

ORIGINAL

DOCKET NO. T-0



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AZ CORP COMMISSION  
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Plaintiff

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDEL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

IN THE MATTER OF QWEST CORPORATION'S )	DOCKET NO. T-01051B-06-0175
APPLICATION FOR ARBITRATION )	DOCKET NO. T-02556A-06-0175
PROCEDURE AND APPROVAL OF )	DOCKET NO. T-03693A-06-0175
INTERCONNECTION AGREEMENTS WITH )	
AZCOM PAGING, INC., HANDY PAGE, )	
GLEN CANYON COMMUNICATIONS INC., )	
AND TELE-PAGE, INC., AND PURSUANT TO )	
SECTION 252(B) OF THE COMMUNICATIONS )	STATEMENT OF UN-RESOLVED
ACT OF 1932, AS AMENDED BY THE )	INTERCONNECTION AGREEMENT ITEMS
TELECOMMUNICATIONS ACT OF 1996, AND )	BETWEEN QWEST AND HANDY PAGE.
THE APPLICABLE STATE LAWS.	

This Statement is submitted to document the current unresolved Interconnection Agreement items between Qwest Corporation (Qwest) and Interstate Wireless, Inc., d/b/a Handy Page (Handy Page).

The biggest un-resolved issue has to do with the Wide Area Calling (WAC) service which Qwest is supplying Handy Page. Qwest's current position is that the WAC service is an optional "tariff" service, and per the TSR

1 decision<sup>1</sup> is not required for Interconnection. This tariff is available only  
2 to "Wholesale" Commercial Mobile Radio Service (CMRS) carriers, and now  
3 because of "local number portability", is only available to Paging carriers.  
4

5 Although the costs for Interconnection facilities would be billed under  
6 a Type 2a Interconnection Agreement, The "WAC service tariff" is responsible  
7 for determining the "compensation obligation" of what a CMRS Paging carrier  
8 will pay or receive for Wide Area Calling "minutes of use" (MOU) and other  
9 service charges. The WAC MOU "traffic usage" also determines who pays what  
10 percentage of the Interconnection Agreement "facilities" charges, per the  
11 1996 Telecommunications Act, between Qwest and Handy Page.  
12

13 Both the WAC and the Interconnection Agreement items are inextricably  
14 intertwined with each other.  
15

16 The T-mobile decision<sup>2</sup> issued by the FCC, the result of which precipitated  
17 this docket, states in section 14 that: "... we now take action in this  
18 proceeding to amend our rules going forward in order to make clear our  
19 preference for contractual arrangements for non-access CMRS traffic. As  
20 discussed above, precedent suggests that the Commission intended for  
21 compensation arrangements to be negotiated agreements and we find that  
22 negotiated agreements between carriers are more consistent with the pro-  
23 competitive process and policies reflected in the 1996 Act. Accordingly, we  
24 amend section 20.11 of the Commission's rules to prohibit LEC's from imposing  
25 compensation obligations for non-access traffic pursuant to tariff.  
26 Therefore, such existing wireless termination tariffs shall no longer apply

27  
28 <sup>1</sup> TSR vs US West (Qwest), FCC 00-194, dated June 21, 2000.

<sup>2</sup> T-Mobile USA, et. al., FCC 05-42, dated February 24, 2005.

1 upon the effective date of these amendments to our rules. We take this  
2 action pursuant to our plenary authority under sections 201 and 332 of the  
3 Act," the latter of which states that "[u]pon reasonable request of any  
4 person providing commercial mobile service, the Commission shall order a  
5 common carrier to establish physical connections with such service...".  
6

7 We take this FCC decision to mean that Wide Area Calling also needs to  
8 be part of a "negotiated" agreement, because it decides the "Compensation  
9 Arrangements" for the Interconnection Agreement between Qwest and Handy Page.  
10

11 We ask the Arizona Corporation Commission to examine this service and  
12 decide the appropriate rates and compensation for said service. Handy Page  
13 does not believe it can accurately receive and pay for calls billed from  
14 Qwest without this issue being addressed as part of the overall  
15 Interconnection Agreement.  
16

17 Wide Area Calling (WAC)<sup>3</sup> is a routing and rating setup, whereby a single  
18 NXX (10,000 numbers) telephone prefix is setup to be used over a wide  
19 geographic IntraLATA service area, and calls being made to this NXX from  
20 within this area are dialed as a "7 digit number" and appear to be "local"  
21 calls to the persons calling. Handy Page believes this is the best type of  
22 Interconnection arrangement that is most conducive to the operations of a  
23 Paging Carrier.  
24

25 This arrangement is a Win-Win for everyone involved and saves scarce  
26 Numbering assets by spreading the use of the same NXX prefix numbers over a  
27

28 <sup>3</sup> Qwest Wholesale tariff - AZ QC Access Service Price Cap tariff and price  
list, Sections 16 and 16.3

1 wide geographic area. A WAC service uses shared "Switched Access and  
2 Transport", within the LATA, to transport all the WAC calls. The  
3 Alternative to the WAC would be to have Qwest supply Handy Page many  
4 "Dedicated Type 1 and Type 2A Interconnection trunks" to each specific "Local  
5 Calling Exchange" area within the LATA and to use many scarce DID numbering  
6 resources to cover those "Local Calling Exchange" areas.

