute competent and material evidence. *See* 52 Pa. Code § 5.403 (control of receipt of evidence by presiding officer).

29. The admission of the above-described exhibits will not prejudice XO. All of the information provided in the documents has been shared with XO through discovery, the public record of other proceedings, Core's testimony or in the invoices sent from Core to XO. This proceeding was initiated in September 2009 and, since that time, XO has had ample opportunity through discovery, its testimony and/or cross-examination, to verify or seek further clarification of the facts underlying this proceeding.

**WHEREFORE**, for all the foregoing reasons, Core respectfully requests that this Motion be granted and the above-referenced exhibits be admitted into the record of this proceeding and placed into the exhibit folder.

Respectfully submitted,



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Dated: May 9, 2010

Attorneys for Core Communications, Inc.

XO COMMUNICATIONS SERVICES INC.'S RESPONSES  
TO CORE COMMUNICATIONS, INC.'S SECOND SET OF INTERROGATORIES  
AND REQUEST FOR PRODUCTIONS OF DOCUMENTS  
DATED MARCH 4, 2011  
DOCKET NO. C-2009-2133609

**CORE II-5.** Please refer to XO Statement 1-R at 9, specifically the statement "Without an applicable tariff or traffic exchange agreement between the parties, the default compensation scheme is bill-and-keep." Please set forth all the legal and/or industry basis upon which XO relied as support for this statement.

**XO OBJECTION:**

XO objects to this Interrogatory through the incorporation of the General Objections and further on the grounds that it is argumentative. The Reply Testimony speaks for itself.

**XO RESPONSE:**

Subject to and without waiving these objections, XO responds that, in addition to FCC authority as indicated in Response XO-CORE-2-2, Core's Tariff PA P.U.C. No. 4 provides that "Mutual Traffic Exchange" is a "compensation arrangement between certified local exchange service providers where local exchange service providers pay each other 'in kind' for terminating local exchange traffic on the other's network."

Furthermore, Core has produced no evidence of any agreement or tariff that would obligate XO to any arrangement other than bill-and-keep for the traffic at issue.

XO reserves the right to rely on other support in its legal briefs.

**RESPONDENT:** Richard Jackson, Director, National Telco Audit  
Gary Case, Director, Carrier Billing and Traffic

**CORE II-6.** Please refer to XO Statement 1-R at 10 – (a) Define "local transit traffic" and (b) explain how Category 11 records "can be for local transit traffic"?

**XO RESPONSE:**

- (a) "Local transit traffic" is local exchange traffic that is routed through a Verizon tandem switch from one non-Verizon LEC to another non-Verizon LEC.
- (b) Please refer to Exhibit Core II-6 accompanying these responses, which lists Code 1 (local) calls terminated to Core from XO on a sample date of February 23, 2011. Columns A through AS are taken from the text of Category 11 records that were provided by Core on March 21, 2011. Columns AU through BK are data from XO's records matching each call. Core Column Y ("MsgType") and XO Column BA ("AMA") indicate that

XO COMMUNICATIONS SERVICES INC.'S RESPONSES  
TO CORE COMMUNICATIONS, INC.'S SECOND SET OF INTERROGATORIES  
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that the call is a Type 1, or local, call. Accordingly, local calls are included in Category 11 records, and thus such records do not necessarily establish that a call is non-local.

**RESPONDENT:** Gary Case, Director, Carrier Billing and Traffic

**CORE II-7.** Please refer to XO Statement 1-R at 10 – Please provide all the legal and/or industry basis upon which XO relied to support the statement that “the CIC does not nor is it intended to identify jurisdiction of the traffic.”

**XO RESPONSE:**

Carrier Identification Codes (“CIC”) are, as the name implies, for identification purposes and do not indicate the jurisdiction of the call. As indicated in Section 1.3 of the CIC Assignment Guidelines, “CICs are assigned to entities that purchase FGB or FGD access, FGB translation access *or* LECs or Billing and Collections Clearinghouses.” (emphasis supplied).

The CIC Assignment Guidelines are publicly available at <http://www.atis.org/inc/incguides.asp>

**RESPONDENT:** Richard Jackson, Director, National Telco Audit  
Gary Case, Director, Carrier Billing and Traffic

**CORE II-8.** Please refer to XO Statement 1-R at 17 - Describe the terms of the “implicit” understanding between XO and other CLECs that “XO does not pay any other CLEC for the exchange of local traffic in Pennsylvania.”

- (a) Explain when and how these understandings were developed and provide any and all supporting documents.
- (b) Are these understandings based on the theory that the traffic is roughly balanced traffic between XO and the other CLEC?

**XO OBJECTION:**

XO objects to this Interrogatory through the incorporation of the General Objections and further on the grounds that it is argumentative and vexatious. “Implicit” means what it says and the Reply Testimony speaks for itself.

ID	RecDate	RedD	FromNum	FromNumLen	FromOverflw	ToNum	ToNumLen	DirInd	FGDTrk	QC	Reserve1	AccMethod	Dialing	Routing	ANI	ConTime	NCTA	BillableTime	Recording	FromRAO	Reserve2	AccessDvc	LocComInfo	MsgType	Indicators	Signaling	B2RAO	SerNum	FGANum	Indicator2	NICA	Reserve3	FGDStatus	FGid	Reserve4
3096	110223	110120	2154811212	10	000	2152546811	10	2	0272	5119	0	5	8	1	2	091333	0	0000111	02	117	00	00	000	1	000000300006100010	3	117	00215021	9999995119	8100000004	0000	00000	10	0	00
3097	110223	110120	2155647991	10	000	2678010992	10	2	0272	5119	0	9	8	1	3	175410	0	0276339	02	P28	00	00	000	1	000000300006100010	3	P28	00215021	9999995119	8100000004	0000	00000	10	0	00
3098	110223	110120	2158742803	10	000	2155767944	10	2	0272	5119	0	9	8	1	3	140850	0	0002102	02	043	00	00	000	1	000000300006100010	3	043	00215021	9999995119	8100000004	0000	00000	10	0	00
3099	110223	110120	2159496700	10	000	2678011767	10	2	0272	5119	0	9	8	1	2	111556	0	0000116	02	P28	00	00	000	1	000000300006100010	3	P28	00215021	9999995119	8100000004	0000	00000	10	0	00
3105	110223	110120	3023740826	10	000	3027974992	10	2	0272	5119	0	9	8	1	3	200625	0	0000394	02	010	00	00	000	1	000000300006100010	3	010	00215021	9999995119	8100000004	0000	00000	10	0	00
3106	110223	110120	3023740826	10	000	3027974992	10	2	0272	5119	0	9	8	1	3	202252	0	0000190	02	010	00	00	000	1	000000300006100010	3	010	00215021	9999995119	8100000004	0000	00000	10	0	00
3113	110223	110120	4845801400	10	000	6105346000	10	2	0272	5119	0	9	8	1	2	102617	0	0000508	02	043	00	00	000	1	000000300006100010	3	043	00215021	9999995119	8100000004	0000	00000	10	0	00
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3115	110223	110120	4845801400	10	000	6105346000	10	2	0272	5119	0	9	8	1	2	135541	0	0021235	02	043	00	00	000	1	000000300006100010	3	043	00215021	9999995119	8100000004	0000	00000	10	0	00
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3122	110223	110120	5703449684	10	000	5702912419	10	2	0962	5119	0	2	0	1	2	162200	0	0000033	02	AS4	00	00	000	1	000000300006100010	4	AS4	00570784	0000000000	0100000001	0000	00000	10	0	00
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3132	110223	110120	6102534055	10	000	6103986227	10	2	0391	5119	0	2	0	1	2	105907	0	0003976	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
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3136	110223	110120	6103911800	10	000	4846647395	10	2	0391	5119	0	2	0	1	2	100425	0	0001015	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3137	110223	110120	6104197233	10	000	6104377000	10	2	0391	5119	0	2	0	1	2	084648	0	0003336	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3138	110223	110120	6104197233	10	000	6104377000	10	2	0391	5119	0	2	0	1	2	122625	0	0001655	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3139	110223	110120	6104197300	10	000	6104358643	10	2	0391	5119	0	2	0	1	2	084101	0	0001103	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3140	110223	110120	6104357270	10	000	6104377000	10	2	0391	5119	0	2	0	1	3	163656	0	0002064	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3141	110223	110120	6104359691	10	000	6103952183	10	2	0391	5119	0	2	0	1	2	111189	0	0000198	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3142	110223	110120	6104359691	10	000	6103952183	10	2	0391	5119	0	2	0	1	2	113356	0	0000164	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3143	110223	110120	6104359691	10	000	6104358643	10	2	0391	5119	0	2	0	1	2	102525	0	0002048	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3144	110223	110120	6104366663	10	000	6104410992	10	2	0272	5119	0	9	8	1	2	167529	0	0000425	02	Z50	00	00	000	1	000000300006100010	3	Z50	00215021	9999995119	8100000004	0000	00000	10	0	00
3145	110223	110120	6106787110	10	000	6102623417	10	2	0391	5119	0	2	0	1	2	144608	0	0002352	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3146	110223	110120	6106788479	10	000	6104377000	10	2	0391	5119	0	2	0	1	2	073011	0	0000177	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3147	110223	110120	6106788575	10	000	6104358643	10	2	0391	5119	0	2	0	1	2	134804	0	0001313	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3148	110223	110120	6106838800	10	000	6106833503	10	2	0391	5119	0	2	0	1	2	114911	0	0000152	02	043	00	00	000	1	000000300006100010	4	043	00215021	0000000000	0100000001	0000	00000	10	0	00
3150	110223	110120	6106910535	10	000	6104398002	10	2	0391	5119	0	2	0	1	2	154356	0																		



BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Petition of :  
CORE COMMUNICATIONS, INC. : Docket No.: A-310922F7002  
 :  
Petition of Core Communications Inc. for :  
Arbitration of Interconnection Rates, Terms :  
and Conditions with the United Telephone :  
Company of Pennsylvania d/b/a Embarq :

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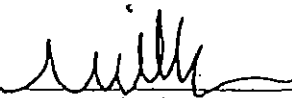
Administrative Law Judge David A. Salapa, Presiding

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MAIN BRIEF OF CORE COMMUNICATIONS, INC.

DATED: July 31, 2007

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*Issue 8: VNXX traffic and other rating issues (VOIP)*

Core's Best Offer Language:

Core proposes adding the following language to Embarq's proposal at § 55.3:

"Reciprocal Compensation for Section 251(b)(5) Traffic.  
The Party originating Section 251(b)(5) Traffic shall compensate the terminating Party for the transport and termination of such traffic to its Customer in accordance with Section 251(b)(5) of the Act at the equal and symmetrical rates stated in the Pricing Attachment."

Core proposes to modify Embarq's proposed § 55.5 to read as follows:

"Compensation for the termination of toll traffic and the origination of 800 traffic between the interconnecting parties shall be based on the applicable access charges in accordance with FCC and Commission Rules and Regulations and consistent with the provisions of Part F of this Agreement." >

Core proposes deleting Embarq's proposed § 55.6 and replacing it with the following language:

"The determination of whether a call is toll traffic shall be based on a comparison of the originating and terminating NPA-NXXs associated with the call."

Core proposes deleting Embarq's § 55.7 with no proposed replacement language.

Discussion:

This issue involves the proper classification of virtual NXX or "VNXX" traffic for intercarrier compensation purposes.<sup>79</sup> VNXX traffic is traffic that is rated and routed as "local" or non-toll traffic based on the NPA-NXX combinations of the dialing number and the dialed number, even though the call path may cross over the geographic boundaries of the incumbent LEC's local calling area. The Commission has found that:

With VNXX service, a customer can obtain a telephone number from a NXX code that is associated with a rate center or local calling area in which they are not physically located. This type of arrangement or service has been referred to as "virtual" NXX because the customer has only a virtual presence, as opposed to a physical presence, in the local calling

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<sup>79</sup> Prehearing Memorandum of the United Telephone Company (May 22, 2006), at 8.

area based solely on the use of the assigned NXX code for that local calling area.<sup>80</sup>

Core's position is that all intraLATA traffic, whether geographically local or VNXX, should be rated as Section 251(b)(5) Traffic or intraLATA toll traffic based on a comparison of the NPA-NXX of the calling and called parties.<sup>81</sup> Similarly, Core's position with respect to ISP-bound traffic is that it should be rated as compensable traffic pursuant to the *ISP Remand Order* if the NPA-NXX of the calling and called parties fall within the same local calling area.<sup>82</sup> Embarq believes VNXX traffic should be subject to originating access charges, not terminating reciprocal compensation charges.<sup>83</sup> Embarq believes that the designation of traffic as intraLATA toll based on the actual geographic locations of the calling and called parties.<sup>84</sup> Embarq also proposes that calls using VOIP technology also be classified based on geographic locations for compensation purposes.<sup>85</sup>

**a. Voice VNXX Calls Are Compensable Under Section 251(b)(5)**

Core's proposal for voice VNXX calls is clearly consistent with federal law. As discussed above, under Issue 1, the FCC has defined the scope of traffic that is subject to reciprocal compensation as all "telecommunications traffic... except for telecommunications traffic that is interstate or intrastate exchange access, information access, or exchange services for such access."<sup>86</sup> In order for Embarq to excise VNXX traffic from section 251(b)(5), it must demonstrate that VNXX traffic falls within one of the enumerated exceptions to the rule. And although Embarq argues at various points in

<sup>80</sup> Statement of Policy, *Generic Investigation Regarding Virtual NXX Codes*, Pa. P.U.C. Docket No. I-00020093 (Order entered Oct. 14, 2005), at 3.

<sup>81</sup> Core Petition for Arbitration, Appendix 12, at § 55.6, p. 104. See Also Core Exhibit 1, Core Best Offer, at p. 10.

<sup>82</sup> *Id.* at § 55.3, p. 104.

<sup>83</sup> Embarq Exhibit I, Embarq Best Offer, at p. 12

<sup>84</sup> *Id.*

<sup>85</sup> *Id.* at p. 14. See also, Embarq's Response to Core's Petition for Arbitration Appendix 2, at 19-21.

<sup>86</sup> 47 C.F.R. § 51.701(b).

this proceeding that VNXX traffic is “long distance” and therefore subject to “originating access”,<sup>87</sup> that argument is ultimately undermined by key aspects of its own testimony.

In order for VNXX traffic to be subject to originating access charges, Embarq would need to prove that this traffic is “exchange access.” The Act defines “exchange access” as “the offering of access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.”<sup>88</sup> The Act defines “telephone toll services” as “telephone service between stations in different exchange areas for which there is made a separate charge not included in contracts with subscribers for exchange service.”<sup>89</sup> VNXX traffic does not constitute “exchange access” because VNXX is offered as a non-toll service out of Core’s local exchange services tariff, a fact which is not contested.

