

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Core Communications, Inc.
v.
Verizon Pennsylvania, LLC

Public Meeting held October 4, 2018
2406550-OSA
Docket No. C-2014-2406500

STATEMENT OF CHAIRMAN GLADYS M. BROWN

This dispute presents four issues in this Interconnection Agreement (ICA) dispute, one in a series of disputes that has engendered a lot of litigation between these parties over the years.

The first issue is whether Core should be denied all compensation for services provided by Core because Core's Schedule in the ICA contained no rates? Core should not be denied any compensation because the ICA contained "mirroring rule" language in the ICA, language which supports allowing parties to rely on Verizon rates as a ceiling to the rates to be paid for services rendered.¹ That language distinguishes this ICA from ICA disputes in other jurisdictions. I prefer to err on the side of requiring compensation because the Commission generally prefers competitive practices that require payment for services.²

Second, is the compensation Core claims for Port Trunking service provided to Verizon an unbundled network element (UNE) or part of the federally-mandated charge of \$.0007 per Minute of Use (MOU) for dial-up internet traffic? In my view, Port Trunking charges constitute a separate service.³ Verizon itself maintains port trunking charges for non-local traffic.⁴ Other carriers do the same.⁵ And, we have approved them.⁶

¹ The "mirroring rule" refers to an FCC limitation in the *ISP Remand Order* establishing the \$.0007 per MOU as the reciprocal compensation rate for dial-up internet traffic which permits a carrier to charge that rate to another carrier only if the charging carrier was also charging the same rate. See e.g., *In re: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 96-98, FCC 01-131 (April 27, 2001), para. 8; *Core Reply Brief* at 20 and 21 citing ICA appendix language stating that rates are "...not to exceed [Verizon's] rate for equivalent services available to Core" and the fact that the Fourth Circuit relied on Section 3.4.5 in the *CoreTel Virginia v. Verizon*, 752 F.3d at 372, which has no analogue in the Pennsylvania ICA at issue in this dispute.

² See *Palmerton Telephone Company v. GNAPS*, Docket C-2009-2093336 (3/16/10); *AT&T Corp. & Teleport Communications of America v. Pa. PUC and Core Communications, Inc.*, 14 F.3d 1449 (3rd Cir. 2015).

³ *Core Main Brief* at 11-13 citing ICA, Appendix 2, Section III refers to "Tandem Switching Usage" and "Trunk Ports – Tandem" and Proprietary Tr. At 123:12-15 on network schematics and cost studies.

⁴ *Verizon M.B.* at 19-20 and n. 23 on access Port Trunk charges.

⁵ *United Telephone Company, Supplement No 92 To Telephone – Pa. P.U.C. No. 29, Access Service, 6.8, Effective July 3, 2018*

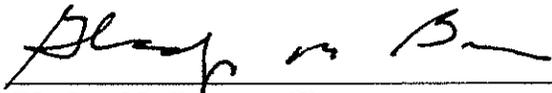
⁶ *Id.* Effective July 3, 2018.

Third, should the rate Core seeks for UNE Port Trunking be the rate in place before the Commission established a lower UNE rate? I believe that Core's compensation should be limited to the lowest rate.⁷

Finally, can Core charge for multiplexing service provided to Verizon? I consider multiplexing service to be a service that is distinct from the dial-up FCC rate or port charges.⁸

I therefore respectfully dissent.

October 4, 2018
Date


Gladys M. Brown, Chairman

⁷ Compare Core R.B. at 18-20 supporting rate of \$214.76 with *Verizon Statement 2.0* at 13 supporting rate of \$71.48.

⁸ The term refers to aggregating or disaggregating channels with digital signals (DS) on a trunk in which a DS3 is subdivided into 28 DS1 channels and further subdivided into 672 DS0 channels. DS0 is 64 kbps for a single voice channel. DS1 is contains 24 DS0 voice channels and provides 1.544 Mbps (the definition of broadband service in Chapter 30). DS3 is 28 DS1 channels or T3 service. Newton's Telecomm Dictionary, (CMP Books 20th Ed), p. 273. Compare Attachment III, Section 10 and Attachment IV, Section 2 (multiplexing is a separate service and charge) with Attachment IV, Sections 1.2.2, 2.2.1, 2.2.1.1, 2.2.1.2 and 2.4.2 (charges are limited to Transport and Termination of Local Traffic (Reciprocal Compensation) and Dedicated Transport but only when necessary from Core); *Accord Core Stmt. 2.0* at 15; Prop. Exh. Q