

**BEFORE THE  
OREGON PUBLIC UTILITIES COMMISSION**

In the Matter of the Petition of

**Qwest Corporation**

for Arbitration of Interconnection Rates,  
Terms, Conditions, and Related Arrangements  
with Universal Telecom, Inc.

**ARB 671**

**UNIVERSAL TELECOM, INC.  
STATEMENT OF MATERIAL FACTS**

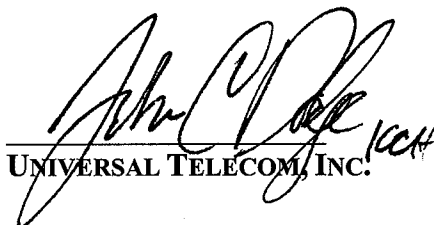
1. Qwest is an incumbent local exchange carrier ("ILEC") which provides local telephone services in Oregon. *See Qwest Corp. v. Universal Telecom, Inc.*, Civil No. 04-6047-AA, 2004 U.S. Dist. LEXIS 28340 at \*1 (D. Or. Dec. 15, 2004) (hereinafter "*Qwest v. Universal*").
2. Universal is a competitive local exchange carrier ("CLEC") which provides telecommunication services in Oregon. *Id.* at \*1-2; *see also* Universal Concise Statement of Material Fact ("CSMF"), Docket Index # 30 at ¶¶ 1-2, Civil No. 04-6047-AA, 2004 U.S. Dist. LEXIS 28340 (hereinafter "*Qwest v. Universal Docket Index*").
3. A local exchange carrier ("LEC") is a provider of telephone services. *Qwest v. Universal*, at \*2.
4. An ILEC is a provider of telephone services which was in operation before the telephone industry was deregulated; while a CLEC is a new competitor who began providing telephone services after the industry was deregulated. *Id.*
5. Universal provides services to internet service providers ("ISPs") by offering local telephone numbers which the ISPs' customers may call using their computers. *Id.* *See also Qwest v. Universal Docket Index* # 30 at ¶ 7.
6. Universal receives these calls from ISPs' customers, who are seeking to access the internet, converts the calls to internet protocol, and delivers the internet protocol to different internet locations, as instructed by the customer's computer. *Id.*
7. Qwest is involved in this process because the calls from the ISPs' customer's computer

must pass over Qwest's network to reach Universal's local telephone number. *Id.*

8. Qwest and Universal have interconnected their networks to allow this exchange of telecommunications traffic. *Id. See also Qwest v. Universal Docket Index # 30 at ¶ 9.*
9. In 1999, Qwest and Universal entered into an interconnection agreement which set forth how the parties would connect their networks, exchange traffic, establish jointly used facilities, and compensate each other for delivering traffic received from the other party. *Id.* at \*2-3.
10. The agreement between Qwest and Universal was not negotiated. Instead, pursuant to federal law, Universal adopted a previous agreement (“MFS agreement”) that Qwest had entered into with Metropolitan Fiber Systems. *Id.* at \*3.
11. Thus the MFS agreement became the interconnection agreement between Universal and Qwest (hereafter “the agreement”). *Id.*
12. Under the agreement, the parties have interconnected their networks through a single point of interconnection (“POI”) in each of the two Oregon Local Access and Transportation Areas (“LATA”). *Id. See also Qwest v. Universal Docket Index # 30 at ¶ 21.*
13. Telecommunications traffic that begins on one party’s network but is destined for the other parties network must pass through the POI. *Id. See also Qwest v. Universal Docket Index # 30 at ¶¶ 22-26.*
14. This is known as “originating” the call. Calls originate when a particular LEC's customer calls a customer of a different LEC. *Id.*
15. Once the call passes through the POI, the receiving party takes over responsibility for delivering the call to its final destination. *Id.*
16. This is known as “terminating” the call. *Id.*
17. The exchange of telecommunications traffic allows a customer of one LEC to call a customer of a different LEC. *Id.*
18. Pursuant to the agreement, the parties have connected their networks using local interconnections service (“LIS”) circuits; which have been provided by Qwest. Qwest has also provided other transmission facilities including two-way trunks-also known as direct trunked transport facilities (“DTT”), entrance facilities (“ETs”), and multiplexing facilities (“MUX”). *Id.* at \*3-4.
19. This payment for terminating traffic that originated on another LEC's network is known as reciprocal compensation. *Id.* at \*5.

20. All traffic at issue in this case originated on Qwest's side of the POI, traveled over Qwest's network, was handed off to Universal at the POI, and terminated on Universal's network. No traffic was originated by Universal. *Id.* See also *Qwest v. Universal Docket Index # 30* at ¶¶ 27-32.

Respectfully submitted,



UNIVERSAL TELECOM, INC.

John C. Dodge  
K.C. Halm  
Gerie A. Voss  
Cole, Raywid & Braverman, L.L.P.  
1919 Pennsylvania Ave., N.W.  
Suite 200  
Washington, D.C. 20006  
(202) 659-9750 (phone)  
(202) 452-0067 (fax)

*Its Attorneys*

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