Indeed, Embarq’s own testimony demonstrates that VNXX traffic is not exchange access traffic. On cross examination, Embarq witness Mr. Fox admitted that “VNXX traffic doesn’t follow precisely the access call flow,”<sup>90</sup> and that “it’s not really [a] clean model out there.”<sup>91</sup> That may be something of an understatement. An access call generally involves three carriers: an originating LEC, an IXC, and a terminating LEC.

The FCC has described the situation thus:

*Federal and state access charge rules govern the payments that interexchange carriers (IXCs) and commercial mobile radio service (CMRS) providers make to local exchange carriers (LECs) that originate and terminate long-distance calls, while the reciprocal compensation rules established under section 251(b)(5) of the Act*

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<sup>87</sup> See, eg., Embarq Statement 1.0 (Fox Direct Testimony), at 34.

<sup>88</sup> 47 U.S.C. § 153(16).

<sup>89</sup> 47 U.S.C. § 153(48).

<sup>90</sup> Tr., 265

<sup>91</sup> Tr., 266 (“Q. So it sounds like you’re saying, it sort of fits into the access regime but not really; is that a fair summary? A. You know, it’s not really cleanly – not a real clean model out there.”)

generally govern the compensation between telecommunications carriers for the transport and termination of calls not subject to access charges.<sup>92</sup>

Of course, unlike an access call, a VNXX call involves two LECs and no IXC. Even if one could overlook this distinction (and Embarq offers no reason why one should), application of the access regime to VNXX calls yields absurd results. Without an IXC to pay the access charges, the originating and terminating LECs would either bill each other for the same minutes (in which case the LEC with the higher tariffed per minute access rate would receive net compensation). When pressed to explain whether and why Embarq would not owe Core terminating access charges, Mr. Fox essentially avoided answering the question.<sup>93</sup> No wonder he was forced to admit that VNXX calls do not really fit within the access regime “model.”

More troublesome still for Embarq’s position is the report generated by Embarq’s own Agilent traffic tracking system, which classified essentially all of the calls Embarq has originated to Core to date as “local.” In his written testimony, Embarq witness Ted Hart concluded that “only 3.3% of the minutes [ ] sent to Core may be considered local traffic.”<sup>94</sup> To back up this claim, Mr. Hart also included an Exhibit 1 to his direct testimony, which purports to classify various NPA-NXX call combinations as “Local” or “Not Local.” However, on cross examination, Mr. Hart admitted that, in order to classify the calls as local or non-local, he applied his interpretation of the Embarq retail end user tariff as well as Embarq’s theory that calls should be rated based on the geographical end

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<sup>92</sup> Further Notice of Proposed Rulemaking, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, 20 FCC Rcd. 4685 (rel. Mar. 3, 2005) (“FNPRM”), at ¶ 5.

<sup>93</sup> Tr., 265 (Q. Okay. But you’re saying that Embarq does not owe Core terminating access? A. Well, the interesting part is, the VNXX traffic doesn’t follow precisely the access call flow. If you look in my testimony, I think it’s in my direct under Issue 9 area, I have a definition on there of VNXX traffic.”)

<sup>94</sup> Embarq Statement 2.0 (Hart Direct Testimony), at 16.

points.<sup>95</sup> Based on his analysis, he manually input the words “Local” and “Not Local” into each of the rows in the final column of his exhibit.<sup>96</sup>

**Mr. Hart’s manual inputs, however, are completely undermined by the report generated by Embarq’s own Agilent system,** whose very purpose (according to Mr. Hart) is to classify calls for “jurisdictional” purposes, i.e, as local or non-local.<sup>97</sup>

According to the Agilent web site:

*The Interconnect Analysis provides US operators with the ability to jurisdictionalize traffic, making accurate measurements of all calls entering and leaving the network, even where the network elements are not capable of generating Call Detail Records (CDRs). It enables precise measurement of Minutes of Use to and from individual operators and accurate determination of the points of origination and termination, enabling accurate calculation of PIU, PLU and PDU rating factors. This means that operators can base Reciprocal Compensation arrangements and access charges on actual inter-carrier traffic.*<sup>98</sup>

Mr. Hart confirmed that “Agilent is a data warehouse storage system that stores call detail records related to SS-7 traffic”<sup>99</sup> for Embarq, and that the Agilent system is connected to Embarq’s SS7 signaling system on 24 hours X 7 days per week basis.<sup>100</sup> He also confirmed that Embarq relies upon Agilent not only for litigation purposes, but also for ordinary business purposes.<sup>101</sup> Most important, Mr. Hart confirmed that the Agilent system is an effective tool for tracking calls and determining jurisdictionality.<sup>102</sup> The functionality and accuracy of the Agilent system are highly significant, since **the Agilent report based on Embarq’s SS7 records clearly and unambiguously classifies substantially all of the traffic sent from Embarq to Core as local traffic.**

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<sup>95</sup> Tr., 197-99.

<sup>96</sup> Tr., 199.

<sup>97</sup> Tr., 203.

<sup>98</sup> <http://assureme.comms.agilent.com/Product/Products.asp?pid=1006>. (Emphasis added).

<sup>99</sup> Tr., 199.

<sup>100</sup> Tr., 201.

<sup>101</sup> Tr., 203.

<sup>102</sup> Tr., 201.

[BEGIN PROPRIETARY]

<sup>103</sup> [END PROPRIETARY]. This report from Embarq's own traffic tracking system demonstrates how absurd Embarq's position really is. As the Agilent reports show, the industry standard is to determine a call's jurisdictionality by comparing the NPA-NXX of the calling and the called party.

In any event, the FCC has stated on numerous occasions that VNXX arrangements are properly rated as local and are subject to section 251(b)(5) of the Act for intercarrier compensation purposes, and that such jurisdictional determinations should be based on a comparison of the NPA-NXXs associated with a call. As one example, in its *Virginia Arbitration Order*, the FCC expressly stated that the standard industry practice is for "carriers [to] rate calls by comparing the originating and terminating NPA-NXX codes."<sup>104</sup> Indeed, in that proceeding, the FCC agreed that "local traffic" is defined as "traffic that stays within the local calling area as determined by the NPA-NXX codes

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<sup>103</sup> Core Cross Exhibit 4.

<sup>104</sup> *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, 17 FCC Rcd. 27039, ¶ 301 (2002) ("*Virginia Arbitration Order*").

of the calling and called parties,”<sup>105</sup> not the physical location. The FCC similarly noted that “Verizon concedes that NPA-NXX rating is the established compensation mechanism not only for itself, but industry-wide.”<sup>106</sup>

In the *Virginia Arbitration Order* the FCC determined that use of originating and terminating NPA-NXX codes is an appropriate means for segregating toll traffic, which is subject to state regulation, and local voice and ISP-bound traffic, which respectively are subject to the sections 251(b)(5) and 201 of the Federal Act and FCC rules.<sup>107</sup> To the extent the NPA-NXXs associated with a call are assigned to the same local calling area, a call is not “toll.” Rather, the call is rated as either a local voice call under 251(b)(5) of the Federal Act or as an ISP-bound call under section 201 of the Federal Act using the “3:1” presumption established by the FCC in its *ISP Remand Order*.<sup>108</sup> Traffic associated with the same calling area (based on a comparison of NPA-NXX codes) that falls below the 3:1 ratio is presumptively local, and traffic above the 3:1 ratio is presumptively ISP-bound. Both forms of traffic, however, are subject to federal law.

