

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Illinois Bell Telephone Company,)	
)	
Complainant,)	
)	
v.)	Docket No. 12-0182
)	
Halo Wireless, Inc.,)	
)	
Respondent.)	

AT&T ILLINOIS' DRAFT ORDER

By the Commission:

On March 8, 2012, Illinois Bell Telephone Company, Inc. (“AT&T” or “AT&T Illinois”) filed a Complaint alleging that Halo Wireless, Inc. (“Halo”) had materially breached its interconnection agreement (“ICA”) with AT&T by sending landline-originated traffic to AT&T and by sending inaccurate call information to AT&T.

Pursuant to due notice, a status hearing was held on April 3, 2012. On April 24, 2012, Halo filed its appearance herein. On April 30, 2012 Halo filed a Partial Motion to Dismiss the Complaint and also filed its Answer to the Complaint. The Administrative Law Judge denied Halo’s Partial Motion to Dismiss on May 16, 2012. Also on May 16, 2012 Halo filed objections to AT&T’s written direct testimony, and on June 1, 2012, Halo filed objections to Mr. McPhee’s and Mr. Neinast’s rebuttal testimony, as well as the rebuttal testimony of AT&T witness Raymond Drause and Staff witness Dr. James Zolnierek. The Administrative Law Judge overruled all of Halo’s objections to AT&T’s direct testimony on June 1, 2012, overruled Halo’s objections to Mr. Drause’s rebuttal testimony on June 5, 2012, and overruled the objections to Dr. Zolnierek’s testimony on June 12, 2012.

Evidentiary hearings were held on June 5 and June 13, 2012. Admitted into the record were the direct and rebuttal testimony of AT&T witnesses J. Scott McPhee and Mark Neinast, the rebuttal testimony of AT&T witness Raymond Drause, the testimony of Halo witnesses Russ Wiseman and Robert Johnson, and the rebuttal testimony of Staff witness James Zolnierek. On July 5, 2012, AT&T filed a late-filed exhibit at the request of the Administrative Law Judge.

On July 13, 2012, initial briefs were filed by AT&T, Halo, and Staff, and AT&T and Staff filed reply briefs on July 27, 2012. AT&T and Staff filed draft orders on August 3, 2012.

This case centers on the traffic that Halo delivers to AT&T under the ICA. Before reaching Halo, all such traffic first passes through an entity known as Transcom Enhanced Services, Inc. (“Transcom”), which asserts that it wirelessly transmits traffic to Halo over a short wireless link before it is delivered to AT&T. AT&T asserts that its ICA with Halo only allows

Halo to send it traffic that originates on wireless equipment, but that a large percentage of the traffic Halo has been sending to it actually originates on landline equipment, in breach of the ICA. AT&T states that much of this landline-originated traffic is subject to tariffed access charges, and that Halo is liable for those charges. AT&T also contends that Halo sent it inaccurate call information by inserting a Transcom “Charge Number” on every call sent to AT&T until December 29, 2011, even though Transcom was not the responsible party for those calls. Halo denies breaching the ICA, arguing that every call it sends to AT&T actually originates with Transcom and is therefore a local, wireless call and not subject to access charges.

During this proceeding, Halo has also been involved in a bankruptcy proceeding in the bankruptcy court for the Eastern District of Texas. On July 19, 2012, the court presiding over Halo’s bankruptcy converted the case from a Chapter 11 reorganization case to a Chapter 7 liquidation. A Trustee has been appointed for Halo. On July 25, 2012, the Trustee requested that AT&T disconnect Halo’s trunks in all states in which AT&T is currently providing service, and the disconnection process is underway. These events, though significant, do not moot AT&T Illinois’ claims. For example, AT&T has explained that it still needs a ruling by this Commission that Halo is liable to AT&T Illinois for access charges so that it can perfect its claim for the amounts due in the bankruptcy court. In addition, Halo has had ample opportunity to present its case through its pre-filed testimony, participation in the evidentiary hearing, and submission of a post-hearing brief. Accordingly, AT&T Illinois has urged the Commission to render a decision and issue a comprehensive opinion in this case as soon as reasonably practicable.

As explained herein, this Commission, like several other state commissions that have evaluated the identical issues, finds that Halo has materially breached its ICA with AT&T and grants the relief requested by AT&T.

I. WHETHER HALO IS BREACHING THE PARTIES’ INTERCONNECTION AGREEMENT BY SENDING TRAFFIC TO AT&T THAT IS NOT WIRELESS-ORIGINATED

A. Whether the ICA Requires Halo to Send Only Wireless-Originated Traffic to AT&T

AT&T Illinois’ Position

Halo purports to be a wireless carrier. Based on this claim, Halo entered into a wireless ICA with AT&T. Accordingly, AT&T contends that the only traffic the ICA allows Halo to send to AT&T is traffic that originates on wireless equipment. The ICA states:

Whereas, the Parties have agreed that *this Agreement will apply only to* (1) traffic that originates on AT&T’s network or is transited through AT&T’s network and is routed to Carrier’s wireless network for wireless termination by Carrier; and (2) *traffic that originates through wireless transmitting and receiving facilities before [Halo] delivers traffic to AT&T* for termination by AT&T or for transit to another network. [Emphasis added].

AT&T asserts that the “wireless traffic only” provision is important because wireless traffic and landline traffic are regulated differently. Most notably, the geographic areas used to determine whether traffic is local (and therefore subject to reciprocal compensation charges) or non-local (and therefore subject to access charges, which are higher) differ greatly for wireless and landline traffic. Wireless traffic is classified as local or non-local based on Major Trading Areas (“MTAs”), which are quite large. For landline traffic, on the other hand, calls are classified as local or non-local based on “local calling areas,” which are much smaller. For example, there are only five MTAs in all of Illinois, but more than 980 landline local calling areas. Thus, there is a much greater likelihood that a wireless call will be “local” (also called “intraMTA”), and not subject to access charges, than there is for a landline call. For example, a call from Evanston, Illinois, to Springfield, Illinois, is within a single MTA, and so is subject to low reciprocal compensation rates if it is a wireless call, but is between two different landline calling areas, and so is subject to higher access charge rates, if it is a landline call.

All the trunks that Halo ordered to deliver traffic to AT&T were trunks reserved for wireless traffic only. Consistent with this, and assuming Halo was complying with the ICA, AT&T billed Halo for termination as if all of Halo’s traffic was wireless-originated, as the ICA required. AT&T, however, states that it began to suspect that much of the traffic Halo was sending it originated on landline equipment, not wireless equipment. It therefore appeared to AT&T that Halo was breaching the ICA and engaging in an access charge avoidance scheme, which led to this complaint case.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

Commission Analysis and Conclusion

The Commission finds that the parties’ ICA unambiguously requires Halo to only send traffic to AT&T that “originates through wireless transmitting and receiving facilities before [Halo] delivers [the] traffic to AT&T.” This necessarily means that the ICA does not allow Halo to send traffic to AT&T that originates through landline equipment on landline networks. We discuss whether Halo has breached this aspect of the ICA in the following sections.

B. Whether Halo Has Been Sending Traffic to AT&T that is Not Wireless-Originated.

AT&T Illinois’ Position

AT&T states that it is undisputed that Halo has been sending traffic to AT&T that starts on landline networks and that Halo freely admits this. For example, Halo’s President, Mr.

Wiseman, acknowledged that “[m]ost of the calls probably did start on other networks before they came to Transcom for processing. It would not surprise me if some of them started on the PSTN.” AT&T also asserts that Halo witness Johnson admitted that Transcom hands off landline-originated calls to Halo for delivery to AT&T Illinois. According to AT&T, those admissions alone prove a breach of the ICA. And AT&T further asserts that its call studies show the extensive scope of the breach and prove it was no accident.

AT&T analyzed the calls Halo sent to it during a one-week period in September 2011 and a four-week period in February-March 2012. AT&T began its analysis by identifying the Calling Party Number (“CPN”) on each call received from Halo, *i.e.*, the telephone number of the person who started the call. AT&T then consulted the industry’s Local Exchange Routing Guide (“LERG”) and the North American Number Portability (“NANP”) database to determine what kind of carrier (landline or wireless) owned that number and whether the carrier that owned the number had designated it in the LERG as landline or wireless. Based on this, AT&T was able to determine how many landline-originated calls Halo was sending. During the two periods reviewed, the call data showed that 34% and 60%, respectively, of the calls that Halo delivered to AT&T originated as landline calls. In other words, even though the ICA did not allow Halo to send AT&T *any* landline-originated traffic, somewhere between one-third and more than one-half of the traffic Halo sent to AT&T was landline-originated.

AT&T states that although the percentage of landline-originated calls is large – significantly more than half in the more recent and longer of the two study periods – and Halo admits to sending AT&T calls that start on landline networks, Halo nevertheless quibbles about the details of AT&T’s call analysis. Halo contends that some calls that originate from what appear to be landline numbers could, in some scenarios, actually originate from a wireless device. Based on this, Halo contends that CPNs are unreliable and cannot be used to identify the origination point or originating carrier on *any* of the calls Halo sends AT&T.

