

Combining Traffic on Trunk Groups for Efficiency

Issue: Combining “Local” and InterLATA traffic on the same trunk groups.

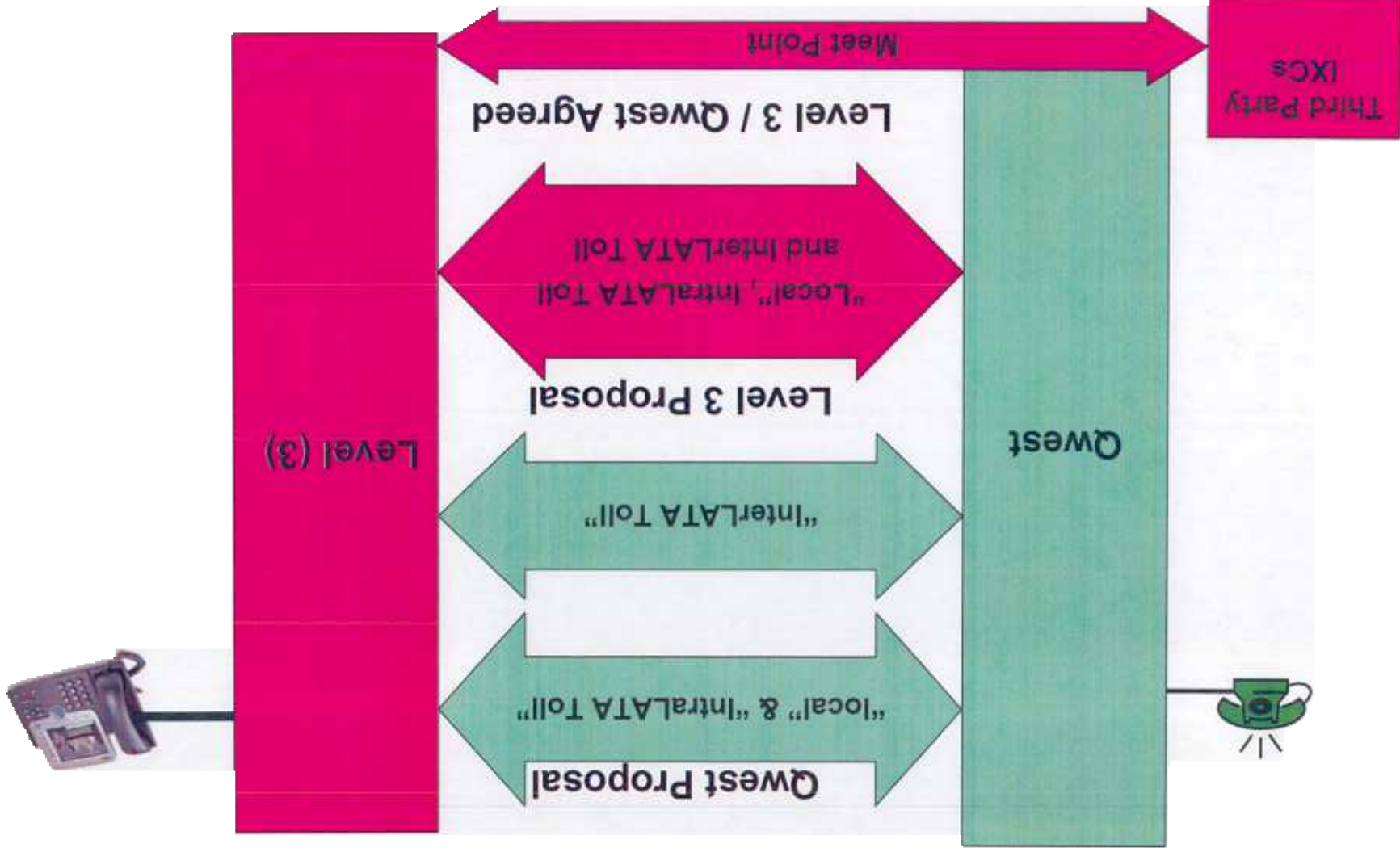
Level 3 Position:

No technical or billing impediments that prohibit Level 3 from combining all traffic types.

Qwest Position: Level 3 install and pay for an entirely new and redundant trunking network

Analysis: Level 3’s position is practical and efficient. Qwest’s position wastes network resources and is unnecessary from a billing perspective. Billing can be effectively handled by PLU/PIU methodologies.

Differently Rated Traffic Over The Same Trunks



Combining Traffic Facts

Better efficiency and lower cost to both companies.

One large trunk is more efficient than two trunks half the size

Traffic engineering shows that a trunk that is twice the size will carry up to 15% more traffic

Discrete equipment sizes cause waste when splitting trunk groups

10% to 50% savings in switch terminations and transport facilities

Overall Cost savings of 10% to 20%

Billing done with Percent Local Use (PLU) and Percent Interstate Use (PIU)

AT&T and other companies have been combining traffic for years

Combining Traffic Fiction

Combining traffic will cause misrouting

Untrue – switches route on the number dialed and can point traffic to any trunk group. There is no technical problem with either originating or terminating to a single trunk group.

Combining traffic will cause billing problems

Untrue – Percent Local Use (PLU) and Percent Interstate Use (PIU) will give an accurate, auditable basis for correctly billing

Combining traffic will lead to increased fraud

Untrue: fraud can be perpetrated on separate or combined trunks. AT&T dispute with MCI was on separate trunks.

Calculating PIU And PLU

Traffic studies collect all call data for a specified period - even **monthly**

InterState long distance calls are counted first, creating a Percent InterState Use (**PIU**)

IntraState calls are counted as the remaining long distance calls

The remaining calls are **local calls**, represented by Percent Local Use (**PLU**)

Accuracy is assured by doing frequent traffic studies. The mix of traffic does not change rapidly.

Qwest can audit Level 3's data and calculations at any time for accuracy