Of course, the *Virginia Arbitration Order* is not the only instance in which the FCC determined that the jurisdictional nature of a VNXX call is based on a comparison of relevant NPA-NXX codes. In its landmark decision in *Starpower*, the FCC similarly confirmed that it is standard industry practice to rate calls as local or toll based on a comparison of NPA-NXX codes.<sup>109</sup> The FCC has stayed true to its precedence in *Starpower*, noting in its 2005 intercarrier compensation *FNPRM* that

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<sup>105</sup> *Id.* at ¶ 264 (characterizing AT&T’s position) and ¶ 266 (adopting AT&T’s position and clarifying that the *ISP Remand Order*’s 3:1 presumption is rebuttable).

<sup>106</sup> *Id.* at ¶ 301.

<sup>107</sup> *Id.* at ¶¶ 286-88.

<sup>108</sup> *ISP Remand Order*, ¶ 79.

<sup>109</sup> *Starpower Communications, LLC v. Verizon South Inc.*, EB-00-MD-19, Memorandum Opinion and Order, 18 FCC Rcd 23625, 23633, ¶ 17 (2003) (“*Starpower*”).

“telecommunications carriers typically compare the telephone numbers of the calling and called party to determine the geographic end points of a call.”<sup>110</sup> Indeed, relying on *Starpower* and clarifying its analysis in the *Virginia Arbitration Order*, the FCC further explained that “a call is rated as local if the called number is assigned to a rate center within the local calling area of the originating rate center. If the called number is assigned to a rate center outside the local calling area of the originating rate center, it is rated as a toll call.”<sup>111</sup> At bottom, FCC precedent demands that parties rate calls based on a comparison of the relevant NPA-NXXs.

In addressing the same issue, the Maryland Commission followed the FCC’s analysis in *Starpower*, and found that:

*FX calls are local calls, not interexchange calls, based on standard industry practice, including Verizon’s own practice, and therefore reciprocal compensation is owed to the terminating carrier, and no access charges apply.* The calls are local because the status of a call as local or toll is determined, pursuant to standard industry practice, by the telephone numbers of the calling and called parties, not by their physical location. The Commission notes in this regard the FCC’s decision in *Starpower* rejecting Verizon’s assertion that FX calls should be considered toll calls because the service enables a customer to avoid toll charges. The FCC noted that this argument missed the crucial point that Verizon South itself rated calls to and from its foreign exchange customers as local or toll based upon the telephone number assigned to the customer, not the physical location of the customer.<sup>112</sup>

The analysis provided by the FCC and the Maryland Commissions is supported by the record in this case, which demonstrates that the industry standard remains that calls are rated based on the NPA-NXX combinations, not geographical end points. As Mr. Hart’s

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<sup>110</sup> *FNPRM* at n.59.

<sup>111</sup> *Id.* at ¶ 141.

<sup>112</sup> *In the Matter of the Petition of AT&T Communications of Maryland, Inc. for Arbitration Pursuant to 47 U.S.C. § 252(b) Concerning Interconnection Rates, Terms and Conditions*, Maryland PSC Case 8882, Order 79250 at 4-5; and Case 8922, Order 79813 at 3.

testimony shows, the only way for Embarq to rate calls its customers place to Core as non-local is to conduct a painstaking study of thousands of individual calls and to apply various assumptions and tariff interpretations. On the other hand, if Embarq simply relies upon its Agilent system (purchased for the very purpose of classifying traffic), then the calls are unquestionably local in nature.

**b. ISP VNXX Calls Are Compensable Under the *ISP Remand Order***

All of the foregoing analysis applies equally to ISP-bound VNXX traffic as it does to voice VNXX traffic. Like voice VNXX traffic, and for the same reasons, ISP-bound VNXX traffic is not an “exchange access” or “telephone toll service.” However, pursuant to the *ISP Remand Order*, there is a separate reason why ISP-bound VNXX traffic in particular is compensable under the terms of that order, and not subject to originating access charges. The reason is quite simply that the *ISP Remand Order* on its face applies to all ISP-bound traffic, not just ISP-bound traffic that Embarq may consider to be “local.”<sup>113</sup> Mr. Gates testified that the FCC and the parties were very aware in the years leading up to the FCC's ISP remand order about VNXX traffic,” and that VNXX “was a huge issue during that case, as you'll recall, back in the 2000's because the LECs were very concerned about all of that VNXX traffic and ISP bound traffic, which is why that order came out.”<sup>114</sup> Yet the FCC took no steps to exclude VNXX traffic from the ambit of the order. Indeed, the Commission has previously acknowledged that “[t]he *ISP Remand Order* has virtually preempted state commission rate authority over

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<sup>113</sup> See, eg., *ISP Remand Order*, at ¶¶ 44 (stating that all “ISP-bound traffic” is “information access” under section 251(g) of the Act), 52 (claiming jurisdiction over all “ISP-bound traffic”), and 78, 79, 80, 81, 82, and 89 (creating interim compensation rules for all “ISP-bound traffic.”).

<sup>114</sup> Tr., 55-56.

intercarrier compensation for ISP-bound traffic.”<sup>115</sup> Accordingly, the Commission did not apply the same analysis for voice VNXX traffic and ISP-bound VNXX traffic, and simply referred the parties in two previous arbitrations to the terms of the *ISP Remand Order*.<sup>116</sup>

**c. The Commission has Resolved Treatment of ISP VNXX Traffic in the Core RTC Certification Order**

In addition to all the reasons set forth above, Core notes that the Commission has already addressed the issue of compensation for ISP-bound VNXX traffic in the *Core RTC Certification Order*. The order clearly establishes VNXX traffic as local in nature, and therefore subject to reciprocal compensation and intercarrier compensation for ISP-bound traffic. The order rejects Embarq’s theory that VNXX traffic is interexchange (“long distance”) traffic subject to the access charge regime.

Although Core never took the position that an evaluation of VNXX traffic was necessary for the resolution of the certification case, the RTC Protestants insisted that Core was not a local exchange carrier because it relied primarily or exclusively on the use of VNXX arrangements to offer local calling to its ISP customers in RTC territories.<sup>117</sup> Indeed, the Protestants’ arguments about VNXX-enabled ISP-bound traffic in the Core certification case mirror Embarq’s arguments in this case.

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<sup>115</sup> Opinion and Order, *Petition of US LEC of Pennsylvania, Inc. For Arbitration with Verizon Pennsylvania, Inc.*, Docket No. A-310814F7000 (Order entered April 18, 2003) (“USLEC/Verizon Arbitration Order”), at 57 and note 46. The identical passage occurs in Opinion and Order, *Petition of Global NAPs South, Inc. For Arbitration... with Verizon Pennsylvania, Inc.*, Docket No. A-310771F7000 (Order entered April 21, 2003) (“GNAPS/Verizon Arbitration Order”), at 45 and note 46.

<sup>116</sup> *Id.*

<sup>117</sup> *Id.* at 29-30.

Ultimately, the Commission granted Core's exceptions on the issue of VNXX traffic, and explicitly agreed with Core's conclusion that such traffic should be classified as "local" as opposed to access or toll traffic:

The record supports a conclusion that several ILECs, CLECs, and/or their affiliates, offer VNXX, or a VNXX-like service. The record indicates that VNXX is not exclusively used by Core. Based on our conclusion that Core has sufficiently invested in facilities and by a preponderance of the evidence has demonstrated a commitment for more investment so as not to fall in the category of reseller, we find the emphasis on its VNXX use misplaced in this regard.