AT&T contends that Halo is wrong. AT&T first notes that Halo presented no call analysis to support its claims, nor did it present any evidence of how much of the traffic it delivers (if any) originates on wireless devices with CPNs that the LERG shows as landline. Halo’s failure to present any such evidence is telling, because Halo had access to all the same data AT&T used for its analyses. AT&T also explains that, while there are some situations where CPN does not precisely identify the origination point or originating carrier of a call, those situations are the exception, not the rule. Simply put, AT&T contends, the data and methods AT&T used are the same data and methods that the entire industry uses today for determining what AT&T sought to determine. AT&T states that there is no better way, and Halo does not suggest that there is. In support, AT&T quotes the following statement from the decision by the Tennessee Regulatory Authority in a case involving the identical dispute and ICA language between Halo and AT&T Tennessee:

The Authority acknowledges that a certain degree of imprecision can occur when analyzing the origin to individual telephone calls, due to factors such as the advent of number portability and the growth of wireless and IP telephony. However, because of these technical issues, the industry has developed conventions and practices to evaluate calls for the purpose of intercarrier compensation. The Authority finds that the

methodology used to collect the data and the interpretation of the data in the AT&T study are based upon common industry practices to classify whether traffic is originated on wireline or wireless networks.¹

AT&T states that Staff agrees that while CPN does not in all instances correctly identify the originating network, it is sufficiently accurate that AT&T Illinois' traffic studies are persuasive, especially considering that Halo purposefully does nothing to limit the traffic it sends AT&T Illinois to the sorts of traffic the ICA permits.

AT&T Illinois contends that it also proved that Halo's contentions would make no meaningful difference even if they were correct. AT&T assumed for the sake of argument that 100% of calls from Level 3 and Bandwidth.com numbers were actually wireless-originated, and re-analyzed the call data based on that assumption. AT&T states that this was an overgenerous assumption, but that even with this assumption the data still showed that 30% and 50% of the traffic that Halo sent to AT&T during the two study periods was landline-originated.

In short, AT&T concludes that there is no doubt that much of the traffic Halo has been sending to AT&T originated on landline networks, which materially breaches the ICA. AT&T notes that Staff agrees Halo is not adhering to the terms of the ICA. As Dr. Zolnierrek testified on cross-examination, "In my opinion here Halo and Transcom are, as far as I know, knowingly accepting those [landline-originated] calls and it's not necessarily one or two. They're taking traffic from anyone, and so it wouldn't be a *de minimis* instance that they are not attempting to screen out non-CMRS traffic. In that instance, I would say, yes, that's a breach."²

Halo's Position

[to be added]

Staff's Position

[to be added]

Commission Analysis and Conclusion

The Commission finds that Halo has been sending traffic to AT&T that does not originate on wireless equipment or transmitting facilities. This finding is in accord with the findings of every other state commission to address the issue.³ Like those other commissions, we reject

¹ Order, *In re: BellSouth Telecommunications LLC d/b/a AT&T Tennessee v. Halo Wireless, Inc.*, Docket No. 11-00119, at 17 (Tenn. Reg. Auth., Jan. 26, 2012) ("*Tennessee Halo Order*").

² Tr. June 13, 2012, at 379, line 19 – 380, line 3. See also Zolnierrek Direct at 6, lines 76-77.

³ *Tennessee Halo Order* at 15-17; Order Granting Relief Against Halo Wireless, *Complaint and Petition for Relief of BellSouth Telecommunications, LLC*, Docket No. 2011-304-C, Order No. 2012-516, at 6, 9 (So. Car. Pub. Serv. Comm'n, July 17, 2012) ("*South Carolina Halo Order*"); Order on Complaints, *Complaint of TDS Telecom, et al.*, Docket No. 34219, at 7, 10-11 (Ga. Pub. Serv. Comm'n, July 17, 2012) ("*Georgia Halo Order*"); see *Final Decision, Investigation into Practices of Halo Wireless, Inc., and Transcom Enhanced Services, Inc., No. 9574-TI-1000*, at 6-7 (Pub. Serv. Comm'n of Wis., July 27, 2012) ("*Wisconsin Halo Order*"); Report and Order, *Halo Wireless, Inc. v. Craw-Kan Telephone Cooperative, et al.*, File No. TC-2012-0331, at 28-29, 39-41 (Pub. Serv.

Halo's criticisms of AT&T's call study evidence. In this regard, we note that Halo presented no contrary evidence or call study, and never denied that some portion of the traffic it has sent to AT&T did begin on landline networks rather than wireless networks. In light of Halo's admission, the precise percentage of traffic that was landline-originated is irrelevant to finding a breach of the ICA. That being said, we also agree with AT&T that its call study used the best method available to evaluate whether Halo has been sending landline-originated traffic to AT&T, and to determine how much of the traffic was landline-originated. Halo did not claim that any better method exists, nor has any other state commission found that a better method exists. As AT&T's call studies showed, the amount of landline-originated traffic that Halo has been sending to AT&T is quite substantial.

C. Whether Transcom Originates The Traffic It Hands Off To Halo For Delivery To AT&T Illinois.

AT&T Illinois' Position

AT&T states that Halo's only defense to the claim that it has breached the ICA by sending landline-originated traffic to AT&T is Halo's claim that all the calls it sends to AT&T, regardless of who dialed the number or on what carrier's network the call began, should be deemed to originate with Transcom. AT&T states that no one at Transcom dials these calls and neither the calling party nor the called party on any call is a Transcom customer. In support of its position, AT&T begins by explaining what Transcom is and its arrangement with Halo.

AT&T notes that although Halo and Transcom are technically separate companies, they are closely related. They have overlapping officers and overlapping ownership, and the largest individual stakeholder in both companies is the same person. Transcom is Halo's only paying customer and the source of 100% of Halo's revenues nationwide.

AT&T also notes that Halo and Transcom are also physically close. Both have equipment at a tower site in Danville, Illinois, and the arrangement between them works as follows: Every call that comes to Halo in Illinois first passes from the carrier whose end user customer originated the call to Transcom (typically, indirectly through intermediate carriers) at one of its four data centers (in Dallas, New York, Atlanta, and Los Angeles). Transcom then sends the call to its equipment at the Danville tower site, where Transcom transmits the call, wirelessly, for about 150 feet to Halo's equipment. Halo then sends the call on to AT&T Illinois' tandem switch for termination to an AT&T Illinois end-user or to be passed on to a third-party carrier for termination. AT&T contends that there is no technical reason for the 150-foot link between Transcom and Halo to be wireless, and that the same connection could be made much less expensively by using a short "CAT-5" cable, and using a cable would increase service reliability. According to AT&T, it therefore appears that the only reason Halo spent the money to create a wireless connection with Transcom, rather than a short and direct wired connection, was so Halo could attempt to claim that all calls it passes to AT&T are wireless and local.

Comm'n of Missouri, Aug. 1, 2012) ("*Missouri Halo Order*"). AT&T Illinois submitted the *Wisconsin Halo Order* as supplemental authority in this case on July 27, 2012, and submitted the *Missouri Halo Order* as supplemental authority on August 2, 2012.

To envision how a call flows through this arrangement, AT&T uses the example of a call that begins with a girl picking up her landline phone in California and dialing her grandmother in Chicago. AT&T explains that such a landline-originated call would travel across the country, eventually hit Transcom's equipment at the Danville tower, travel wirelessly to Halo for 150 feet and then be handed off to AT&T Illinois, which would terminate the call in Chicago on its landline network and thus enable the girl and her grandmother to talk to each other. AT&T states that the call in this scenario originated with the girl in California, who is the calling party, and is an interstate, landline-originated call, subject to access charges. According to Halo, however, when the girl's call reaches Transcom's equipment in Danville, Transcom terminates the call and then originates a new call to the grandmother that is both local and wireless, and, therefore, is only subject to reciprocal compensation charges. AT&T states that Halo makes this argument even though the calling party (the girl who started the call) has no relationship with Transcom, did not dial Transcom's number, has no idea Transcom is even involved with the call, and ends up talking to the person she dialed in the first place (her grandmother) without dialing any extra numbers or codes.

To aid analysis, AT&T summarizes the "logic" of Halo's "Transcom origination" theory as follows:

1. Transcom is an enhanced service provider ("ESP") under federal law.
2. As an ESP, Transcom is treated like an end-user for purposes of access charges.
3. Therefore, Transcom must be treated as an end user for all purposes.
4. Since Transcom is treated as an end user, all calls must be deemed to terminate to Transcom and originate with Transcom.
5. Therefore, a call from California to Chicago that is routed in the manner depicted in Schedule MN-7 to AT&T witness Mr. Neinast's testimony terminates with Transcom, which then originates a new, wireless call, which passes through Halo and then to AT&T in the same MTA as Transcom.
6. Thus, the call that AT&T receives from Halo originated wirelessly, with Transcom, and Halo is not breaching its ICA.

AT&T argues that Halo's theory fails for at least four reasons: (1) the FCC (and five state commissions, so far) have rejected it; (2) there is no authority for the proposition that ESPs originate every call they touch; (3) Transcom is not an ESP in any event; and (4) even if Transcom were an ESP and did originate calls, the purported "origination" occurs on Transcom's landline equipment, and the calls would therefore be landline-originated (in breach of the ICA) and non-local (and thus subject to access charges).

