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State Government Relations  
205 North Michigan Avenue  
Suite 700  
Chicago, IL 60601

June 28, 2012

**Transmittal No. 2012-3**

**VIA FEDERAL EXPRESS**

Ms. Jean Jewell  
Commission Secretary  
Idaho Public Utilities Commission  
472 West Washington Street  
Boise, Idaho 83720-6000

**RE: Verizon Access Transmission Services: Tariff No. 2  
Intercarrier Compensation Regime for Certain VoIP-PSTN Traffic, as Modified by  
FCC Second Reconsideration Order**

Dear Ms. Jewell:

MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services ("Verizon Access") is filing with your office an original and three (3) copies of revisions to its Idaho Tariff No. 2 in Docket GNR-T-12-04.

The revised tariff pages in this filing reflect Verizon Access' implementation of the intercarrier compensation regime for certain VoIP-PSTN traffic, as modified by the FCC's Second Reconsideration Order ("Reconsideration Order"), released on April 25, 2012. In accordance with the effective date of that decision, the tariff revisions will take effect July 13, 2012.

On December 20, 2011, Verizon Access filed revisions to its intrastate switched access tariff to reflect implementation of the VoIP-PSTN intercarrier compensation regime that the FCC established in its Report and Order in WC Docket Nos. 10-90, et al., 26 FCC Rcd 17633 (Nov. 18, 2011) ("Order"). Those revisions implemented a methodology for separating VoIP-PSTN traffic from access traffic in order to bill VoIP-PSTN traffic minutes of use ("MOU") that originate and/or terminate in Internet protocol format at Verizon's tariffed interstate switched access rates. The Reconsideration Order modified the regime established in the November 18 Order in that it permits carriers to charge intrastate (rather than interstate) switched access rates for **originating** VoIP-PSTN access MOU from July 13, 2012 until July 1, 2014.

Consistent with the FCC Second Reconsideration Order, this tariff amendment updates the methodology for separating relevant VoIP-PSTN traffic from access traffic that Verizon Access will bill at applicable intrastate switched access rates. Specifically, Verizon Access will determine the number of relevant VoIP-PSTN traffic MOU to which it will apply interstate rates by applying a Percent VoIP Usage ("PVU") factor to the total **terminating** intrastate access MOU exchanged between a Verizon Access end user and the customer. The PVU factor will be based upon a customer-provided VoIP percentage factor (the PVU-C) and a Verizon Access-calculated VoIP percentage factor (the PVU-V).

Letter to Ms. Jean Jewell  
June 28, 2012  
Page 2

Please date stamp and return the enclosed copy of this letter to my attention in the enclosed self-addressed stamped envelope. If you have any questions, please call me at (312) 260-3245 or send me an email at [shannon.brown@verizon.com](mailto:shannon.brown@verizon.com).

Respectfully submitted,

A handwritten signature in black ink that reads "Shannon L. Brown". The signature is written in a cursive style with a large, stylized initial 'S'.

Shannon L. Brown  
Tariff Manager  
Verizon

Enclosure

CHECK SHEET

Pages 1 - 85 inclusive of this tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original tariff in effect on the date indicated.

<u>Page No.</u>	<u>Revision</u>
1	2
2	8*
3	6
4	Original
5	1
6	4
7	Original
8	1
9	Original
10	Original
11	1
12	Original
13	1
14	1
15	1
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	1
25	Original
26	Original
27	Original
28	1
29	Original
30	1
31	3*
31.1	1*
31.2	1*
31.3	1*
31.4	Original*
32	Original
33	Original
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35	Original
36	Original
37	Original
38	Original

\* New or Revised Page

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ACCESS SERVICES

2. REGULATIONS (Cont.)

2.3 Obligations of the Customer (Cont.)

2.3.3 Jurisdictional Reporting (Cont.)

2.3.3.3 Jurisdictional Reports Verification (Cont.):

2.3.3.3.1 The Company reserves the right to conduct an audit of the Customer's PIU Report and PLU Report. The Company and/or the customer may request an audit of the PIU Report or the PLU Report within 6 months of the Company's receipt the PIU Report and/or PLU Report, as applicable. Such request must be made on no less than ten days written notice to the other party. Audits shall be conducted during normal business hours at the office of the party being audited. Such audit must be performed by an independent auditor mutually agreed to by the parties. Independent auditor cost will be paid for by the party which requests the audit.

