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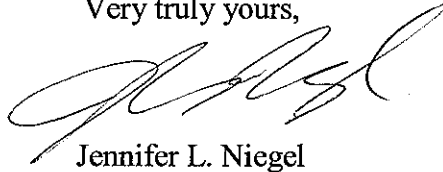
**VIA E-MAIL AND FIRST CLASS MAIL**

OPUC Filing Center  
Oregon Public Utility Commission  
PO Box 2148  
Salem, OR 97308-2148

RE: ARB 789

Enclosed are the original and five copies of Clear Creek's Reply Brief and Certificate of Service.

Very truly yours,



Jennifer L. Niegel

Enclosures

cc: Service List  
Mitchell Moore

1  
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3  
4 **BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON**

5 **ARB 789**

6 In the Matter of the Petition of CCMT )  
MUTUAL TELEPHONE COMPANY for ) **REPLY BRIEF OF CLEAR CREEK**  
7 Arbitration of an Interconnection Agreement )  
with BCT COOPERATIVE TELEPHONE )  
8 COMPANY, Pursuant to the 47 U.S.C. §§ 251 )  
and 252 )

9  
10 Clear Creek Mutual Telephone Company ("CCMT") respectfully submits its reply brief  
11 regarding the issues in this docket.

12 **DISCUSSION**

13 **A. BCT should be required to interconnect directly with CCMT.**

14 CCMT asks the Arbitrator to require BCT to interconnect directly to CCMT. Under the  
15 ICA proposed by CCMT, BCT would be required to interconnect with CCMT on a direct basis  
16 and BCT would only be allowed to deliver local and ISP-bound traffic from its CLEC operation  
17 over Local Interconnection ("LIS") trunks. BCT would not be allowed to deliver other types of  
18 traffic, such as EAS, E911, wireless services or operator services, over the LIS trunks, but would  
19 be required to establish separate trunk groups for such traffic.

20 Standard LIS trunks are warranted in this case so that CCMT can properly route and  
21 ticket the competitive traffic governed by the ICA. Because BCT operates as both an ILEC and  
22 CLEC, BCT does not distinguish or separately identify its ILEC traffic from its CLEC traffic.

1 Therefore, it would be difficult and more costly for CCMT to measure and bill traffic if BCT  
2 were allowed to interconnect indirectly.

3 Further, BCT's proposed method of delivery is not technically feasible. BCT proposes to  
4 combine its CLEC traffic onto its existing ILEC EAS trunk groups and let Qwest sort out the  
5 calls to be delivered to CCMT. CCMT understands that Qwest will not transit traffic associated  
6 with BCT's CLEC customers within the Redland exchange over the existing ILEC EAS trunks.  
7 CCMT further understands that such routing is not permissible under the Interconnection  
8 Agreement recently approved between Qwest and BCT in ARB 747 (the "Qwest ICA").<sup>1</sup> If no  
9 third party carrier is willing to transit BCT's traffic in the manner in which it desires, direct  
10 interconnection is necessary.

11 In ARB 747, the OPUC previously ordered BCT to direct interconnect and route all  
12 CLEC traffic between Qwest and BCT on separate LIS trunks or designate all BCT ILEC traffic  
13 as CLEC traffic, pay the reciprocal compensation rate and route all traffic over either BCT ILEC  
14 or LIS direct trunk groups.<sup>2</sup> In that case, BCT opted to deliver the traffic associated with its  
15 ILEC customers to Qwest over the pre-existing switched access trunk groups and the traffic  
16 associated with its CLEC customers over separate LIS trunks as defined in the Qwest ICA. The  
17 configuration proposed by CCMT is identical to that selected by BCT in ARB 747 and should  
18 therefore be approved.

19  
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21  
22 <sup>1</sup> See ARB 747 OPUC Order 06-637.

<sup>2</sup> ARB 747 OPUC Order 06-637

1 Finally, it is standard industry practice for the ILEC to require direct trunking where the  
2 traffic exchanged between the ILEC and CLEC reaches a certain level. Qwest's SGAT requires  
3 direct trunking when traffic reaches the DS-1 level. See SGAT Section 7.3.2.2 / 7.2.2.1.3

4 Indirect interconnection in this case is not technically feasible as there is no willing third  
5 party to transit traffic in the manner BCT desires and it would also be burdensome to CCMT.  
6 The language proposed by CCMT in Section 1.3 is consistent with the Telecommunications Act  
7 and other interconnection agreements. Accordingly, BCT should be required to directly  
8 interconnect with CCMT and the language proposed by CCMT should be approved.