Halo's Position

[to be added]

Staff's Position

[to be added]

Commission Analysis and Conclusion

As we describe in the following subsections, the Commission agrees with AT&T and rejects Halo's theory that Transcom terminates every call that comes to it and then originates a new call that it sends to Halo for delivery to AT&T.⁴

1. Whether Courts or Regulatory Agencies Have Accepted Halo's Position That Transcom Originates Further Communications.

AT&T Illinois' Position

AT&T begins by stating that the FCC has rejected Halo's theory. In its *Connect America Order*,⁵ the FCC singled out Halo by name, described Halo's arrangement of having traffic pass through a purported ESP (*i.e.*, Transcom) before reaching Halo,⁶ noted Halo's theory that calls in this arrangement are "re-originated" in the middle by Transcom, and flatly rejected that theory. AT&T relies on the FCC's discussion at paragraphs 1003-06, which states as follows:

1003. In the *Local Competition First Report and Order*, the Commission stated that calls between a LEC and a CMRS provider that originate and terminate within the same Major Trading Area (MTA) at the time that the call is initiated are subject to reciprocal compensation obligations under section 251(b)(5), rather than interstate or intrastate access charges. As noted above, this rule, referred to as the "intraMTA rule," also governs the scope of traffic between LECs and CMRS providers that is subject to compensation under section 20.11(b). The *USF/ICC Transformation NPRM* sought comment, *inter alia*, on the proper interpretation of this rule.

1004. The record presents several issues regarding the scope and interpretation of the intraMTA rule. Because the changes we adopt in this Order maintain, during the transition, distinctions in the compensation available under the reciprocal compensation regime and compensation owed under the access regime, parties must continue to rely on the intraMTA rule to define the scope of LEC-CMRS traffic that falls under the

⁴ Accord, *Tennessee Halo Order* at 15-17; *South Carolina Halo Order* at 12-27; *Georgia Halo Order* at 7-11; *Wisconsin Halo Order* at 6-7; *Missouri Halo Order* at 28-29, 39-41.

⁵ *Connect America Fund*, FCC 11-161, 2011 WL 5844975 (rel. Nov. 18, 2011) ("*Connect America Order*").

⁶ The FCC was well aware that Halo was arguing that Transcom is an ESP and therefore must be deemed to originate all calls that pass through it. Halo made this argument explicitly in its *ex parte* submissions to the FCC, which the FCC cited and relied on in the *Connect America Order* as describing Halo's position. See *Connect America Order*, nn. 2120-2122, 2128.

reciprocal compensation regime. We therefore take this opportunity to remove any ambiguity regarding the interpretation of the intraMTA rule.

1005. We first address a dispute regarding the interpretation of the intraMTA rule. Halo Wireless (Halo) asserts that it offers “Common Carrier wireless exchange services to ESP and enterprise customers” in which the customer “connects wirelessly to Halo base stations in each MTA.” It further asserts that its “high volume” service is CMRS because “the customer connects to Halo's base station using wireless equipment which is capable of operation while in motion.” Halo argues that, for purposes of applying the intraMTA rule, “[t]he origination point for Halo traffic is the base station to which Halo's customers connect wirelessly.” On the other hand, ERTA claims that Halo's traffic is not from its own retail customers but is instead from a number of other LECs, CLECs, and CMRS providers. NTCA further submitted an analysis of call records for calls received by some of its member rural LECs from Halo indicating that most of the calls either did not originate on a CMRS line or were not intraMTA, and that even if CMRS might be used “in the middle,” this does not affect the categorization of the call for intercarrier compensation purposes. These parties thus assert that by characterizing access traffic as intraMTA reciprocal compensation traffic, Halo is failing to pay the requisite compensation to terminating rural LECs for a very large amount of traffic. Responding to this dispute, CTIA asserts that “it is unclear whether the intraMTA rules would even apply in that case.”

1006. We clarify that *a call is considered to be originated by a CMRS provider for purposes of the intraMTA rule only if the calling party initiating the call has done so through a CMRS provider*. Where a provider is merely providing a transiting service, it is well established that a transiting carrier is not considered the originating carrier for purposes of the reciprocal compensation rules. Thus, we agree with NECA that *the “re-origination” of a call over a wireless link in the middle of the call path does not convert a wireline-originated call into a CMRS-originated call for purposes of reciprocal compensation and we disagree with Halo’s contrary position*. [Emphasis added, footnotes omitted].

AT&T states that the FCC thus conclusively rejected Halo’s theory that calls that begin with an end-user dialing a call on a landline network are somehow “re-originated” and transformed into wireless calls simply by passing through Transcom. In fact, Halo concedes that the FCC rejected its theory; Halo witness Wiseman stated, “We acknowledge that the FCC ... apparently now believes ESPs ... do not originate calls.”⁷ AT&T states that the FCC said a call is originated wirelessly only if the “calling party” – the person dialing the phone number – initiated the call through a wireless carrier. AT&T contends that much of the traffic that Halo has been sending to AT&T Illinois did not originate that way, as AT&T’s call studies showed.

⁷ Halo has suggested that the FCC rejected its theory only “for purposes of the intraMTA rule,” and not for purposes of the parties’ ICA. But the very purpose of the provision in the ICA that permits Halo to deliver traffic to AT&T only if it originates on wireless equipment is to implement the intraMTA rule. Halo’s notion that the FCC’s ruling leaves open the possibility that the traffic at issue here originates with Transcom for purposes of the ICA, even though it does not originate with Transcom for purposes of the intraMTA rule, is mistaken.

AT&T next cites a decision by the Tennessee Regulatory Authority, which also rejected Halo's origination theory earlier this year in a decision in favor of AT&T Tennessee on the identical issue.⁸ Among other things, the TRA found, based on Halo's *ex parte* filings in the *Connect America* case and which are contained in Schedules JSM-6 and JSM-7 to Mr. McPhee's direct testimony, that the FCC was aware of Halo's theory that Transcom originates (or re-originates) every call it touches, and has rejected that theory.⁹ The TRA's decision sustaining AT&T Tennessee's claims is thorough and well-reasoned, and AT&T commends it to the Commission's attention, along with the decisions of the South Carolina, Georgia, Wisconsin, and Missouri commissions.¹⁰ AT&T states that no state commission has held in Halo's favor.

Halo's Position

[to be added]

Staff's Position

[to be added]

Commission Analysis and Conclusion

As AT&T has shown, the FCC and every state commission to address the issue has rejected Halo's argument that Transcom terminates every call that comes to it and then originates a new call to send to Halo. Rather, the calls at issue here originate with the end-user that initiates the call.

2. Whether ESPs Originate Calls.

AT&T Illinois' Position

AT&T contends that even if Transcom were an ESP, there is no authority for Halo's contention that ESPs terminate every call they touch and then originate a new call. Indeed, AT&T claims that Halo's argument defies common sense. If the girl in California picks up her landline phone, dials her grandmother in Illinois, and they have a conversation, that is one call, not two calls. AT&T states that no new, separate call exists merely because the girl's call passed through Transcom's equipment somewhere along the way. The only call, AT&T contends, is the call from the girl in California to her grandmother in Illinois – after all, the girl did not call Transcom.

Halo's theory rests on the idea that ESPs are deemed to be end-users, and therefore (according to Halo) Transcom must be deemed to originate every call that passes through their equipment. AT&T replies by asserting that nothing in the law supports Halo. To the contrary, AT&T contends, the FCC has made clear that ESPs "are treated as end-users *for the purpose of*

⁸ *Tennessee Halo Order* at 15-17.

⁹ *Id.*

¹⁰ *See South Carolina Halo Order* at 6, 9; *Georgia Halo Order* at 7, 10-11; *Wisconsin Halo Order* at 6-7; *Missouri Halo Order* at 28-29, 39-41.

applying access charges”¹¹ only, and “are treated as end users for purposes of our access charge rules.”¹² Thus, the “ESP exemption” is a legal fiction that allows ESPs to be treated like end users for the purpose of not having to pay access charges. That does not mean an ESP can use this limited “end-user” status to claim it “originates” calls that actually began when someone else picked up a phone and dialed a number. AT&T explains that Transcom does not start the call (the calling party does), does not decide who will be called (the calling party does), and does not provide the voice content that the parties exchange on the call.

Moreover, AT&T notes, the ESP exemption from access charges applies only to the ESP itself, not to any telecommunications carrier that serves the ESP, which means that any ESP exemption for Transcom would not apply to Halo anyway. This Commission has squarely decided that point. In *Illinois Bell Tel. Co. v. Global NAPs Illinois, Inc.*, Docket No. 08-0105, at 24, 42 (Ill. Comm. Comm’n Feb. 11, 2009), the Commission ruled:

[T]he FCC’s exemption does not apply “to traffic that is delivered from ESPs.” Rather, it applies to ESPs themselves, exempting ESPs from certain access charges. Global is a carrier, not an ESP, and hence the ESP exemption does not apply to Global.

AT&T further states that other authorities are in accord,¹³ and AT&T Illinois is aware of no contrary authority. Under this Commission’s decision in *Global NAPs*, Halo (which admits it is a carrier and does not claim to be an ESP) could not lay claim the benefit of the ESP exemption from access charges even if Transcom could. AT&T contends that this alone defeats Halo’s entire ESP argument.

AT&T next contends that Halo’s theory does not work even with respect to Transcom, and that it would not work even if Transcom were an ESP. AT&T states that the FCC has never held that an ESP “originates” calls that started elsewhere and end elsewhere and merely pass through the ESP somewhere in the middle.¹⁴ To the contrary, AT&T explains, the FCC rejected

¹¹ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic*, 16 FCC Rcd. 9151, ¶ 11 (2001) (“*ISP Remand Order*”) (emphasis added, subsequent history omitted).

¹² *Northwestern Bell Tel. Co. Petition for Declaratory Ruling*, 2 FCC Rcd. 5986, ¶ 21 (1987) (“*Northwestern Bell Order*”). Five years after it was issued, this decision was vacated as moot. 7 FCC Rcd. 5644 (1992). The decision still carries weight, however, as the FCC’s explanation of the ESP exemption.