*With regard to the local nature of Core's exchange service as a result of its use of VNXX, we would further agree with Core.*<sup>118</sup>

As further clarification of its endorsement of Core's position, the Commission cited with approval the following passage from Core's Exceptions:

*Core's services are telephone exchange services because each and every call is terminated on a local basis (whether geographically local, or VNXX), within the same LATA in which it originated, courtesy of Core's direct interconnections with Verizon tandems in each LATA. . . . It is also important to differentiate between Core's services, whereby each call is originated and terminated on a local basis, within the same LATA, and the service at issue in the Level 3 Application in Marianna & Scenery Hill territory. In the case of Level 3, it was determined that all Pennsylvania calls terminated by Level 3 were terminated at Level 3's modem banks in Baltimore, Maryland. By contrast, as set forth above, all calls handled by Core originate and terminate on a local basis in the same LATA.*<sup>119</sup>

The Commission broadly concluded "[t]he Exceptions of Core are granted."<sup>120</sup>

In light of the importance of the VNXX issue in the Core RTC Certification Proceeding, and the Commission's careful and conclusive analysis of the issue, there remains no further basis in the law to support Embarq's position that such traffic should be considered long distance or access traffic. Rather, the Commission's analysis wholly

<sup>118</sup> *Id.* at 31. (Emphasis added).

<sup>119</sup> *Id.* (Emphasis added).

<sup>120</sup> *Id.*

supports Core's position that VNXX traffic should be considered "local" compensable traffic both under Section 251(b)(5) and the *ISP Remand Order*.

**d. Requiring Compensation for VNXX Calls is in the Public Interest**

Compensating carriers for the termination of ISP-bound VNXX traffic at the extremely low (\$0.0007/MOU) rate set forth in the *ISP Remand Order* is clearly in the public interest. Core witness Mr. Gates demonstrated that VNXX number assignments permit ISPs to operate in a cost-effective manner in the rural areas of Pennsylvania.<sup>121</sup> Mr. Gates testified that imposition of originating access charges by Embarq would force ISPs served by Core to either raise their rates dramatically, or else simply stop providing service in the more remote parts of Embarq territory.<sup>122</sup> Mr. Gates noted that rural residents in particular rely heavily on dial up ISP service, since broadband services are often not available or prohibitively expensive.<sup>123</sup> He also showed that imposition of originating access charges on ISP-bound VNXX traffic would require CLECs like Core to "duplicate the network of Embarq and other ILECs" by placing otherwise unnecessary facilities in each local exchange.<sup>124</sup> CLECs would thereby surrender one of their few competitive advantages over the incumbents, which is the ability to deploy networks in a "less capital intensive, less location sensitive" manner.<sup>125</sup>

In the past Embarq itself has advocated in support of CLECs' ability to use VNXX arrangements. In the Commission's Generic Investigation Regarding Virtual NXX Codes (Docket No. I-00020093), Embarq and Sprint jointly stated that:

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<sup>121</sup> Core Statement 1.0 (Gates Direct Testimony), at 38-39.

<sup>122</sup> *Id.*

<sup>123</sup> *Id.*, at 41-42.

<sup>124</sup> *Id.*, at 39.

<sup>125</sup> *Id.*

The use of virtual NXXs provides benefits to the ILEC's end users as well as to the companies that utilize them. Virtual NXXs also benefits CLECs by alleviating the need for a CLEC to establish a physical presence in each exchange. Therefore, virtual (sic) NXXs allows CLECs the ability to enter the market and provide competitive services without incurring prohibitive collocation costs. Furthermore, collocation leads to space exhaust in ILEC central offices. Given that the telecommunications industry and the technology that drives the industry are continually evolving, carriers should embrace innovative and cost effective ways (such as through the use of virtual NXXs) to provide service to end users. In summary, virtual NXXs maintain internet services at affordable prices, which promotes the public interest.<sup>126</sup>

Notably, Embarq's previous advocacy largely mirrors Mr. Gates' testimony.

**e. VOIP Traffic is Telecommunications and is Compensable Under Section 251(b)(5) of the Act**

VOIP traffic, as is relevant to this proceeding, is traffic that is originated by a VOIP end user in internet protocol (IP) format, is converted into time-division multiplexing (TDM) format, and is then delivered through the parties' switched telecommunications network (the same network that handles dial up calls and "ordinary" voice calls) to an end user with "plain old telephone service, or "POTS." Conversely, VOIP traffic may originate with a POTS end user, be routed through the switched telecommunications network, and terminate to a VOIP end user. Much like ISPs, VOIP providers seek to work with CLECs instead of incumbents, since VOIP services are marketed as replacements for incumbents' POTS lines.

Core's position is that VOIP traffic that passes between the parties' networks is "telecommunications" traffic that is subject to reciprocal compensation arrangements under section 251(b)(5). If Core delivers VOIP traffic originated by its VOIP provider

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<sup>126</sup> See, Joint Comments of Sprint Communications Company, L.P. and the United Telephone Company of Pennsylvania (collectively "Sprint") in Docket No. I-00020093, dated November 18, 2002, at 5.

customer to Embarq for termination, then Core would pay Embarq at the reciprocal compensation rates the parties have agreed to. Conversely, if Embarq delivers VOIP traffic to Core, Embarq would pay Core at those same rates. Embarq proposes that VOIP calls “be compensated in the same manner as voice traffic (e.g., reciprocal compensation, interstate access and intrastate access).”<sup>127</sup> Presumably, this means that VOIP traffic would be rated according to Embarq’s theories regarding the geographic end points of the call.

Once converted into TDM format, VOIP traffic unquestionably qualifies as “telecommunications” under section 251(b)(5) of the Act and the FCC’s implementing rules.<sup>128</sup> As such, VOIP traffic would be rated as “local” or “toll” based on a comparison of the calling party’s and called party’s NPA-NXX combination. Locally dialed calls are compensable under the reciprocal compensation regime, and toll calls are compensable under the access regime. Attempting to rate VOIP calls based on geographic end points would be practically impossible, since VOIP services are portable depending on where the VOIP end user chooses to log in to his VOIP service. As the FCC has found

In marked contrast to traditional circuit-switched telephony, however, it is not relevant where that broadband connection is located or even whether it is the same broadband connection every time the subscriber accesses the service. Rather, Vonage’s service is fully portable; customers may use the service anywhere in the world where they can find a broadband connection to the Internet.<sup>129</sup>

Given these practical circumstances, Embarq’s proposal to rate VOIP calls based on geographic end points should be rejected.

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<sup>127</sup> Embarq Exhibit 1, Embarq Final Offer, at p. 14.

<sup>128</sup> See, Memorandum Opinion and Order, *In re Universal Service Contribution Methodology*, WC Docket No. 04-3621 FCC Rcd 7518 (rel. June 27, 2006), at ¶ 41 (“we determine that interconnected VoIP providers provide ‘telecommunications.’”).

<sup>129</sup> Memorandum Opinion & Order, *In the Matter of Vonage Holdings Corporation Petition for Declaratory Ruling*, WC Docket No. 03-211, 19 FCC Rcd. 22404 (rel. November 12, 2004).

**f. Embarq Has Offered No Support for its Belated Bill-and-Keep Proposals**

In its final offer, Embarq proposes “bill and keep” as the intercarrier compensation mechanism for practically all forms of traffic other than exchange access traffic, including “Local and ISP-Bound Traffic”<sup>130</sup>, “VNXX traffic”<sup>131</sup>, and “non-local VOIP traffic.”<sup>132</sup> With the exception of Mr. Fox’s brief statement that Embarq “is amenable to consideration of a bill and keep compensation arrangement for all Core’s VNXX traffic...”<sup>133</sup>, there is no record whatsoever to support any of these last minute, “alternative” proposals. Moreover, for the reasons below, bill and keep is not appropriate except in very limited circumstances which are not present in this case.