9 **B. BCT should be prohibited from commingling various kinds of non-toll traffic onto**  
10 **the same trunk group.**

11 CCMT believes that BCT intends to combine traffic from its ILEC and CLEC operations  
12 onto the same trunk groups, whether existing ILEC EAS trunk groups through a third party  
13 carrier or LIS trunk groups. The language proposed by CCMT in Attachment 1, Section 1.3  
14 requires BCT to establish LIS trunk groups for local and ISP-bound traffic exchanged between  
15 BCT's CLEC customers and CCMT's customers. In addition, it requires BCT to establish a  
16 separate trunk group for any other kind of traffic, including EAS, E911, wireless services,  
17 operator services, third party traffic, and traffic from BCT's ILEC. Section 1.3 specifies what  
18 kind of traffic is allowed and what kind of traffic is not allowed to be delivered on a LIS trunk.  
19 While this paragraph calls for a separate trunk group for each of these excluded services, it does  
20 not require those groups to be directly connected to CCMT nor does it require that such services  
21 be provided until BCT intends to deliver the excluded services to CCMT.

1 The cases cited by BCT are inapplicable to this case. In those cases, the entities seeking  
2 interconnection were CLECs and did also not have ILEC operations within the same company.  
3 Here, BCT operates as both an ILEC and CLEC and proposes to commingle traffic from both of  
4 these operations onto the same trunk groups.

5 Allowing BCT to commingle its traffic would unfairly penalize CCMT for two reasons.  
6 First, commingling would cause CCMT great difficulty in its attempts to measure and bill traffic  
7 for purposes of reciprocal compensation. Second, allowing BCT to commingle its ILEC traffic  
8 with its CLEC traffic could dramatically change the balance of traffic and cause CCMT to pay a  
9 disproportionately large amount to BCT for calls that would be delivered over the Public  
10 Switched Network in a normal situation.

11 It is standard industry practice to require separate trunk groups for different types of  
12 traffic. Under Qwest's SGAT, for example, due to billing, signaling and networking  
13 requirements separate trunk groups are required for directory assistance, E911, operator services  
14 and EAS/local and switched access. See Qwest SGAT Section 7.2.2.9.3.

15 For the reasons set forth above, CCMT asks the Arbitrator to require BCT to separately  
16 route its CLEC traffic and prohibit traffic other than local and ISP-bound traffic to be delivered  
17 over LIS trunks.

18 **C. The Commission has the authority under the Mirroring Rule to approve differing**  
19 **rates for ISP-bound traffic and 251(b)(5) traffic.**

20 The parties have agreed to compensate one another for the transport and termination of  
21 traffic, but disagree as to what the rate must be. BCT believes that various orders from the FCC  
22 require the parties to use the same rates for local traffic as for ISP-bound traffic. CCMT believes

1 that such orders allow the Commission to establish differing rates for local and ISP-bound  
2 traffic.

3 The \$.0007 rate established in the Orders is a cap and only applies if the ILEC offers to  
4 exchange all traffic subject to 251(b)(5) at the same rates. If the ILEC chooses not to offer to  
5 exchange Section 251(b)(5) traffic at the same rate caps, it may exchange ISP-bound traffic at  
6 state-approved or state-arbitrated reciprocal compensation rates.<sup>3</sup> Accordingly, if the ILEC  
7 wants to do so, it can opt to exchange traffic at state-arbitrated reciprocal compensation rates.  
8 Nothing in the Orders requires the state-arbitrated reciprocal compensation rates for local traffic  
9 and ISP-bound traffic to be the same. In fact, in ARB 747, the OPUC approved charges of  
10 \$.0013301 for call termination of local calls and charges of \$.0007 for ISP-bound traffic between  
11 BCT and Qwest.<sup>4</sup>

12 For the reasons set forth above, CCMT requests that the Arbitrator determine that the  
13 Commission has the authority to approve differing rates for local and ISP-bound traffic.

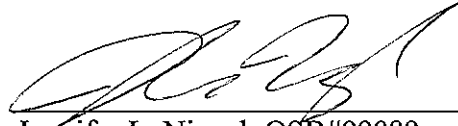
#### 14 CONCLUSION

15 In summary, CCMT asks the Arbitrator to determine that: (1) BCT should be required to  
16 interconnect with CCMT on a direct basis; (2) BCT should be prohibited from commingling  
17 various kinds of non-toll traffic onto the LIS trunk group; and (3) the Commission is authorized  
18 to approve differing rates for the exchange of local and ISP-bound traffic.

19  
20  
21  
22 <sup>3</sup> CC Docket No. 99-68, Order, FCC 01-131 at 44 and 49

<sup>4</sup> ARB 747 OPUC Order 06-637

1 DATED: June 1, 2007.



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1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on June 1, 2007, I served the Reply Brief of Clear Creek upon all  
3 parties of record in this proceeding by causing a full, true and correct copy thereof to be sent by  
4 e-mail and also by mail in a sealed, first-class postage-prepaid envelope deposited with the  
5 United States Postal Service at Stayton, Oregon to the following parties:

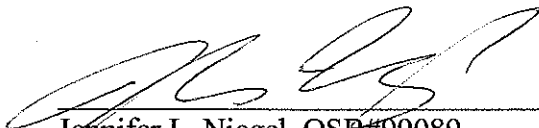
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18 DATED: June 1, 2007.

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