¹³ *Northwestern Bell Order*, 2 FCC Rcd. 5986, ¶ 21 (1987); *Pacific Bell Tel. Co. v. Global NAPs Cal., Inc.*, D.09-01-038, Order Denying Rehearing of D.08-09-027, at 11, 2009 WL 254838, at *5 (Cal. P.U.C. Jan. 29, 2009) (“the [ESP] exemption applies only to the ESP itself, not to the carrier of ESP traffic”); *In re Petition of CLEC Coalition for Arbitration Against Southwestern Bell Telephone, L.P. d/b/a SBC Kansas*, Order No. 16, Dkt., Nos. 06-BTKT-365-ARB et al., 2005 Kan. PUC LEXIS 868 *26-27 (Kan. Corp. Comm’n 2005) (“that [ESP] exemption applies to the information service provider, not to carriers . . . that provide service to ESPs and other customers”). Thus, regardless of Transcom’s purported status, there is no basis for *Halo* to claim it is exempt from access charges on the toll traffic it has been sending to AT&T.

¹⁴ Halo claims that the FCC has found that ESPs – as end users – originate traffic even when they receive the call from some other end-point. But Halo does not cite a single FCC decision, or any decision by any other entity, that actually holds this. Halo also tries to compare Transcom to an entity using a “Leaky PBX,” as if it that legitimizes Halo’s conduct. That comparison to a Leaky PBX is telling, because the FCC long ago recognized that leaky PBXs – just like Halo’s and Transcom’s current scheme – constituted a form of “access charge avoidance” that needed correction. *MTS and WATS Market Structure*, 97 FCC 2d 682, ¶ 87 (1983). Simply put, the only time the FCC has

Halo's theory that Transcom originates calls in the *Connect America Order* (¶¶ 1005-06). The FCC also rejected a similar two-call theory several years earlier. In that case, legacy AT&T (pre-SBC merger AT&T) provided a calling card service where, during call set-up, the calling party heard an advertisement from the retailer that sold the card. *AT&T Calling Card Order*, 20 FCC Rcd. 4826, ¶ 6.¹⁵ Legacy AT&T argued that this was an enhanced service and that the "first stage of the call," where the caller heard the advertisement, was "separate from the communication between the calling party and the called party," and therefore "created an endpoint" that "divided [the] calling card communication into two calls." *Id.*, ¶¶ 8, 23. The FCC rejected that view, finding that the communication with the purported enhanced service platform (the advertising message) did not "create an endpoint" and that communication of the advertising message was merely "incidental" to the single call the end user made. *Id.*, ¶ 23. Here, AT&T notes, there is no communication at all between Transcom and the calling or called party, so there is even less basis for claiming that Transcom creates an endpoint or originates a new call. AT&T witness Mr. Drause testified that Transcom's equipment is not even *capable* of originating a call, for it does nothing more than convert IP data into a radio signal.

Halo also tries to support its "Transcom origination" theory by citing *Bell Atlantic Tel. Cos. v. FCC*, 206 F.3d 1 (D.C. Cir. 2000), claiming that the court there functionally held that every ESP is an "origination" "endpoint" on every call. AT&T responds that this decision said nothing of the kind, and in any event has no bearing here. According to AT&T, the FCC was well aware of the D.C. Circuit's *Bell Atlantic* decision when it issued the *Connect America Order*, but still rejected Halo's theory that all calls originate with Transcom. *Connect America Order*, ¶¶ 1005-06.¹⁶ AT&T also notes that the court in *Bell Atlantic* was not dealing with ESPs in general, but rather was dealing with Internet Service Providers ("ISPs") in particular, so its discussion cannot be generalized to all purported ESPs. Transcom is not an ISP, and Halo does not claim it is. Moreover, contrary to Halo's claim, the D.C. Circuit did not hold that ISPs are an origination "endpoint." Rather, it merely remanded to the FCC to consider that alternative as a possible way to look at what those providers do, and on remand the FCC took a different path, so it never had to address the issue.

In addition, AT&T argues that Halo's assumption that the D.C. Circuit's discussion of Internet Service Providers in *Bell Atlantic* applies to every ESP is misplaced. For example, in the *AT&T Calling Card Order* the FCC rejected an attempt to compare the "enhanced" calling card service with calls to Internet Service Providers ("ISP-bound calls"). The FCC found that the services were not analogous, because while calls to ISPs "may consist of multiple communications," a call from a calling card user is different, because "the only relevant communication" in that situation "is from the calling card caller to the called party." *AT&T*

actually addressed what Halo does in the *Connect America Order*, where it rejected the identical argument Halo is making here.

¹⁵ Order and Notice of Proposed Rulemaking, *In the Matter of AT&T Corp. Petition for Declaratory Ruling Regarding Enhanced Prepaid Calling Card Services*, 20 FCC Rcd. 4826 (2005) ("*AT&T Calling Card Order*"), *aff'd*, *AT&T Corp. v. FCC*, 454 F.3d 329 (D.C. Cir. 2006).

¹⁶ The FCC also was well aware of the *Bell Atlantic* decision when it issued the *AT&T Calling Card Order*, which rejected the similar argument that a purported ESP must be deemed to be an origination "endpoint" on calls initiated by others. *AT&T Calling Card Order*, ¶¶ 8, 23.

Calling Card Order, ¶¶ 25-26. AT&T contends that the same analysis applies here, where “the only relevant communication” is between the calling party and the called party.¹⁷

Halo relies heavily on decisions by bankruptcy courts during Transcom’s bankruptcy proceeding several years ago for the proposition that Transcom is an ESP under federal law. AT&T maintains that those decisions are irrelevant here. Only one of these decisions both involved an AT&T entity and actually held (incorrectly) that Transcom is an ESP. AT&T notes, however, that this decision was vacated on appeal and carries no precedential or preclusive effect here. *See id.* at 1 (upper right-hand corner); *Kosinski v. C.I.R.*, 541 F.3d 671, 676-77 (6th Cir. 2008) (collecting cases).¹⁸ The Pennsylvania, Tennessee, South Carolina, Georgia, Wisconsin, and Missouri commissions have already evaluated this same issue and found that the bankruptcy rulings have no preclusive effect.¹⁹

More fundamentally, AT&T argues that even if Transcom were an ESP, and were deemed to be an end-user for purposes of access charges, that would only make a difference in this case if Transcom were therefore deemed to originate (and transform to wireless) every call it touches, regardless of where or on what type of network the call began. AT&T contends that none of the bankruptcy rulings addresses, much less decides, that origination issue, which means those decisions have no bearing on this case.

Finally, Halo has argued that even if Transcom is not an ESP, it still must be deemed to originate every call it touches. Halo claims that every entity must either be a common carrier or an end-user, that Transcom is not a common carrier and therefore must be an end-user, and therefore that Transcom originates every call it touches. AT&T contends that Halo has failed to establish its premise, *i.e.*, that every entity involved in the world of communications must be either a common carrier or an end user. AT&T further notes that Staff witness Dr. Zolnierek firmly rejected Halo’s contention that Transcom is an end user.²⁰ AT&T also argues that even if Transcom were deemed to be an end-user, Halo’s theory would still fail. AT&T claims that while it is true that end-users *can* originate calls, there is no legal or logical support for the idea that a purported end-user must be deemed to originate every call it touches – especially when the

¹⁷ When an ISP’s customer seeks to establish a dial-up connection to the internet, he or she dials the ISP’s phone number. This is starkly different from the situation here, where the calling party does not dial Transcom’s phone number, and does not even know that Transcom exists. Thus, even if one were to conclude that an ISP terminates its customer’s call and then originates a further communication with the internet, it by no means follows that Transcom performs a similar termination and origination.

¹⁸ The other decision, the one confirming Transcom’s plan of reorganization, did not resolve any dispute between parties regarding whether Transcom was an ESP – much less whether all calls that pass through Transcom must be deemed to be wireless-originated – because that point was neither contested in the proceedings leading to that order, nor was it necessary to the order. Accordingly, the order has no preclusive effect. *E.g.*, RESTATEMENT (SECOND) OF JUDGMENTS, § 16 comment c.

¹⁹ *See Tennessee Halo Order* at 22 n.85 (also citing Pennsylvania decision); *South Carolina Halo Order* at 19; *Georgia Halo Order* at 10; *Wisconsin Halo Order* at 6-7; *Missouri Halo Order* at 42-43.

