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Regulatory Review

The Miller Isar, Inc. Regulatory Review is a monthly report designed to provide clients with information regarding regulatory and policy matters that may impact their business operations. The Regulatory Review is provided for informational purposes only and does not constitute legal opinion or legal counsel. Source documents cited in the items below may be accessed through the electronic version of the Regulatory Review available at Miller Isar, Inc.'s web site, www.millerisar.com. Comments and suggestions are always welcome.

FEDERAL REGULATORY NEWS

DRAFT TELECOM BILL CIRCULATING IN U.S. HOUSE

The FCC 3.22.07 declared broadband Internet access service to be an [information service](#). The Commission also adopted a [Notice of Inquiry](#) on broadband industry practices.

The Commission released the attached Wireless Broadband Internet Access Service Order. In its Declaratory Ruling the Commission:

- Classified wireless broadband Internet access service - whether offered using mobile, portable or fixed technologies - as an information service. I
- Found that the transmission component of wireless broadband Internet access service is "telecommunications" and that the offering of the telecommunications transmission component as part of a functionally integrated Internet access service offering is not "telecommunications service" under section 3 of the Act.
- Found that neither the Communications Act nor relevant precedent mandates that

broadband transmission be a "telecommunications service" when provided to an ISP as a wholesale input for the ISP's own wireless broadband Internet access service offering, but that the provider may choose to offer it as such. The Commission noted that the transmission component of wireless broadband Internet access is a telecommunications service only if the entity that provides the transmission voluntarily undertakes to provide it indifferently on a common carrier basis.

- Found that mobile wireless broadband Internet access service is not a "commercial mobile service" under section 332 of the Act. Among other reasons, the Commission found it is not an "interconnected service" for purposes of section 332. The Commission notes, however, that it is not addressing whether "interconnected VoIP" service is an "interconnected service" under section 332.
- Concluded that wireless broadband Internet access service is jurisdictionally interstate.
- The Commission noted that its classification does not affect the general applicability of the spectrum allocation and licensing provisions of Title III and the Commission's rules to this service; does not alter the application of

CALEA obligations on all wireless broadband Internet access providers; nor does it affect the government's implementation or enforcement of the US Patriot Act or Commission's rules implementing the National Security Emergency Preparedness Telecommunications Service Priority System

Vonage wins ruling on Internet call regulation

LA Times

Vonage Holdings Corp., an unprofitable Internet phone company, won a court ruling that bars states from regulating its service, thwarting a challenge from telecommunications regulators in Minnesota.

<http://www.latimes.com/business/la-fi-briefs22.4mar22.1.7463242.print.story?coll=la-headlines-business>

Vonage Preemption
<http://voipservices.tmcnet.com/feature/articles/5808-court-upholds-fcc-decision-spare-voip-providers-from.htm>

Vonage Ordered To Pay Verizon In Patent Case (By Alan Sipress)

Verizon wins Vonage patent fight

Most patent trials drag on and on, and jurors take forever to sift through generally incomprehensible technological data. Then there's Verizon's patent suit against Vonage. It started last week, and ended yesterday after less than a day of deliberation. The winner: Verizon, in a split decision. The jury found that Vonage infringed on three of seven patents in the complaint, two of them related to billing. And because the infringements weren't found to be intentional, damages were *not* tripled. Vonage is getting away with \$58 million plus 5.5 percent of its revenues from now on, if it keeps using the Verizon technology. Verizon had been looking for \$197 million. Vonage says the ruling won't cause a service interruption, and will appeal the verdict and damages in any case.

For more about the Vonage/Verizon suit:
- [read this](#) article from *Ars Technica*

Related Articles:

Verizon says Vonage infringed. [Report](#)
More Vonage patent news. [Report](#)
Verizon's VoiceWing undercuts Vonage. [Report](#)

Court to Hear Arguments in Wireline Broadband Appeal

The [U.S. Court of Appeals for the Third Circuit](#) (Philadelphia) is scheduled to hear oral arguments Friday, March 16 in the appeal of the FCC's Wireline Broadband Order, which declared wireline broadband Internet service to be an information service.