7  
8 Handy Page is the ONLY Paging carrier providing Paging service to  
9 many of Arizona's rural areas, this can only be accomplished economically by  
10 use of the WAC service.

11  
12 Wide Area Calling service is either setup as a "WAC1", which bills  
13 only for "toll" calls at \$ .09 per MOU (Minute of Use) or a "WAC2" which  
14 bills both "toll" and "local" calls at \$ .03 per MOU. To have a WAC  
15 installed and programmed, Qwest's tariff rate is \$8,700.00 for the first NXX,  
16 and \$5,000.00 for each additional NXX. The Paging carrier must first apply  
17 for and obtain a NXX telephone prefix through the NANPA<sup>4</sup>.

18  
19 A Type 2A (T1 facility) Interconnection facility is required for WAC  
20 service, with separate trunks going to both the Qwest Phoenix "Toll" tandem  
21 switch (PHNXAZMA01T) and the Qwest Phoenix "Local" tandem switch  
22 (PHNXAZMA04T). Handy Page has one NXX (NPA 602-NXX 601) programmed as WAC  
23 service with Qwest, and it is setup to cover the entire Qwest (LATA 666)  
24 Northern Arizona LATA service area.

25  
26 Qwest has never been able to provide Handy Page "justification" of the  
27 rates and charges as provided in their WAC tariff. Nor to our knowledge has

28  
<sup>4</sup> NANPA (North American Numbering Plan Administrator)

1 the Arizona Corporation Commission ever requested or conducted a cost study  
2 of Qwest's costs of providing this service.

3  
4 The FCC stated in the TSR decision that billing a Paging carrier for  
5 "local" calls is illegal.<sup>5</sup> Qwest STILL continues to bill Handy Page for  
6 "Local" calls. The TSR decision continued, that as of the date of the "Local  
7 Competition Order"<sup>6</sup>, that Qwest MUST revise its tariffs so they comply with  
8 the "Order", but Qwest has yet to do so.

9  
10 There is a varied monetary difference between the MOU rates that apply  
11 between the WAC1 and WAC2 services. The main difference in rates seem to be  
12 with the "quantity" of MOU that Qwest can bill a Paging Company for, rather  
13 than rates that should be based on the "costs" of providing the service.

14  
15 Interestingly enough, Qwest currently offers "retail" Business rates of  
16 \$ .065 per MOU to users of its "Guaranteed Rate Calling Connection" plan.<sup>7</sup>  
17 This IntraLATA wide Business plan "retail" rate is a considerable amount  
18 lower in price than the Wide Area Calling tariff WAC1 "wholesale" rate that  
19 Qwest charges Paging "Carriers" for the Wide Area Calling service. The FCC

20  
21 \_\_\_\_\_  
22 <sup>5</sup> TSR vs US WEST (Qwest), FCC 00-194, dated June 21, 2000, page 11 (C 18) and  
23 pg.17 (28-29)

24 <sup>6</sup> Local Competition Order, 11 FCC Rcd at 16016, FCC 96-325, dated 8 August  
25 1996, Also see TSR vs US WEST (Qwest), FCC 00-194, dated June 21, 2000, ¶¶  
26 28-29

27 <sup>7</sup> Qwest FCC No. 4 tariff, Section 5 and 5.2.10, available to business  
28 customers who will guarantee a minimum amount of calling usage per month for  
IntraLATA direct dial station to station calls. (OLH1X)

1 has stated that "wholesale" rates MUST be based on "forward looking costs",  
2 such as TELRIC.<sup>8</sup>

3  
4 The FCC has further stated in the TSR decision that all calls within a  
5 paging carrier's MTA (Metropolitan Trading Area), and within a single LATA  
6 (IntraLATA) are considered "local" calls and the Paging Carrier must be paid  
7 TERMINATION COMPENSATION.<sup>9</sup> Handy Page's MTA covers the majority of the Qwest  
8 LATA 666 WAC area, and per the FCC, Handy Page should be paid termination  
9 compensation on ALL WAC calls. Qwest currently pays Handy Page nothing for  
10 the termination of ANY calls. Since termination compensation is only to be  
11 based on "forward looking costs", the formulation of the WAC rates should at  
12 least start with that basic formula.

13  
14 Qwest bills Handy Page a recurring charge for "Coin Compensation"  
15 (MA5CX)<sup>10</sup> per each tandem, each month (\$23.32 x 3= \$69.96). This item, per  
16 Qwest's tariff, is supposed to be assessed ONLY when a "coin call" CANNOT be  
17 documented, to allow compensation to the coin call vendor. Qwest cannot or  
18 will not provide Handy Page any billing or call documentation of whether  
19 Handy Page has received any coin calls during a given month or not, but Qwest  
20 always insists on billing for the MA5CX monthly charges.