²⁰ Tr. June 13, 2012, at 386, lines 9-21. (“Transcom is operating as – in the capacity of an IXC. Q: As an IXC, not as an end user? A: That’s correct.”). *Id.* at 390, line 14 – 391, line 4 (“In my opinion Transcom is not an end user if that’s what you’re asking. Q: Regardless of whether it is a carrier or not a carrier, it’s not an end user? Is that your position? A: In the circumstances where there’s a local exchange carrier originating the call somewhere outside of the MTA on a local exchange network, a landline owned interexchange network, they send it to Transcom, Transcom delivers it to AT&T for termination in Illinois, in my opinion . . . that’s not an end user. It’s not a reasonable interpretation of an end user.”).

call was started by someone else and all the purported “end-user in the middle” does is pass the call along to Halo. Indeed, AT&T explains that if Halo’s theory were correct, it would mean an end to all access charges, since every carrier would simply have all its calls first pass through a purported “end-user” in the same local area where the call will be terminated, and then claim that by passing through that “end-user” every single call was originated as a local call.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

Commission Analysis and Conclusion

The Commission rejects Halo’s theory that if Transcom is an ESP, then Transcom must be deemed to originate all of the calls it sends to Halo. Halo’s theory rests on the idea that ESPs are to be treated like end-users, and end-users originate calls, and therefore Transcom must be treated as originating all the calls it passes to Halo. That theory does not hold water. While ESPs are treated like end-users in the sense that they may be exempt from access charges, that does not mean ESPs are treated as end-users for all purposes, nor would it mean that Transcom must be treated as originating every call it touches. And even if Transcom were an ESP that would not exempt Halo from access charges, as this Commission and the other decisions cited by AT&T have held. Similarly, Halo offered no legal support for its theory that the entire telecommunications world is divided into carriers or end-users, or the idea that end-users originate every call they touch. While end-users certainly can originate calls, there is no rule stating that end-users must be deemed to originate every call they touch. In short, Halo’s theory relies on using regulatory labels and categories to defy common sense and claim that calls that obviously and undeniably originate in other states and on landline networks should somehow be treated as if they were local, wireless calls so that Halo can avoid ever paying access charges. The Commission rejects that approach.

3. Whether Transcom is an ESP.

AT&T Illinois’ Position

AT&T contends that even though Halo’s theory fails regardless of whether Transcom is an ESP, the fact is that Transcom does not qualify as an ESP. To be an ESP, Transcom must provide an “enhanced service.” The FCC defines “enhanced services” as:

services, offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information.

47 C.F.R. § 64.702(a). AT&T argues that, in applying this definition, the FCC has consistently held that a service is not “enhanced” when it is merely “incidental” to the underlying telephone service or merely “facilitate[s] establishment of a basic transmission path over which a telephone call may be completed, without altering the fundamental character of the telephone service,” and that in deciding whether a service is “enhanced” one must use the end-user’s perspective.²¹ The FCC typically describes services that do not alter the fundamental character of the telephone service as “adjunct-to-basic,” meaning they are not “enhanced services.” See *AT&T Calling Card Order*, ¶ 16 & n.28.

Transcom claims it provides enhanced service because it takes steps to minimize background noise on a voice call and inserts “comfort noise” during periods of silence so the parties do not think the call has been disconnected. In other words, AT&T argues, Transcom does not in any way alter or add to the content of any call. Rather, the parties still say their own words and that is all that gets transmitted. Transcom just tries to make the voice communications more clear. AT&T witnesses Neinast and Drause both testified that suppressing background noise and adding comfort noise are not “enhancements” to the underlying voice telecommunications service. Rather, they are merely the same type of call-conditioning that carriers normally provide, and have provided for some time, as an incidental part of voice service (e.g., by using repeaters to boost a voice signal over long distances).

AT&T states that the FCC’s decisions likewise show that Transcom is not providing enhanced service. In the *AT&T Calling Card Order*, for example, legacy AT&T argued that a calling card service was “enhanced” because, during call set-up, the caller heard an advertising message from the retailer that sold the card and was given options to push buttons to do things other than complete the call (e.g. buy more calling minutes on the calling card), and also because some of the transport of the call was over AT&T’s Internet backbone using Internet Protocol (“IP”) technology. *AT&T Calling Card Order*, ¶¶ 6, 11-12. The FCC held that this service was not “enhanced” under FCC Rule 64.702. *Id.*, ¶ 16. As the FCC explained:

Because the advertising message is *provided automatically, without the advance knowledge or consent of the customer, there is no “offer” to the customer of anything other than telephone service, nor is the customer provided with the “capability” to do anything other than make a telephone call.*

. . . We find that the advertising message provided to the calling party in this case is incidental to the underlying service offered to the card-holder and does not in any way alter the fundamental character of that telecommunications service. From the customer’s perspective, the advertising message is merely a necessary precondition to placing a telephone call

AT&T Calling Card Order, ¶¶ 15-16 (emphasis added).

²¹ *Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934*, 11 FCC Rcd. 21905, ¶ 107 (1996).

AT&T asserts that the same analysis applies to Transcom's service, which is even more invisible to the calling party. AT&T contends that Transcom's involvement in the calls at issue here occurs "automatically, without the advance knowledge or consent of the customer [*i.e.*, the person making the call]" and Transcom does not provide any service to the calling party. Nor does the calling party receive from Transcom (or from their own carrier) "anything other than [the capability to] make a telephone call." *AT&T Calling Card Order*, ¶¶ 16-17.

Moreover, AT&T emphasizes that the FCC noted that none of the packaging material for the calling card service in the *AT&T Calling Card Order* mentioned the alleged enhancement of using the cards to listen to advertisements, which led the FCC to conclude that no enhancement or special capability was being "offered" to customers. *Id.* ¶ 15. AT&T contends that the same is true here, because none of Transcom's written marketing materials makes any mention of the purported "enhancements" that Transcom provides, so there is no "offering" of any enhancement. Indeed, AT&T witness McPhee testified that until recently Transcom's website flatly stated that Transcom's "core service offering" is "Voice Termination Service," *not* any purported service enhancements. He further testified that until recent changes made in response to AT&T's testimony, Transcom's website never mentioned any purported "enhancements" to service quality at all. Likewise, Mr. McPhee noted that the supposed "enhancements" are so incidental that they are not even mentioned in Transcom's contracts with its customers. AT&T contends that it is difficult to take Transcom's claims about enhancing calls seriously when Transcom itself did not find them worth mentioning in its marketing materials, customer contracts, or website. AT&T concludes that, at best, whatever Transcom does is merely "incidental" to the underlying telecommunications service provided by the calling party's carrier, and therefore does not qualify as an enhanced service. *AT&T Calling Card Order*, ¶ 16 & n.28.

AT&T states that the FCC's *IP-in-the-Middle Order* further shows why Transcom's service is not an "enhanced service." In that case, the FCC held that AT&T's IP telephony service was not an enhanced service, finding that it "(1) use[d] ordinary customer premises equipment (CPE) with no enhanced functionality; (2) originate[d] and terminate[d] on the public switched telephone network (PSTN); and (3) under[went] no net protocol conversion and provide[d] no enhanced functionality to end users due to the provider's use of IP technology."²² As the FCC put it, "[e]nd-user customers do not order a different service, pay different rates, or place and receive calls any differently than they do through AT&T's traditional circuit-switched long distance service," which means that the IP-in-the-middle service was not an enhanced service. *IP-in-the-Middle Order*, ¶ 15.

AT&T contends that all of those things are also true of Transcom's service. The end-users that make calls do not order a different service (indeed, they do not order any service from Transcom²³); they do not pay different rates because Transcom is involved; and they place and receive calls in exactly the same way they would if Transcom did not exist. Thus, "[f]rom the customer's perspective" – the perspective of the end-user making the call – anything Transcom does is merely "incidental" to or "adjunct to" the underlying voice service provided by the

²² *Petition for Declaratory Ruling That AT&T's Phone-to-Phone IP Telephony Services are Exempt from Access Charges*, 19 FCC Rcd. 7457, ¶ 1 (2004) ("*IP-in-the-Middle Order*").

²³ Transcom does not serve any actual end users. Rather, it provides wholesale service to carriers and other providers.

caller's carrier, does not alter the "fundamental character" of that underlying service, and is therefore not an "enhanced service." *AT&T Calling Card Order*, ¶ 16.²⁴

Consistent with the FCC precedent, five state commissions have now ruled that Transcom's service is not an enhanced service. In a Pennsylvania case, the carrier Global NAPs ("GNAPS") argued that Transcom was an ESP, making all the same claims that Transcom and Halo make here. The Pennsylvania PUC disagreed and held that Transcom is not an ESP, stating as follows:

GNAPS argues that Transcom's removal of background noise, the insertion of white noise, the insertion of computer developed substitutes for missing content, and the added capacity for the use of short codes to retrieve data during a call all constitute "enhancements" to the traffic that Transcom passes on to GNAPS. [citation omitted] Palmerton responds that the removal of background noise, the insertion of white noise, and the reinsertion of missing digital packets of an IP-enabled call in their correct location when all the packets of the call become assembled are essentially ordinary "call conditioning" functionalities that are "adjunct to the telecommunications provided by Transcom, not enhancements," and that similar call conditioning has been practiced for a very long time even in the more traditional circuit-switched voice telephony. . . .

In view of the evidence presented and the FCC's rulings in the two AT&T cases referenced above [the *AT&T Calling Card Order* and the *IP-in-the-Middle Order*], we find that Transcom does not supply GNAPS with "enhanced" traffic under applicable federal rules. Consequently, such traffic cannot be exempted from the application of appropriate jurisdictional carrier access charges.²⁵

Similarly, in the Tennessee case that mirrored this case, the TRA held that Transcom is not an ESP. The TRA found that:

Transcom only reduces background noise and inserts "comfort noise" in periods of silence so that those periods of silence are not mistaken for the end of a call. . . . The alleged "enhancements" that Transcom claims it makes to calls that transit its network are simply processes to improve the quality of the call. Telecommunications networks have been routinely making those types of improvements for years and, in some cases, decades. Carriers have routinely incorporated equipment into networks that have, for example, expanded the dynamic range of a voice call to improve clarity. The conversion

²⁴ Further evidence that Transcom does not alter the "fundamental character" of the calls that pass through it on the way to Halo and AT&T is that the calls still fit easily with the definition of "telecommunications" in 47 U.S.C. § 153(50). The definition states that "telecommunications" means "the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content thereof." The calls at issue here, e.g., a call from a girl in California to her grandmother in Chicago, involve transmission "between or among points specified by the user" (the girl specifies her landline phone in California and her grandmother's phone in Chicago), of "information of the user's choosing" (the voice communication with her relative), "without change in the form or content of the information as sent or received," since the words the girl speaks in California are the same words that reach her grandmother in Chicago.