The FCC carefully considered the merits of bill and keep in its 1996 *Local Competition Order*. The FCC defined bill and keep as “arrangements... in which neither of two interconnecting networks charges the other network for terminating traffic that originated on the other network.”<sup>134</sup> As a general matter, the FCC frowned on bill and keep, since it fails to permit cost recovery for the terminating carrier. “[A]s long as the cost of terminating traffic is positive, bill-and-keep arrangements are not economically efficient because they distort carriers’ incentives, encouraging them to overuse competing carriers’ termination facilities by seeking customers that primarily originate traffic.”<sup>135</sup> The FCC did however recognize that when the traffic volumes terminated by each party to an interconnection are balanced, “bill-and-keep arrangements may

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<sup>130</sup> Embarq Exhibit 1, Embarq Final Offer, at 8-9 and 11-12.

<sup>131</sup> *Id.*, at 13-14.

<sup>132</sup> *Id.*, at 15.

<sup>133</sup> Embarq Exhibit 1.0 (Fox Direct Testimony), at 36.

<sup>134</sup> *Local Competition Order*, at ¶ 1096. (Emphasis added).

<sup>135</sup> *Id.*, at ¶ 1112.

minimize administrative burdens and transaction costs.”<sup>136</sup> Accordingly, the FCC concluded that “state commissions may impose bill-and-keep arrangements if neither party has rebutted the presumption of symmetrical rates and *if the volume of terminating traffic that originates on another network is approximately equal to the volume of terminating traffic flowing in the opposite direction, and is expected to remain so...*”<sup>137</sup>

Core submits that neither party has offered any evidence to support the notion that the volumes of traffic to be terminated by the parties will be “approximately equal.” Indeed Embarq has demonstrated that it originates far more traffic to Core than vice versa, and that it expects to continue to maintain that imbalance in the future. **Bill and keep is simply not appropriate where traffic volumes are out of balance.** Core further submits that nothing in the Act or the FCC’s rules permit Embarq to subject particular classes of traffic to bill and keep (i.e., VOIP, VNXX), while applying other regimes (such as access) to other types of traffic. The only exceptions to section 251(b)(5) are exchange access and information access under section 251(g), and ISP-bound traffic by virtue of the *ISP Remand Order*. Otherwise all “telecommunications” are subject to reciprocal compensation under section 251(b)(5) of the Act and the FCC’s implementing rules.

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<sup>136</sup>

*Id.*

<sup>137</sup>

*Id.*, at ¶ 1111.

**5/3/11 On-the-Record Data Request:** How many customers does Core have in Pennsylvania broken out by ISP and non-ISP customers.

**Response:** Core has approximately 53 ISP (business) customers and 16 non-ISP customers who subscribe to Core's local exchange service in Pennsylvania.

Response provided by: Bret Mingo

## XO Indirect Traffic -- CIC 5119

CIC	Invoice Date	Invoice #	Usage Period	PA Intrastate	PA Intrastate--Paid	Months Late	Late Charges	Unpaid with LC
5119	12/11/2008	7051	Jun-04	\$ 504.83		29	43.5	\$ 724.43
5119	12/11/2008	7052	Jul-04	\$ 648.15		29	43.5	\$ 930.10
5119	12/11/2008	7053	Aug-04	\$ 680.57		29	43.5	\$ 976.62
5119	12/11/2008	7054	Sep-04	\$ 663.98		29	43.5	\$ 952.81
5119	12/11/2008	7055	Oct-04	\$ 727.06		29	43.5	\$ 1,043.33
5119	12/11/2008	7056	Nov-04	\$ 701.63		29	43.5	\$ 1,006.84
5119	12/11/2008	7057	Dec-04	\$ 575.62		29	43.5	\$ 826.01
5119	12/9/2008	6875	Jan-05	\$ 486.21		29	43.5	\$ 697.71
5119	12/9/2008	6876	Feb-05	\$ 541.58		29	43.5	\$ 777.17
5119	12/9/2008	6877	Mar-05	\$ 510.28		29	43.5	\$ 732.25
5119	12/9/2008	6878	Apr-05	\$ 556.95		29	43.5	\$ 799.22
5119	12/9/2008	6879	May-05	\$ 656.59		29	43.5	\$ 942.21
5119	12/9/2008	6880	Jun-05	\$ 301.77		29	43.5	\$ 433.04
5119	12/9/2008	6881	Jul-05	\$ 183.54		29	43.5	\$ 263.38
5119	12/9/2008	6882	Aug-05	\$ 213.64		29	43.5	\$ 306.57
5119	12/9/2008	6883	Sep-05	\$ 362.01		29	43.5	\$ 519.48
5119	12/9/2008	6884	Oct-05	\$ 758.67		29	43.5	\$ 1,088.69
5119	12/9/2008	6885	Nov-05	\$ 522.64		29	43.5	\$ 749.99
5119	12/9/2008	6886	Dec-05	\$ 915.82		29	43.5	\$ 1,314.20
5119	12/4/2008	6839	Jan-06	\$ 1,202.43		29	43.5	\$ 1,725.49
5119	12/4/2008	6840	Feb-06	\$ 851.90		29	43.5	\$ 1,222.48
5119	12/4/2008	6841	Mar-06	\$ 1,218.61		29	43.5	\$ 1,748.71
5119	12/4/2008	6842	Apr-06	\$ 1,006.30		29	43.5	\$ 1,444.04
5119	12/4/2008	6843	May-06	\$ 1,038.35		29	43.5	\$ 1,490.03
5119	12/4/2008	6844	Jun-06	\$ 1,311.09		29	43.5	\$ 1,881.41
5119	12/4/2008	6845	Jul-06	\$ 1,332.17		29	43.5	\$ 1,911.66
5119	12/4/2008	6846	Aug-06	\$ 1,940.62		29	43.5	\$ 2,784.79
5119	12/4/2008	6847	Sep-06	\$ 2,179.29		29	43.5	\$ 3,127.28
5119	12/4/2008	6848	Oct-06	\$ 1,363.26	\$ 1,363.26			
5119	12/4/2008	6849	Nov-06	\$ 1,108.09		29	43.5	\$ 1,590.11
5119	12/4/2008	6850	Dec-06	\$ 975.13		29	43.5	\$ 1,399.31
5119	3/28/2008	494	Jan-07	\$ 1,451.04	\$ 1,451.04			
5119	3/28/2008	528	Feb-07	\$ 1,687.63	\$ 1,687.63			
5119	4/3/2008	566	Mar-07	\$ 2,468.97		37	55.5	\$ 3,839.25
5119	4/3/2008	605	Apr-07	\$ 2,703.93	\$ 2,703.93			