Case No. 05-4769, Time Warner Telecom, et al. v. FCC

USF Contribution Factor

Public Notice, CC Docket No. 96-45, DA 07-1330

3/15/2007 - The FCC's Office of Managing Director has announced the proposed universal service contribution factor for the second quarter 2007 will be 0.117 or 11.7 percent. The first quarter contribution factor was 0.097 or 9.7 percent.

http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-07-1330A1.doc>

NATIONAL -- FCC adopts CPNI item

FCC Commissioners adopted a long-awaited item stiffening the agency's rules on the treatment of customer proprietary network information (CPNI), according to agency sources.

A draft order began circulating in December, and it "seems to generally follow the original proposal," one source said today. The item is expected to be released soon after officials wrap up some "loose ends," the source said. Wireless and wireline carriers registered a number of complaints with the item, including complaining about a provision that would require them to get the authorization of subscribers before sharing

their CPNI with joint venture partners or contractors.

Carriers also complained that mandates on the use of passwords before subscribers could access call records over the phone were too strict. Industry entities also took issue with language proposed by the Department of Justice and the Federal Bureau of Investigation that would require providers to report CPNI breaches to them. The law enforcement agencies this week proposed modified language that addressed possible conflicts with state laws and narrowed the definition of a CPNI breach. (SEE LAST MONTH'S PIECE)

A House subcommittee says it will keep a closer eye on the agency than the Republicans did.

LA Times

By Jim Puzzanghera

On Wednesday, Democrats subjected commissioners, particularly Chairman Kevin J. Martin, to a grilling on communications issues.

<http://www.latimes.com/business/la-fi-fcc15mar15,1,5285313.story?coll=la-headlines-business>

STATE REGULATORY NEWS

CALIFORNIA – Senate Considers “Net neutrality” Resolution

The Senate

MISSOURI -- Panel to address VoIP regulation, interconnection

The House Committee on Consumer Protection is set to meet Tuesday to address legislation that would prohibit the Public Service Commission from asserting jurisdiction over any form of voice-over-Internet-protocol service and specify incumbent local exchange carriers' obligations with respect to VoIP services.

HB 1033 would bar the PSC from regulating or exercising any kind of jurisdiction over VoIP service "regardless of how the service is classified by the Federal Communications Commission." HB 1033 would also preempt and render invalid any decision by the PSC inconsistent with the proposed law, although VoIP service would still be subject to the state's generally applicable business regulations, deceptive trade practices, and consumer protection laws under the bill.

Meanwhile, HB 1033 would create various provisions relating to interconnected VoIP service and the obligations of ILECs. Under HB 1033, all ILECs -- or affiliates providing wireline voice service within the ILEC's territory -- would be required to provide the same duties owed to providers of telecommunications services, exchange service, and toll service to any facilities-based provider of VoIP service. "Interconnection with such entity's network may be direct or indirect and shall be at the most efficient point or points within that network and in the most efficient format, as determined by the requesting carrier or provider," according to the bill.

COMPLIANCE REPORTING APRIL

FEDERAL REPORTS DUE IN APRIL

FEDERAL COMMUNICATIONS COMMISSION

FCC Form 499-A Telecommunications Reporting Worksheet due April 1.

Letter Reporting Operating Revenues and Total Value of Communications Plant due April 1.

REPORTS DUE IN APRIL

April	FCC	Letter Reporting Operating Revenues and Total Value of Communications Plant
April 1	FCC	FCC Form 499-A Telecommunications Reporting Worksheet (Annual)
April	AK	Access Minutes Report
April	AK	Carrier and Area Specific Bulk Billed Report
April	MO	Relay Missouri Statement
April	RI	Telecommunication Education Access Fund