2.3.3.4 Identification and Rating of VoIP-PSTN Traffic

2.3.3.4.1 Scope

2.3.3.4.1.1 VoIP-PSTN Traffic is defined as traffic exchanged between a Verizon Access end user and the customer in time division multiplexing ("TDM") format that originates and/or terminates in Internet protocol ("IP") format. This section governs the identification of VoIP-PSTN Traffic that is required to be compensated at interstate access rates by the Federal Communications Commission in its Report and Order in WC Docket Nos. 10-90, etc., FCC Release No. 11-161 (Nov. 18, 2011) ("Order"), as modified by its Second Order on Reconsideration, FCC Release No. 12-47 (Apr. 25, 2012), and as codified in 47 C.F.R. § 51.319 ("Reconsideration Order"), and unless Verizon Access and the Customer have agreed otherwise. Specifically, this section establishes the method of separating such traffic (referred to in this tariff as "Relevant VoIP-PSTN Traffic") from the customer's traditional intrastate access traffic, so that such Relevant VoIP-PSTN Traffic can be billed in accordance with the FCC Orders.

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2.3.3.4.1.2 This section will be applied to the billing of switched access charges to a customer that is a local exchange carrier only to the extent that the customer has also implemented billing of interstate access charges for Relevant VoIP-PSTN Traffic in accordance with the FCC Orders.

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ACCESS SERVICES

2. REGULATIONS (Cont.)

2.3 Obligations of the Customer (Cont.)

2.3.3 Jurisdictional Reporting (Cont.)

2.3.3.4 Identification and Rating of VoIP-PSTN Traffic (Cont.)

2.3.3.4.2 Rating of VoIP-PSTN Traffic

The Relevant VoIP-PSTN Traffic identified in accordance with this tariff Section will be billed at rates equal to the Verizon Access' applicable tariffed interstate switched access rates as specified in Tariff FCC No. 1. Intrastate access minutes of use not required to be billed at interstate rates pursuant to this Section 2.3.3.4 will be billed in accordance with the other rate provisions of this Tariff (absent an agreement between Verizon Access and the customer on a different compensation mechanism).

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2.3.3.4.3 Calculation and Application of Percent-VoIP-Usage Factor

Verizon Access will determine the number of Relevant VoIP-PSTN Traffic minutes of use ("MOU") to which interstate rates will be applied under subsection 2.3.3.4.2, above, through the use of a Percent VoIP Usage ("PVU") factor, which in turn will be based on a PVU-C factor and a PVU-V factor. These factors will be derived and applied as set forth below. The PVU-V and PVU-C factors will be based on information such as the number of Verizon Access' or the customer's retail VoIP subscriptions in the state (e.g., as reported on FCC Form 477), traffic studies, actual call detail, or other relevant and verifiable information.

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2.3.3.4.3.1 For the period from December 29, 2011 through July 12, 2012, and for the period on and after July 1, 2014:

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(a) The customer will calculate and furnish to Verizon Access a PVU-C factor representing the percentage of the total access MOU that the customer exchanges with Verizon Access in the State that (a) is sent to Verizon Access and that originated in IP format; or (b) is received from Verizon and terminated in IP format. A PVU-C factor for the period December 29, 2011 through July 12, 2012 must be submitted by April 15, 2012, in order to apply retroactively to December 29, 2011. A PVU-C factor for the period on and after July 1, 2014 will be submitted by June 1, 2014.

(b) The Company will, likewise, calculate PVU-V factors for the two periods representing the percentage of Verizon Access' total access MOU in the State that Verizon Access originates or terminates on its network in IP format, and will begin applying those PVU-V factors to the calculation of the PVU factor as of December 29, 2011 and July 1, 2014, respectively.

C/N

**MATERIAL PREVIOUSLY ON THIS PAGE IN SECTION 2.3.3.4.3.2 WAS MOVED TO PAGE NO. 31.2.**

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2. REGULATIONS (Cont.)

2.3 Obligations of the Customer (Cont.)

2.3.3 Jurisdictional Reporting (Cont.)

2.3.3.4 Identification and Rating of VoIP-PSTN Traffic (Cont.)

2.3.3.4.3 Calculation and Application of Percent-VoIP-Usage Factor (Cont.)

2.3.3.4.3.2 For the period from July 13, 2012 through June 30, 2014:

(a) The customer will calculate and furnish to Verizon Access, before July 1, 2012, a PVU-C factor representing the percentage of the total access MOU sent by the customer to Verizon Access in the State that the customer originates in IP format. If the customer submitted a PVU-C factor under Section 2.3.3.4.3.1(a) and does not furnish a new factor under this Section 2.3.3.4.3.2(a), Verizon Access will use that previously submitted factor as the PVU-C for purposes of this subsection 2.3.3.4.3.2(a).

(b) Verizon Access will, likewise, calculate a PVU-V factor for this Period representing the percentage of Verizon Access' total terminating access MOU in the State that Verizon Access terminates on its network in IP format, and will begin applying that PVU-V factor to the calculation of the PVU factor as of July 13, 2012.