21  
22  
23 \_\_\_\_\_  
24 <sup>8</sup> Local Competition Order, 11 FCC Rcd at 16016, FCC 96-325, dated 8 August  
25 1996, see e.g. ¶ 767, et al.

26 <sup>9</sup> id. at ¶¶ 1008 and 1036; and TSR vs US WEST (Qwest), FCC 00-194, dated June  
27 21, 2000, ¶¶ 18-19.

28 <sup>10</sup> Qwest WAC tariff -MA5CX - Per Wide Area Calling NXX, applicable only when  
PAL (coin call) usage cannot be billed.

1 Per the FCC "coin compensation" decision<sup>11</sup>, Qwest should only  
2 compensate a coin call vendor when the coin call is made by preceding the  
3 call with a "1" or "0". If the coin call is made by dialing 7 digits, like a  
4 WAC originated call does, it is considered a "local" call and the coin call  
5 vendor is compensated by way of the coins that were deposited in the coin  
6 telephone. If the coin call starts as a "local" call from the Coin  
7 telephone, and is within an IntraLATA WAC "Toll" call area, then Qwest can  
8 only bill Handy Page the MOU WAC rate on that call. If the coin call is a  
9 dial 1+ or 0+ "toll" call from an IXC, Qwest receives the "access" charges  
10 from the IXC for the "toll" call, and Qwest and the IXC must then pay the  
11 coin vendor the appropriate FCC compensation amount. Since the FCC requires  
12 all coin operated telephones to have "ANI" on them, Qwest could easily  
13 provide Handy Page the documentation of the coin call and bill Handy Page for  
14 the single coin call compensation charge. Handy Page should then not also be  
15 billed any WAC MOU charges on the call. Again, the "MA5CX" monthly coin  
16 charge would not be needed in this case.

17  
18 Handy Page has yet to get any documentation or information from Qwest on  
19 what the "Installation or Programming" fees to install a WAC or an additional  
20 WAC NXX are based. Qwest charges the same installation fee throughout its 14  
21 state service area. When Handy Page installed WAC service with Citizens  
22 Telecom in Show Low, Arizona, the fee for installation and programming of the  
23 WAC was "cost based" on the number of Central Offices that needed to be  
24 programmed, with the actual fee being a fraction of that charged by Qwest.

25  
26  
27 <sup>11</sup> FCC 96-439, CC Docket no. 96-128, dated 8 Nov, 1996, Implementation of the  
28 Payphone Telephone Reclassification and Compensation Provisions of the  
Telecommunications Act of 1996, Section 8, Local Coin Calls.

1 We believe this Qwest WAC Installation fee is a "Barrier to Entry" for  
2 smaller Paging companies that would be interested in the service.

3  
4 Handy Page does not get a proper "billing" format from Qwest to be able  
5 to pay its Qwest originated WAC bills. Qwest should be able to provide Handy  
6 Page simple documentation relating to WAC calls, the called number to Handy  
7 Page, the number of the calling party (ANI), the start of the call, and the  
8 length of the call. What Qwest currently does provide Handy Page is just a  
9 "Grand Total" number of the MOU's for "Local Transport" and "Local Switching"  
10 from all Phoenix area tandem switches. Handy Page has no idea whether the  
11 call was actually "Local" or "Toll", or if it was from a Third party. If  
12 Qwest provided Handy Page this information, we would then be able to bill the  
13 proper Third parties their termination charges, to help pay for the 20%  
14 amount of the facility charges that are being attributed to third party  
15 "transit" traffic.

16  
17 Qwest states that it cannot provide this type of billing information  
18 to Handy Page, although Qwest has an Arizona tariff<sup>12</sup> that lists three  
19 "Service Elements" that provide the same call data items to a customer or  
20 carrier that Handy Page is requesting.

21  
22 Because the above issues go to the very heart of what would be billed  
23 to Handy Page, and Handy Page would be expected to pay to Qwest under a new  
24 Interconnection Agreement, we ask that the Commission completely examine

25  
26 \_\_\_\_\_  
27 <sup>12</sup> Qwest tariff AZ QC EXCHANGE AND NETWORK SERVICES PRICE CAP TARIFF, Sections  
28 12.3.22 NETWORK ACCESS SERVICE, 12.3.34 ACCESS SERVICE BILLING INFORMATION,  
and 12.3.47 ACCESS SERVICE BILLING INFORMATION RECORDING REPORTS.

1 these rates, the issues raised herein and Qwest's practices with regard to  
2 its treatment of CMRS carriers.

3  
4  
5  
6  
7  
8 Dated this 30<sup>th</sup> day of June, 2006  
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13 WAYNE MARKIS  
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