April	RI	Telecommunications Relay Service Report	April 1	WY	Interexchange Carrier Annual Report
April	SD	South Dakota Public Utilities Commission Gross Receipt Tax Fund Assessment	April 1	WY	Local Exchange Carrier Annual Report
April 1	AL	Annual Financial Reporting Information	April 9	CA	Combined California PUC Telephone Surcharge Transmittal
April 1	ID	ID Gross Intrastate Revenue Letter	April 10	AK	Alaska Telecommunications Relay Services Fund – Remittance of Surcharges Collected
April 1	ID	ID Universal Service Fund Form	April 10	AR	State of Arkansas Universal Service Fund
April 1	IA	Iowa Utilities Board Telephone Utility Annual Report	April 10	CA	Employee Compensation, Dues, and Subscriptions
April 1	LA	Local Interconnection Terminating Traffic Report	April 10	GA	Local Service Indicators Data Requests
April 1	LA	Telecommunications Annual Service Report	April 10	New York	Service Quality Performance
April 1	ME	Public Utility Authorized as Competitive Local Exchange Carrier and Interexchange Carrier Annual Report to Maine PUC	April 15	AL	Revised Survey of Competitive Local Exchange Carriers Annual Report
April 1	MI	Lifeline Telephone Assistance Program Revenue/Expenses Annual Report Form	April 15	AR	Quarterly Fee Statement for CPUC Utilities Reimbursement Account
April 1	MS	Annual Report Class B to the MS Public Service Commission	April 15	CA	District of Columbia CLEC Annual Report
April 1	MS	Interexchange Carriers Operator Service Providers and Other Telecommunications Companies Annual Report to the Mississippi Public Service Commission	April 15	DC	Florida Telecommunications Relay, Inc. (FTRI) Monthly Surcharge Collection Report
April 1	MI	Mississippi Public Service Regulatory Tax Gross Revenue Report	April 15	FL	Georgia Telecommunications Relay Service (TRS) Monthly Surcharge Collection Report
April 1	NM	New Mexico Public Regulation Commission Intrastate Long Distance Provider and CLEC Annual Report Form	April 15	GA	Revised Universal Access Fund Quarterly Deposit Report
April 1	OR	Annual Report for Competitive Providers	April 15	GA	Kansas Universal Service Fund 2004/2005 Wireless and Wireline Carrier Remittance Worksheet
April 1	OR	Annual Report for Local Exchange Carriers	April 15	KS	Commonwealth of Kentucky Telecommunications Relay Service Fund Telecommunications Devices for the Deaf Distribution Fund
April 1	OR	Gross Revenue Fee Statement	April 15	KY	Commonwealth of Kentucky Universal Service Fund
April 1	SC	Annual Information On South Carolina Operations For Interexchange Companies and AOS	April 15	MO	Interexchange Telecommunications Carrier Annual Report to the Missouri Public Service Commission
April 1	SC	Annual Report of Competitive Local Exchange Carriers Operating in the State of South Carolina	April 15	NB	Nebraska USF & E911 Remittance Worksheet
April 1	TN	Small and Minority Owned Telecommunications Business Participation Plan	April 15	NV	Nevada Universal Service Fund Carrier Remittance Worksheet
April 1	TN	Tennessee Regulatory Authority Statement of Gross Earnings and Computation of Inspection Fee	April 15	NC	North Carolina Access Line Report – Rule 17-2(K)
April 1	WI	2004 Web Annual Report Program for No Activity in Wisconsin Alternative Telecommunications Utility – Other Telecommunications Providers (OTH)	April 15	NC	Questions for Competing Carriers Report
April 1	WI	Public Service Commission of Wisconsin - Alternative Telecommunications Utility – Telecommunication Reseller Annual Report	April 15	OK	State of Oklahoma Universal Service Fund Carrier Remittance Worksheet
			April 15	PA	Pennsylvania Universal Service Fund, FY2004 Carrier Remittance Monthly Worksheet
			April 15	PA	Slamming Cramming Complaint Form
			April 15	PR	Puerto Rico Universal Service Fund July 2004 - December 2004 Carrier Remittance Worksheet
			April 15	RI	E911
			April 15	SC	The Public Service Commission of South Carolina SC Dual Party Relay System Invoice
			April 15	UT	Report of Gross Revenue
			April 15	VT	State of Vermont Department of Public Service