²⁵ *Palmerton Tel. Co. v. Global NAPs South, Inc., et al.*, PA PUC Docket No. C-2009-2093336, 2010 WL 1259661, at 16-17 (Penn. PUC, Feb. 11, 2010).

from analog to digital and back to analog has significantly improved call quality, yet none of those processes are deemed “enhancements” in the sense of an ESP.²⁶

The South Carolina, Georgia, Wisconsin, and Missouri Commissions have reached the same conclusion.²⁷ AT&T argues that this Commission should reach the same result: Transcom is not an ESP.

Finally, AT&T notes that Transcom admits it does not enhance all the traffic it hands off to Halo for delivery to AT&T Illinois, even according to Transcom’s mistaken view of “enhancement.” Indeed, Halo witness Johnson, who testified as Transcom’s representative, admitted that an “unknown percentage” of those calls are not enhanced at all. Thus, even if the Commission were to accept Halo’s defense based on the premise that Transcom enhances traffic (which it should not for all reasons discussed above and below), the defense would not apply to an unknown percentage of the traffic at issue, so Halo would still be in breach of the parties’ ICA.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

Commission Analysis and Conclusion

Although we find that Halo has breached the ICA by sending landline-originated traffic to AT&T, regardless of whether Transcom is an ESP, we also agree with other state commissions in finding that Transcom is not an ESP. We need not reiterate the lengthy legal analysis provided by AT&T but we do state that we agree with that analysis and AT&T’s conclusions. Even if accepted at face value, Transcom’s own description of what it allegedly does to calls to improve voice quality shows that it is not fundamentally altering the nature of the call, and therefore that its service is akin to the many “adjunct to basic”-type services that the FCC has held are not “enhanced” services. Because it does not provide an “enhanced” service, Transcom is not an ESP.

4. Whether Transcom Originates Traffic Wirelessly at the Halo Tower Site.

AT&T Illinois’ Position

Halo’s theory is that Transcom performs enhancements on the calls it receives from other carriers and then originates the purportedly enhanced traffic for delivery to Halo. AT&T

²⁶ *Tennessee Halo Order* at 21-22.

²⁷ *South Carolina Halo Order* at 20-26; *Georgia Halo Order* at 9-10; *Wisconsin Halo Order* at 6-7; *Missouri Halo Order* at 43-46.

responds by arguing that, for all of the reasons set forth above, Transcom neither performs enhancements nor originates traffic. Even if that were not the case, however, AT&T contends that the purportedly enhanced traffic necessarily would originate from the same location that Transcom performed the “enhancements,” namely, at a Transcom data center in Atlanta, New York City, Los Angeles or Dallas – *not* at Transcom’s wireless equipment in Danville, Illinois. At the evidentiary hearing, Halo witness Johnson tried to suggest that Transcom’s origination of calls Halo delivers to AT&T Illinois in the Chicago MTA (if any) occurs within that MTA, at Danville. AT&T states that Mr. Johnson was impeached on this point by his sworn testimony at a deposition in May, 2012. At that deposition, AT&T explains, Mr. Johnson testified that a landline-originated call from a girl in California to her grandmother in Chicago would be terminated by Transcom at a media gateway. Then, he testified, Transcom would originate a further communication either at that same media gateway, or at another Transcom media gateway or at a session border controller. Transcom’s media gateways and session border controllers are in the Transcom data centers in Atlanta, New York City, Los Angeles and Dallas. There are no media gateways or session border controllers at the tower cite in Danville. Thus, AT&T argues, the unambiguous upshot of Mr. Johnson’s deposition testimony is that the so-called originations of further communications performed by Transcom are performed – if at all – in Atlanta, New York City, Los Angeles and Dallas, *not* at the tower sites where Transcom hands calls off to Halo.

AT&T states that this is significant for two reasons. First, even if Transcom did originate enhanced traffic, such traffic would originate over landline (not wireless) facilities, and the ICA prohibits Halo from delivering landline-originated traffic to AT&T. Second, traffic, whether wireline or wireless, that originates in Atlanta, New York, Los Angeles or Dallas and terminates in Chicago is traffic to which access charges apply.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

Commission Analysis and Conclusion

For the reasons stated earlier, the Commission again finds that Transcom does not originate calls. Mr. Johnson’s testimony regarding media gateways and session border controllers reconfirms that Transcom does not originate calls at cell towers for delivery to Halo as intraMTA wireless calls, because even if Transcom were deemed to originate calls, the origination would not be at those cell towers.

II. WHETHER THE CALL INFORMATION HALO SENT AT&T ILLINOIS WAS INACCURATE OR OTHERWISE IMPROPER.

AT&T Illinois' Position

AT&T states that the exchange of accurate call detail information between interconnected carriers is essential. This information includes the phone number of the person that originated the call (the Calling Party Number, or “CPN”) and, in some instances, a different number for the person or entity that bears financial responsibility for the call (the Charge Number, or “CN”). A Charge Number might be used, for example, when a business has 100 different lines for its employees but wants all calls on those lines to be billed to a single number. In that situation, calls from those 100 lines would include call detail that shows both the CPN, for the actual line that originated the call, and the Charge Number, for the billing number that will be charged for the call. When the call information includes both a CPN and a CN, the CN overrides the CPN and controls how the call is categorized and billed. Specifically, the CN is used to determine the jurisdiction and rating for the call – that is, whether the call is local or non-local, and therefore whether it is subject to reciprocal compensation or access charges.

AT&T, however, states that it discovered that until the end of 2011, Halo inserted inaccurate CNs – CNs that should not have been there at all – on every call that Halo sent to AT&T. Halo admits that it inserted a CN assigned to Transcom into the call record on every call it sent to AT&T. Moreover, AT&T notes that in every case the CN was local to (*i.e.*, in the same MTA as) the number the call was being terminated to, making the call appear to be local, and thus subject to reciprocal compensation rather than access charges – even when the call was not local. For example, a call destined to Springfield may begin in California and would therefore have a California CPN, but Halo would insert a CN that is local to Springfield into the call information and thereby make the call appear to be local rather than long-distance.

AT&T argues that there was no justification for Halo’s insertion of a Transcom CN, because Transcom was not the financially responsible party on any of these calls. A CN is used when one party (say, an employer) takes financial responsibility for calls made by another party (say, its employee). Here, however, it is undisputed that there is *no* relationship between Transcom and any of the calling parties that made these calls, and therefore Transcom is *not* the financially responsible party on any of these calls, because Transcom does not pay the phone bills for any of those calling parties.

Halo tries to excuse its conduct with the same argument as on the origination issue, namely that Transcom should be deemed to originate all calls and therefore is financially responsible for them. But AT&T argues that Transcom does not originate calls, as shown above. Furthermore, Halo’s theory makes no sense. If Transcom actually originated the call, as Halo claims, its number would have shown up in the CPN field (Calling Party Number), not the CN field. AT&T explains that the CN field is only used when a party *other than* the party that originated the call will be financially responsible for the call. Consequently, Halo’s theory that it inserted the Transcom CN to comply with its view of how the industry treats CN is not credible. As the FCC stated, the CN field “may not contain or be populated with a number associated with an intermediate switch, platform, or gateway,” yet that is what Halo did. *Connect America*

Order, ¶ 714. In addition, AT&T notes that Transcom has no relationship with any of the individuals that actually originate any of these calls, and no reason – or authorization – to have Halo insert a CN to make Transcom financially responsible for these calls originated by strangers through their own separate carriers. Thus, as the Tennessee, South Carolina, Georgia, and Missouri Commissions recognized, Halo’s insertion of a Transcom Charge Number was wrongful.²⁸

Halo contends that its insertion of the Transcom CN did no harm, because the call records that Halo sent to AT&T included the CPN as well as the CN, so AT&T still had the data needed to determine the call’s actual starting point. AT&T says that this is akin to a burglar saying he cannot be convicted because he left behind fingerprints that allowed the police to identify him. It is true that, *once AT&T discovered* there was a need to investigate Halo’s call information and undertook the cost and burden of conducting that investigation, AT&T was able to use the CPN to determine the true nature of the calls coming from Halo. That is why this complaint case exists. The point, however, is that AT&T had to conduct a special investigation to do that, because otherwise the industry practice is to treat CN as overriding the CPN. By inserting the inaccurate CN, then, Halo masked the true nature of the calls it was sending AT&T until AT&T did the detective work to unmask it. AT&T states that the only apparent reason for Halo’s inserting the inaccurate CN was to make the long-distance landline calls that Halo sent to AT&T appear to be local wireless calls, and therefore avoid access charges on what was actually non-local traffic.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

Commission Analysis and Conclusion

This Commission agrees with the other state commissions that Halo improperly sent inaccurate call detail to AT&T by inserting a Transcom CN on calls for which Transcom was not the financially responsible party. Halo admits inserting the Transcom CNs. Halo says it did so because it thought Transcom was originating the calls. That theory does not make sense. If Transcom truly were originating calls, its number would show up as the Calling Party Number, not the Charge Number. The Charge Number is used when some party other than the calling party is financially responsible for the call, and Halo offers no reason for why it would have viewed Transcom as the financially responsible party on any of the calls sent to AT&T. This leads one to question why Halo inserted the Transcom CNs, since the only effect appears to be to falsely make the calls appear to be subject to intraMTA (*i.e.*, local) intercarrier compensation rates, rather than the toll intercarrier compensation rates that should have applied.