## XO Indirect Traffic -- CIC 5119

CIC	Invoice Date	Invoice #	Usage Period	PA Intrastate	PA Intrastate--Paid	Months Late	Late Charges	Unpaid with LC
5119	3/27/2008	373	May-07	\$ 3,524.31		37	55.5	\$ 5,480.30
5119	3/27/2008	454	Jun-07	\$ 4,068.73	\$ 4,068.73			
5119	3/27/2008	413	Jul-07	\$ 4,490.22		37	55.5	\$ 6,982.29
5119	3/25/2008	248	Jul-07	\$ 6,073.44		37	55.5	\$ 9,444.20
5119	3/26/2008	330	Sep-07	\$ 3,927.53		37	55.5	\$ 6,107.31
5119	3/25/2008	286	Oct-07	\$ 3,004.66	\$ 3,004.66			
5119	3/13/2008	169	Nov-07	\$ 2,751.23	\$ 2,751.23			
5119	3/12/2008	117	Dec-07	\$ 2,384.84	\$ 2,384.84			
5119	5/12/2009	901	Jan-08	\$ 1,363.92		24	36	\$ 1,854.93
5119	5/12/2009	902	Feb-08	\$ 1,136.45		24	36	\$ 1,545.57
5119	5/12/2009	903	Mar-08	\$ 1,179.53		24	36	\$ 1,604.16
5119	5/12/2009	904	Apr-08	\$ 1,099.85		24	36	\$ 1,495.80
5119	5/12/2009	905	May-08	\$ 678.52		24	36	\$ 922.79
5119	5/12/2009	906	Jun-08	\$ 848.39		24	36	\$ 1,153.81
5119	5/12/2009	907	Nov-08	\$ 614.45		24	36	\$ 835.65
5119	1/20/2009	713	Dec-08	\$ 511.45	\$ 511.45			
5119	2/10/2009	748	Jan-09	\$ 151.80	\$ 151.80			
5119	3/10/2009	777	Feb-09	\$ 111.92	\$ 111.92			
5119	4/10/2009	820	Mar-09	\$ 187.92	\$ 187.92			
5119	5/10/2009	874	Apr-09	\$ 73.35		24	36	\$ 99.76
5119	6/10/2009	1243	May-09	\$ 90.50		23	34.5	\$ 121.72
5119	7/10/2009	1297	Jun-09	\$ 120.79		22	33	\$ 160.65
5119	8/10/2009	1349	Jul-09	\$ 277.72		21	31.5	\$ 365.20
5119	9/10/2009	1404	Aug-09	\$ 327.08		20	30	\$ 425.20
5119	10/10/2009	1459	Sep-09	\$ 609.43		19	28.5	\$ 783.12
5119	11/10/2009	1517	Oct-09	\$ 857.34		18	27	\$ 1,088.82
5119	12/10/2009	1572	Nov-09	\$ 1,073.00		17	25.5	\$ 1,346.62
5119	1/10/2010	1625	Dec-09	\$ 657.51		16	24	\$ 815.31
5119	2/10/2010	1679	Jan-10	\$ 269.88		15	22.5	\$ 330.60
5119	3/10/2010	1733	Feb-10	\$ 711.23		14	21	\$ 860.59
5119	4/10/2010	1791	Mar-10	\$ 935.19		13	19.5	\$ 1,117.55
5119	5/10/2010	9027	Apr-10	\$ 1,270.88		12	18	\$ 1,499.64
5119	6/10/2010	9156	May-10	\$ 1,239.70		11	16.5	\$ 1,444.25
5119	7/10/2010	1309	Jun-10	\$ 1,382.05		10	15	\$ 1,589.36
5119	8/10/2010	1372	Jul-10	\$ 1,457.94		9	13.5	\$ 1,654.76

## XO Indirect Traffic – CIC 5119

CIC	Invoice Date	Invoice #	Usage Period	PA Intrastate	PA Intrastate--Paid	Months Late	Late Charges	Unpaid with LC
5119	9/10/2010	1435	Aug-10	\$ 1,619.92		8	12	\$ 1,814.31
5119	10/10/2010	1497	Sep-10	\$ 443.25		7	10.5	\$ 489.79
5119	11/10/2010	1561	Oct-10	\$ 527.71		6	9	\$ 575.20
5119	12/10/2010	1619	Nov-10	\$ 514.34		5	7.5	\$ 552.92
5119	1/10/2011	1677	Dec-10	\$ 498.04		4	6	\$ 527.92
5119	2/10/2011	1736	Jan-11	\$ 671.73		3	4.5	\$ 701.96
5119	3/10/2011	1804	Feb-11	\$ 802.82		2	3	\$ 826.90
5119	4/10/2011	1806	Mar-11	\$ 758.34		1	1.5	\$ 769.72
				\$ 89,649.25	\$ 20,378.41			\$ 96,637.31

XO CIC	Usage Year	Usage Month	Intra Toll MOUs	Local MOUs	Intra Toll Amt. Due	Local Amt. Due	Months Past Due	Intra Toll Due w/LCs	Local Due w/LCs
5119	2004	June	213.00	17,345.00	\$ 2.98	\$ 42.30	43.5	\$ 4.28	\$ 60.70
5119	2004	July	294.00	22,281.00	\$ 4.12	\$ 54.34	43.5	\$ 5.91	\$ 77.98
5119	2004	August	441.00	23,402.00	\$ 6.17	\$ 57.08	43.5	\$ 8.85	\$ 81.91
5119	2004	September	1,095.00	22,699.00	\$ 15.33	\$ 55.36	43.5	\$ 22.00	\$ 79.44
5119	2004	October	2,214.00	24,925.00	\$ 31.00	\$ 60.79	43.5	\$ 44.49	\$ 87.23
5119	2004	November	554.00	24,098.00	\$ 7.76	\$ 58.78	43.5	\$ 11.14	\$ 84.35
5119	2004	December	749.00	19,682.00	\$ 10.49	\$ 48.00	43.5	\$ 15.05	\$ 68.88
5119	2005	January	51,035.00	16,571.00	\$ 714.49	\$ 40.42	43.5	\$ 1,025.29	\$ 58.00
5119	2005	February	41,748.00	18,451.00	\$ 584.47	\$ 45.00	43.5	\$ 838.71	\$ 64.58
5119	2005	March	854.00	17,376.00	\$ 11.96	\$ 42.38	43.5	\$ 17.16	\$ 60.82
5119	2005	April	1,472.00	19,019.00	\$ 20.61	\$ 46.39	43.5	\$ 29.58	\$ 66.57
5119	2005	May	2,770.00	22,411.00	\$ 38.78	\$ 54.66	43.5	\$ 55.65	\$ 78.44
5119	2005	June	958.00	10,093.00	\$ 13.41	\$ 24.62	43.5	\$ 19.24	\$ 35.33
5119	2005	July	908.00	6,094.00	\$ 12.71	\$ 14.86	43.5	\$ 18.24	\$ 21.32
5119	2005	August	1,724.00	6,776.00	\$ 24.14	\$ 16.54	43.5	\$ 34.64	\$ 23.73
5119	2005	September	2,589.00	11,259.00	\$ 36.25	\$ 27.46	43.5	\$ 52.02	\$ 39.41
5119	2005	October	2,803.00	24,911.00	\$ 39.24	\$ 60.76	43.5	\$ 56.31	\$ 87.19
5119	2005	November	2,033.00	17,097.00	\$ 28.42	\$ 41.70	43.5	\$ 40.78	\$ 59.84
5119	2005	December	2,728.00	30,306.00	\$ 38.18	\$ 73.92	43.5	\$ 54.79	\$ 106.08
5119	2006	January	4,864.00	40,003.00	\$ 68.05	\$ 97.57	43.5	\$ 97.65	\$ 140.01
5119	2006	February	8,075.00	23,567.00	\$ 113.05	\$ 57.48	43.5	\$ 162.23	\$ 82.48
5119	2006	March	5,182.00	38,783.00	\$ 72.55	\$ 94.60	43.5	\$ 104.11	\$ 135.75
5119	2006	April	5,781.00	31,651.00	\$ 80.93	\$ 77.20	43.5	\$ 116.13	\$ 110.78
5119	2006	May	5,608.00	32,973.00	\$ 78.47	\$ 80.43	43.5	\$ 112.60	\$ 115.42
5119	2006	June	13,922.00	36,471.00	\$ 194.68	\$ 88.96	43.5	\$ 279.37	\$ 127.66
5119	2006	July	14,545.00	35,655.00	\$ 203.42	\$ 86.97	43.5	\$ 291.91	\$ 124.80
5119	2006	August	34,576.00	34,971.00	\$ 483.99	\$ 85.30	43.5	\$ 694.53	\$ 122.41
5119	2006	September	48,792.00	30,459.00	\$ 683.03	\$ 74.29	43.5	\$ 980.15	\$ 106.61
5119	2006	October	26,844.00	41,310.00	\$ -	\$ -	0	\$ -	\$ -
5119	2006	November	20,270.00	29,848.00	\$ 283.71	\$ 72.86	43.5	\$ 407.12	\$ 104.55
5119	2006	December	8,620.00	28,660.00	\$ 120.43	\$ 69.92	43.5	\$ 172.82	\$ 100.34
5119	2007	January	22,684.00	30,687.00	\$ -	\$ -	0	\$ -	\$ -
5119	2007	February	29,624.00	32,528.00	\$ -	\$ -	0	\$ -	\$ -
5119	2007	March	110,272.00	71,938.00	\$ 1,543.56	\$ 175.51	55.5	\$ 2,400.24	\$ 272.92
5119	2007	April	82,187.00	52,346.00	\$ -	\$ -	0	\$ -	\$ -
5119	2007	May	88,569.00	89,300.00	\$ 1,223.70	\$ 236.17	55.5	\$ 1,902.85	\$ 367.24
5119	2007	June	66,047.00	120,196.00	\$ -	\$ -	0	\$ -	\$ -
5119	2007	July	61,651.00	135,735.00	\$ 863.06	\$ 342.00	55.5	\$ 1,342.06	\$ 531.81
5119	2007	August	82,123.00	169,933.00	\$ -1,146.10	\$ 421.11	55.5	\$ 1,782.19	\$ 654.83
5119	2007	September	45,490.00	126,449.00	\$ 636.34	\$ 314.13	55.5	\$ 989.51	\$ 488.47
5119	2007	October	56,515.00	86,687.00	\$ -	\$ -	0	\$ -	\$ -
5119	2007	November	55,869.00	75,626.00	\$ -	\$ -	0	\$ -	\$ -
5119	2007	December	46,193.00	60,301.00	\$ -	\$ -	0	\$ -	\$ -