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		Telecommunications Annual Report			(no formal name)
April 15	VT	Vermont Universal Service Fund Carrier Remittance Worksheet	April 30	IL	Section 757, Exhibit A LEC Quarterly Report to Commission
April 15	VA	Annual Tax Report of Telecommunications Companies	April 30	IN	Utility Annual Report
April 15	VA	Telecommunications Relay Service Monthly Report	April 30	MI	Michigan Public Service Commission Annual Report
April 20	AK	State of Alaska Universal Service Fund Monthly Carrier Remittance Worksheet	April 30	MS	Mississippi Dual Party Fund Statement of Revenues
April 20	AR	Arizona Universal Service Fund Carrier Remittance Worksheet	April 30	NE	Nebraska Public Service Commission Annual Report Compliance
April 20	CO	CO Telecommunications Relay Service Surcharge	April 30	NE	Nebraska Public Service Commission Annual Report Compliance
April 20	ID	Idaho Telecommunications Service Assistance Plan (ITSAP)	April 30	NE	State of Nebraska Dual Party Relay Surcharge Form
April 20	NH	Telecommunications Relay Service Remittance	April 30	NV	TDD Surcharge for Assistance to Persons With Impaired Speech or Hearing Report Form
April 20	NC	Service Quality Objectives Report	April 30	OR	Oregon Telephone Assistance Program Reimbursement Form
April 20	PA	Remittance Form for Monthly Telecommunications Relay Service (TRS) Surcharge Collections	April 30	PA	(TRS) Annual Access Line Report
April 20	UT	Utah Universal Service Fund Surcharge Remittal Statement	April 30	PA	(TRS) Annual Tracking Report
April 20	WA	Telecommunications Relay Service, Washington Telecommunications Assistance Program, and E911	April 30	PA	Annual Report of Interexchange Carriers
April 21	NY	TAF Adjustment Input Form	April 30	PA	CLEC Class C Annual Report
April 21	NY	Targeted Accessibility Fund Monthly Online Reporting Form	April 30	PA	Physical & Cyber Security Planning Self Certification
April 21	OR	Residential Services Protection Fund Surcharge Remittance Form	April 30	PR	Income Statement of Telecommunications Companies
April 22	AR	Arkansas Intrastate Carrier Common Line Pool Report	April 30	PR	Informe de Revendedores de Servicio (Reseller List)
April 25	MN	Minnesota Annual 911/TAM/TAP Fees Report Form	April 30	SC	SCPSC CLEC Quarterly Service Quality Report
April 25	TX	Texas Universal Service Fund Worksheet	April 30	TN	Wireline Activity Tennessee-CCN Authority
April 30	AK	Regulatory Cost Charge Quarterly Return	April 30	VT	Monthly Disconnect Report
April 30	AR	Annual Affidavit of Switchless Reseller to the Carrier Common Line Pool	April 30	VT	Vermont Service Quality Performance Index Report
April 30	Canada	CRTC Telecommunications Industry Data Collection, Compliance and Renewal of International Basic Telecommunications License	April 30	VA	Service Quality Report
April 30	Canada	CRTC Telecommunications Industry Data Collection, Registration List Contact Information	April 30	WY	Telecommunication Companies Revenue & Assessment Report (Wyoming Universal Service Fund)
April 30	CO	Colorado PUC Annual Report of Telecommunications			
April 30	CO	Declaration of De Minimis Form for the CO High Cost Support Mechanism			
April 30	CO	Low Income Telephone Assistance Program			
April 30	CT	Department of Public Utility Control Annual Report			
April 30	DE	Annual Financial Report			
April 30	GA	Quarterly Report of Georgia Operations			

MILLER ISAR NEWS

MILLER ISAR, INC. VOIP REGULATORY OVERVIEW

Miller Isar, Inc. with the assistance of The Klein Law Group, PLLC, has developed a VoIP regulatory Overview. The Overview is a detailed compendium of federal and state regulatory requirements applicable to VoIP providers. Nearly 60 pages long, the Overview provides perhaps the most comprehensive summary of VoIP regulation available. To obtain a copy, or additional information, please contact Andrew Isar at 253.851.6700 or aisar@millerisar.com.

MILLER ISAR, INC. ONLINE

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Miller Isar, Inc.'s web site is designed to provide clients and the public with access to important regulatory information. Please visit us at www.millerisar.com.

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