²⁸ *Tennessee Halo Order* at 18; *South Carolina Halo Order* at 29-31; *Georgia Halo Order* at 11-12; *Missouri Halo Order* at 32. The Wisconsin Commission found that it did not need to address this issue once it found Halo had breached the ICA by sending landline-originated traffic. *Wisconsin Halo Order* at 8.

Halo also makes a “no harm, no foul”-type argument, asserting that the misleading call information could not damage AT&T. We reject that view. By inserting false CN information, Halo made it more difficult for AT&T to discover that Halo’s traffic was not, in fact, all local.

III. WHETHER HALO IS BREACHING THE ICA BY SENDING INTERMTA TRAFFIC TO AT&T.

A. Whether The ICA Forbids Halo from Sending InterMTA Traffic to AT&T

AT&T Illinois’ Position

Separate and apart from its requirement that Halo send AT&T Illinois only “traffic that originates through wireless transmitting and receiving facilities,” the parties’ ICA is also limited to intraMTA traffic. Staff’s Dr. Zolnierек testified that Halo is “failing to comply with the ICA” because Halo “does not limit traffic that it sends to AT&T Illinois under the terms of the ICA to intraMTA traffic.” Dr. Zolnierек explains why this is so.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

B. Whether Traffic Halo Has Sent to AT&T is InterMTA traffic.

AT&T Illinois’ Position

AT&T states that it necessarily follows from the foregoing discussion of Dr. Zolnierек’s testimony that Halo is sending AT&T Illinois interMTA traffic. AT&T contends that once one rejects Halo’s theory that all the traffic originates with Transcom in the same MTA as the called party, and recognizes that the traffic actually originates with the calling party (such as the girl in California calling her grandmother in Chicago), there can be no denying that Halo is delivering interMTA traffic to AT&T Illinois in breach of the ICA.

Halo’s Position

[to be added]

Staff’s Position

[to be added]

Commission Analysis and Conclusion

The Commission agrees with Staff and AT&T that Halo has breached the ICA by sending interMTA traffic to AT&T.

IV. WHETHER AT&T IS ENTITLED TO RELIEF.

As remedies for Halo's breaches of the ICA, and to prevent further harm from continued breaches, AT&T asks the Commission to grant the following relief, all of which (except (a)(ii), which was not in issue in other states) was granted by the Commissions in the parallel cases in Tennessee, South Carolina, Georgia, and Wisconsin:

- (a) Find that Halo has materially breached the ICA by (i) sending landline-originated traffic to AT&T; and (ii) sending interMTA traffic to AT&T;
- (b) Find that as a result of these breaches, AT&T is excused from further performance under the ICA and may stop accepting traffic from Halo;
- (c) Find, without quantifying any specific amount due, that Halo is liable to AT&T for access charges on the interstate or interLATA landline-originated traffic it has sent to AT&T; and
- (d) Grant all other relief as is just and appropriate.

A. Whether The Commission Should Authorize AT&T to Discontinue Performance Under the ICA and Stop Accepting Traffic from Halo.

AT&T Illinois' Position

Illinois law permits AT&T to discontinue performance under the ICA and stop accepting traffic from Halo in light of Halo's material breaches of the ICA. In addition, no practical considerations mitigate against the termination of service.

It is black letter law that when a party materially breaches a contract, or breaches the contract in a way so basic as to defeat the purpose of the contract, the other party is excused from further performance. *E.g., Finch v. Illinois Community College Bd.*, 734 N.E.2d 106, 110 (Ill. App. 2000) ("If a party fails to perform his duties under a contract, without a valid excuse, he is liable for a breach of contract, and the remedies for the breach would depend on whether the breach was material or minor. [I]f the breach is material, a nonbreaching party may be excused from its duty of counterperformance.") (citations omitted); *Girona v. Paulsen*, 605 N.E.2d 1089, 1092 (Ill. App. 1992) ("a substantial breach of the contract . . . excuses the other party's performance."). Halo's breach here – continuously sending huge amounts of landline-originated traffic that the ICA does not allow – plainly defeats the core purpose of the ICA, which was to establish rates, terms, and conditions for *wireless-originated* traffic *only*. Halo of course contends that it has not breached the ICA, but Halo does not dispute that if it did breach the ICA as AT&T Illinois and Staff contend it did, AT&T Illinois is excused from further performance.

Granting the relief AT&T seeks will not adversely affect any Illinois consumers. Given that Halo has only one purported customer (Transcom) and that customer does not make any calls, no customer will lose dial tone when AT&T stops accepting Halo's traffic and there will be no impact on emergency services. In addition, the carriers that now send Halo traffic destined for AT&T either have alternative arrangements to get that traffic to AT&T or can make them very quickly. Halo has not claimed there were any problems with calls being completed in Tennessee after AT&T Tennessee discontinued service to Halo there, nor is AT&T aware of any problems.

In addition, granting the relief AT&T seeks will not run afoul of Halo's ongoing bankruptcy proceeding. AT&T asked for and received the identical relief from the Tennessee Regulatory Authority (*see Tennessee Halo Order* at 22), and then discontinued service to Halo in light of the TRA's Order. Halo complained of this to the bankruptcy court, and the bankruptcy court rejected Halo's complaint.²⁹ The bankruptcy court found that the TRA "had jurisdiction to interpret and enforce the provisions of the interconnection agreement," that "[t]he TRA's ruling and Order regarding AT&T Tennessee's right to stop accepting traffic is within the TRA's police and regulatory powers and falls with[in] the exception to the automatic stay as found in this court's Courts 362(b)(4) Order," and that "[t]he TRA's determination that AT&T Tennessee may terminate the ICA is also within the TRA's authority and jurisdiction; however, prior to any termination, AT&T Tennessee must also comply with section 365 of the Bankruptcy Code."³⁰ AT&T states that it will comply with Section 365.

Halo's Position

[to be added]

Staff's Position

[to be added]

B. Whether The Commission Should Declare That Halo Is Liable to AT&T for Access Charges on Non-Local Traffic Halo Delivered to AT&T.

AT&T Illinois' Position

AT&T states that its federal tariff, filed with the FCC, requires Halo to pay access charges on the interstate traffic AT&T has terminated for Halo, and AT&T's state tariff, filed with this Commission, requires Halo to pay access charges on the intrastate non-local traffic AT&T has terminated for Halo. AT&T contends that Halo has sent AT&T interexchange traffic (both interstate and intrastate) that Halo has been misrepresenting as local, and thus subject only to reciprocal compensation charges instead of the higher access charges that apply to non-local

²⁹ Order Denying Plaintiff's Request for Emergency Injunctive Relief, *In re Halo Wireless, Inc. and Halo Wireless, Inc. v. BellSouth Telecommunications, LLC*, Case No. 11-42464-btr-11/Adv. Proc. No. 12-04019 (Bankr. E.D. Tex., Feb 6, 2012).

³⁰ *Id.*, ¶¶ 2-4.

traffic. AT&T is *not* asking the Commission to determine how much Halo owes AT&T, or how many minutes of access traffic Halo has sent AT&T. Rather, AT&T only asks the Commission to rule that Halo owes AT&T access charges on such access traffic as it has delivered. AT&T states that the court in Halo’s bankruptcy case has made clear that this relief is permissible. That court has explained that the only limitation on the relief state commissions can grant for Halo’s wrongdoing is that they should not issue relief involving “*liquidation of the amount* of any claim against the Debtor.”³¹ That is why AT&T Illinois asks only for a ruling that Halo owes access charges in an amount that remains to be determined, in all likelihood by the bankruptcy court.

Halo has argued that it cannot be required to pay tariffed access charges because, it claims, it technically did not receive access service precisely as it is defined in AT&T’s tariffs. For example, Halo contends that it did not receive service from AT&T via a “Feature Group D” arrangement. AT&T states that such arguments are a smokescreen that exalts form over substance.

AT&T states that it has demonstrated that Halo has sent landline-originated traffic to AT&T in breach of the ICA. AT&T also states that it has demonstrated that a large portion of that landline traffic is non-local in nature, and AT&T terminated that traffic for Halo. Because the landline-originated traffic was not permitted by the ICA, AT&T argues, there are no terms in the ICA defining the proper intercarrier compensation that Halo must pay to AT&T for terminating that traffic. AT&T contends that it is obvious, however, that Halo must pay AT&T *something* more than mere reciprocal compensation on the *non-local* traffic it has been sending to AT&T Illinois for termination. ILECs are not required to terminate non-local calls for free, or at the low reciprocal compensation rates that apply to local traffic. AT&T states that when it terminates interexchange and interstate calls for other carriers, that is access service, and those carriers must pay the access rates in AT&T’s access tariffs. AT&T states that Staff agrees with its position.³²

AT&T asserts that Halo must pay AT&T access charges for the non-local traffic it delivered to AT&T for termination under the “constructive ordering” doctrine. Under that doctrine, a carrier “constructively orders” service under a tariff, and therefore must pay the tariffed rate, if it (1) is interconnected in such a manner that it can expect to receive access services; (2) fails to take reasonable steps to prevent the receipt of services; and (3) does in fact receive such services.³³ AT&T states that the doctrine applies here.