XO CIC	Usage Year	Usage Month	Intra Toll MOUs	Local MOUs	Intra Toll Amt.		Local Amt. Due	Months Past Due	Intra Toll Due		Local Due w/LCs		
					Due				w/LCs				
5607	2004	June	22,176.00	0.00	\$	310.46	\$	-	43.5	\$	445.51	\$	-
5607	2004	July	28,854.00	0.00	\$	403.96	\$	-	43.5	\$	579.68	\$	-
5607	2004	August	39,164.00	0.00	\$	548.30	\$	-	43.5	\$	786.81	\$	-
5607	2004	September	38,894.00	0.00	\$	544.52	\$	-	43.5	\$	781.39	\$	-
5607	2004	October	37,006.00	0.00	\$	518.08	\$	-	43.5	\$	743.44	\$	-
5607	2004	November	26,991.00	0.00	\$	377.87	\$	-	43.5	\$	542.24	\$	-
5607	2004	December	24,987.00	0.00	\$	349.82	\$	-	43.5	\$	501.99	\$	-
5607	2005	January	25,834.00	0.00	\$	361.68	\$	-	43.5	\$	519.01	\$	-
5607	2005	February	23,382.00	0.00	\$	327.35	\$	-	43.5	\$	469.75	\$	-
5607	2005	March	25,539.00	0.00	\$	357.55	\$	-	43.5	\$	513.08	\$	-
5607	2005	April	25,311.00	0.00	\$	354.35	\$	-	43.5	\$	508.49	\$	-
5607	2005	May	32,184.00	0.00	\$	450.58	\$	-	43.5	\$	646.58	\$	-
5607	2005	June	32,894.00	0.00	\$	460.52	\$	-	43.5	\$	660.85	\$	-
5607	2005	July	27,321.00	0.00	\$	382.49	\$	-	43.5	\$	548.87	\$	-
5607	2005	August	27,059.00	0.00	\$	378.83	\$	-	43.5	\$	543.62	\$	-
5607	2005	September	31,967.00	0.00	\$	447.54	\$	-	43.5	\$	642.22	\$	-
5607	2005	October	26,173.00	0.00	\$	366.42	\$	-	43.5	\$	525.81	\$	-
5607	2005	November	27,247.00	0.00	\$	381.46	\$	-	43.5	\$	547.40	\$	-
5607	2005	December	64,354.00	0.00	\$	900.96	\$	-	43.5	\$	1,292.88	\$	-
5607	2006	January	80,183.00	0.00	\$	1,122.56	\$	-	43.5	\$	1,610.87	\$	-
5607	2006	February	78,210.00	0.00	\$	1,094.94	\$	-	43.5	\$	1,571.24	\$	-
5607	2006	March	89,538.00	0.00	\$	1,253.53	\$	-	43.5	\$	1,798.82	\$	-
5607	2006	April	68,793.00	0.00	\$	963.10	\$	-	43.5	\$	1,382.05	\$	-
5607	2006	May	65,396.00	0.00	\$	915.54	\$	-	43.5	\$	1,313.80	\$	-
5607	2006	June	52,301.00	0.00	\$	732.21	\$	-	43.5	\$	1,050.72	\$	-
5607	2006	July	52,759.00	0.00	\$	738.63	\$	-	43.5	\$	1,059.93	\$	-
5607	2006	August	24,390.00	0.00	\$	341.46	\$	-	43.5	\$	490.00	\$	-
5607	2006	September	20,160.00	0.00	\$	282.24	\$	-	43.5	\$	405.01	\$	-
5607	2006	October	25,960.00	0.00	\$	363.44	\$	-	43.5	\$	521.54	\$	-
5607	2006	November	24,531.00	0.00	\$	343.43	\$	-	43.5	\$	492.82	\$	-
5607	2006	December	14,895.00	0.00	\$	208.53	\$	-	43.5	\$	299.24	\$	-
5607	2007	January	37,251.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	February	14,289.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	March	41,300.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	April	32,866.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	May	94,610.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	June	83,733.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	July	74,856.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	August	95,969.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	September	104,596.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	October	138,133.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	November	108,894.00	0.00	\$	-	\$	-	0	\$	-	\$	-
5607	2007	December	74,961.00	0.00	\$	-	\$	-	0	\$	-	\$	-



**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of Core Communication's Motion for Admission of Exhibits upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

**Via Email and/or First Class Mail**

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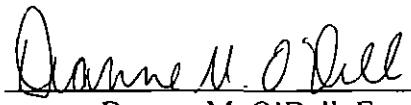
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**RECEIVED**

MAY 9 2011

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Dated: May 9, 2011

  
\_\_\_\_\_  
Deanne M. O'Dell, Esq.

From: (717) 237-6000      Origin ID: MDTA  
 Deanne M ODall Esq  
 ECKERT, SEAMANS, CHERIN & MELLOTT  
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 Commonwealth Keystone Building  
 HARRISBURG, PA 17120

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