2.3.3.4.3.3 The PVU factor will be calculated as the sum of: (A) the PVU-C factor and (B) the PVU-V factor times (100% minus the PVU-C factor).

2.3.3.4.3.4 For the period from December 29, 2011 through July 12, 2012 and for the period on and after July 1, 2014, Verizon Access will apply the PVU to the total intrastate access MOU exchanged with the customer to determine the number of such minutes that will be billed at the applicable interstate switched access rates. For the period from July 13, 2012 through June 30, 2014, Verizon Access will apply the PVU factor to the total terminating intrastate access MOU received from the customer, and the resulting number of minutes will be billed at terminating interstate access rates.

*Example 1:* For February 2013, the PVU-V is 10% and the PVU-C is 40%. The PVU factor is equal to 40% + (10% x 60%) = 46%. Verizon Access will bill 46% of the customer's terminating intrastate access MOU at its tariffed interstate terminating switched access rates.

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**MATERIAL ON THIS PAGE IN SECTION 2.3.3.4.3.2 WAS PREVIOUSLY ON PAGE NO. 31.1. CERTAIN MATERIAL ON THIS PAGE IN SECTIONS 2.3.3.5.3.4 AND 2.3.3.4.3.5 WAS MOVED TO PAGE NO. 31.3.**

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ACCESS SERVICES

2. REGULATIONS (Cont.)

2.3 Obligations of the Customer (Cont.)

2.3.3 Jurisdictional Reporting (Cont.)

2.3.3.4 Identification and Rating of VoIP-PSTN Traffic (Cont.)

2.3.3.4.5 PVU Factor Verification

Not more than twice in any year, Verizon Access may ask the customer to verify the PVU-C factor furnished to Verizon Access and customer may ask Verizon Access to verify the PVU-V factor and the calculation of the PVU factor. The party so requested shall comply, and shall reasonably provide the records and other information used to determine the respective PVU-C and PVU-V factors.

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**THE MATERIAL ON THIS PAGE WAS PREVIOUSLY LOCATED ON PAGE NO. 31.3.**

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ACCESS SERVICES

2. REGULATIONS (Cont.)

2.3 Obligations of the Customer (Cont.)

2.3.3 Jurisdictional Reporting (Cont.)

2.3.3.4 Identification and Rating of VoIP-PSTN Traffic (Cont.)

2.3.3.4.3 Calculation and Application of Percent-VoIP-Usage Factor (Cont.)

2.3.3.4.3.4 (Cont.)

*Example 2:* For September 2014, the PVU-V is 10% and the PVU-C is 0%. The PVU factor is  $0\% + (100\% \times 10\%) = 10\%$ . Verizon Access will bill 10% of the customer's intrastate access MOU at the Verizon Access' tariffed interstate switched access rates (originating or terminating as applicable). C  
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*Example 3:* For a period after December 29, 2011 and prior to July 13, 2012, the PVU-C is 100%. No matter what the PVU-V factor is, the PVU is 100%. Verizon Access will bill 100% of the customer's intrastate access MOU at Verizon Access' tariffed interstate switched access rates (originating or terminating, as applicable). C  
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2.3.3.4.4 Initial PVU Factor and PVU Factor Changes T/C

2.3.3.4.4.1 If the PVU factor for the period from December 29, 2011 to July 12, 2012, is not available and/or cannot be implemented in Verizon Access' billing systems by December 29, 2011, once that factor is available and can be implemented Verizon Access will adjust the customer's bills to reflect that PVU retroactively to December 29, 2011. In calculating the initial PVU, to be applied from December 29, 2011 to July 12, 2012, Verizon Access will take the customer-specified PVU-C into account retroactively to December 29, 2011, *provided that* the customer provides the factor to the Company no later than April 15, 2012. T/C  
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2.3.3.4.4.2 The customer may submit an updated factor quarterly using the methodology set forth in subsection 2.3.3.4.3.1 or 2.3.3.4.3.2, above, as applicable. If the customer chooses to submit such updates, it shall forward to Verizon Access, no later than 15 days after the first day of January, April, July and/or October of each year, a revised PVU-C factor based on data for the prior three months, ending the last day of December, March, June and September, respectively. Verizon Access will use the revised PVU-C to calculate a revised PVU. The revised PVU factor will apply prospectively and serve as the basis for billing until superseded by a new PVU. T/C  
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**CERTAIN MATERIAL ON THIS PAGE IN SECTIONS 2.3.3.5.3.4 AND 2.3.3.4.3.5 WAS PREVIOUSLY LOCATED ON PAGE NO. 31.2. MATERIAL PREVIOUSLY ON THIS PAGE IN SECTION 2.3.3.4.6 WAS MOVED TO PAGE NO. 31.4.**

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