First, AT&T contends that there is no doubt that Halo “is interconnected [to AT&T] in such a manner that it can expect to receive access services.” Halo interconnects to AT&T under

³¹ Order Granting Motion of the AT&T Companies to Determine Automatic Stay Inapplicable and for Relief from the Automatic Stay, *In re Halo Wireless, Inc.*, Case No. 11-42464-btr-11 (Bankr. E.D. Tex., Oct. 26, 2011) (emphasis added).

³² Tr. June 13, 2012, at 403 (Zolnierek cross) (“[W]hat Halo did was not order access under the access tariffs, but passed traffic that I believe was access over the local interconnection trunks. So under normal procedures they would go to AT&T, if the traffic was appropriately access traffic, order one of those offerings and pass the traffic that way. My understanding is that was not done, because the traffic was sent as if local CMRS traffic.”).

³³ *Advantel LLC v. AT&T Corp.*, 118 F. Supp. 2d 680, 685 (E.D. Va. 2000) (citing *United Artists Payphone Corp. v. New York Tel. Co.*, 8 FCC Rcd 5563 at ¶ 13 (1993) and *In re Access Charge Reform*, 14 FCC Rcd 14221 (1999) at ¶ 188).

the ICA and agreed to pay access charges on at least some of the traffic it sent to AT&T (assuming the traffic was all wireless). AT&T states that Halo also knew it was sending traffic to AT&T that started outside the MTA or local calling area where Halo was located and that interMTA and non-local traffic are subject to access charges.

Second, AT&T contends that Halo “fail[ed] to take reasonable steps to prevent the receipt of [access] services” and that, indeed, Halo took *no* steps to prevent the receipt of access services. AT&T states that Halo never tried to stop Transcom from sending it landline-originated traffic that Halo knew (or should have known) began in other local calling areas or other states. *See AT&T Corp. v. Community Health Group*, 931 F. Supp. 719, 723 (S.D. Cal. 1995) (defendants constructively ordered service because they “have come forth with no showing that they acted in any way to control the unauthorized charging of AT&T ... calls to their system” by a hacker).

Third, AT&T contends that Halo “did in fact” receive terminating access service from AT&T. AT&T maintains that Halo sent huge amounts of landline-originated non-local traffic to AT&T and AT&T terminated such traffic to its end-users. AT&T asserts that the termination of long-distance traffic is the essence of terminating switched access service, and the long-established rates for such service are in AT&T’s access tariffs. 47 C.F.R. § 69.2(b) (FCC defines “Access service” to include “services and facilities provided for the origination or termination of any interstate or foreign telecommunication.”). *See also* Ameritech Operating Companies Tariff F.C.C. No. 2, Sections 6.9.1, 6.9.2, and 6.9.6; Illinois Bell Telephone Company Access Service Tariff Sections, Sections 6.9.1, 6.9.2 and 6.9.6. Those tariffed rates, AT&T argues, are the rates Halo must pay.

Given that Halo has received terminating access service from AT&T, and under the law has “constructively ordered” that service for all landline traffic it sent to AT&T, AT&T contends that the Commission can and should hold that Halo is liable to AT&T for access charges on the long-distance landline traffic Halo has sent to AT&T. The actual amount Halo must pay will be determined in bankruptcy court.

Halo also contends that the FCC held in the *Connect America Order* that Halo’s service is merely transit service. Based on this, Halo seems to argue that it cannot owe terminating access charges to AT&T or other carriers. AT&T states that Halo is incorrect and that the *Connect America Order* never held that Halo’s service is transit service, much less that Halo is exempt from paying terminating access charges when it hands long-distance traffic to AT&T for termination. AT&T states that the issue in the *Connect America Order* was whether Transcom could be deemed to originate every call it touches and whether the calls Halo was handing to LECs should be treated as local or non-local.³⁴ AT&T also contends that the FCC used the term “transit” merely to point out that entities that simply pass calls on in the middle of the call path are not viewed as originating those calls – and that because Transcom did not originate the calls Halo was passing to other carriers for termination, those calls were not local (*i.e.*, not intraMTA) and therefore were not merely subject to reciprocal compensation charges.³⁵ Rather, as non-local calls, those calls are subject to terminating access charges.

³⁴ *Connect America Order*, ¶¶ 1004-06.

³⁵ *Id.*

In addition, AT&T notes that Halo's *ex partes* to the FCC, which framed the issue there, never once argued that Halo was providing transit service to another carrier. Quite the opposite, Halo argued that it was merely sending locally originated, wireless traffic to ILECs and therefore only had to pay reciprocal compensation, rather than access charges.

Staff recommends that the Commission determine that Halo is responsible for intrastate access charges. Staff also recommends, however, that the Commission make no finding concerning interstate access charges, on the ground that that is within the exclusive purview of the FCC. Under the particular circumstances presented here, AT&T Illinois believes the Commission would not be overstepping its jurisdictional bounds if it simply found that Halo is responsible for paying interstate access charges on such interstate traffic as it delivers to AT&T, for precisely the same reasons that it is responsible for paying intrastate access charges on such interexchange intrastate traffic as it delivers to AT&T. The Commission can make such a finding without interpreting AT&T Illinois' interstate tariff (which AT&T agrees is properly for the FCC), and, as with the intrastate traffic, without quantifying the amount of interstate traffic Halo delivers to AT&T Illinois or the amount of access charges it owes. In fact, every other state commission to have ruled on AT&T's disputes with Halo – Tennessee, Georgia, Wisconsin, and Missouri – has held that Halo is liable to AT&T for access charges on all non-local landline traffic, drawing no distinction between intrastate and interstate traffic.³⁶

Halo's Position

[to be added]

Staff's Position

[to be added]

Commission Analysis and Conclusion

For the reasons stated in Sections I, II, and III of this Order, the Commission finds that Halo has materially breached its ICA with AT&T and that AT&T is entitled to the relief that it has requested, as summarized above, which is the same type of relief the AT&T ILECs have already obtained against Halo in other states. Specifically, we find that Halo has breached the ICA and therefore AT&T is entitled to discontinue performance under the ICA. We further find, as the Tennessee, South Carolina, Georgia, Wisconsin, and Missouri commissions have found, that Halo is liable to AT&T for access charges on all non-local landline traffic Halo has sent to AT&T, regardless of whether the traffic may be deemed intrastate or interstate. Halo constructively ordered and received terminating switched access service from AT&T on all the non-local landline traffic, and accordingly is responsible for all applicable access charges on such traffic.

³⁶ *Tennessee Halo Order* at 22; *South Carolina Halo Order* at 6; *Georgia Halo Order* at 15; *Wisconsin Halo Order* at 8; *Missouri Halo Order* at 30, 46-50, and 69 (para. 6).

V. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having reviewed the entire record herein and being fully advised in the premises, is of the opinion and finds that:

- (a) Halo has materially breached the ICA by (i) sending landline-originated traffic to AT&T Illinois; and (ii) sending interMTA traffic to AT&T Illinois;
- (b) As a result of these breaches, AT&T is excused from further performance under the ICA and may stop accepting traffic from Halo; and
- (c) While we do not quantify any specific amount due, we find that Halo is liable to AT&T for access charges on the interstate and interLATA landline-originated traffic it has sent to AT&T.

IT IS ORDERED that the Complaint filed by AT&T against Halo is granted.

IT IS FURTHER ORDERED that AT&T may take all actions consistent with the relief entered in this Order, without delay.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public utilities Act and 83 Ill. Adm. Code Section 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this ___ day of _____, 2012.

(SIGNED) _____
Chairman

Dated: August 3, 2012

Respectfully submitted,

AT&T ILLINOIS

By: _____
One of Its Attorneys

Dennis G. Friedman
J. Tyson Covey
Mayer Brown LLP
71 South Wacker Drive
Chicago, IL 60606
(312) 701-7319
tlivingston@mayerbrown.com
dfriedman@mayerbrown.com

Karl B. Anderson
General Attorney
AT&T Illinois
225 W. Randolph, Fl. 25D
Chicago, IL 60606
(312) 727-2928 (phone)
(312) 727-1225 (fax)
ka1873@att.com

CERTIFICATE OF SERVICE

I, Karl B. Anderson, an attorney, certify that a copy of the foregoing **AT&T ILLINOIS' DRAFT ORDER** was served on the following parties by U.S. Mail and/or electronic transmission on August 3, 2012.

Karl B. Anderson

SERVICE LIST FOR ICC DOCKET 12-0182

Janis Von Qualen
Administrative Law Judge
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701
jvonqual@icc.illinois.gov

Kelly Armstrong
Illinois Commerce Commission
160 N. LaSalle St., Ste. C-800
Chicago, IL 60601-3104
karmstrong@icc.illinois.gov

Michael J. Lannon
Illinois Commerce Commission
160 North LaSalle Street
Suite C-800
Chicago, IL 60601
mlannon@icc.illinois.gov

W. Scott McCollough
McCollough Henry PC
1250 South Capital of Texas Hwy
Building 2-235
West Lake Hills, TX 78746
512-888-1112
wsmc@dotlaw.biz

Steven Thomas
Jennifer Larson
Troy Majoue
McGuire Craddock & Strother
2501 North Harwood Street
Suite 1800
Dallas, TX 75201
stthomas@mcsllaw.com
jl Larson@mcsllaw.com
tmajoue@mcsllaw.com

James Zolnierek
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701
jzolnier@icc.illinois.gov