BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of The Washington Exchange Carrier Association for Order Requiring WebTel Wireless, Inc. to register as a Telecommunications Company or Cease and Desist Doing Business as a Telecommunications Company

DOCKET NO. UT-041239

DECLARATION OF ROBERT WILLIAMSON

I, Robert Williamson, declare under penalty of perjury under the laws of the State of Washington that I am over the age of 18, am competent to testify to the matters set forth below, and I have personal knowledge of those matters.

1. I am employed by the Washington Utilities and Transportation

Commission as a Utility Engineer in the Telecommunications Section.

2. I have over thirty years of professional experience in telecommunications and I received my formal engineering education at the Bell Core Technical Training Center, the Lucent Hickory Ridge Facility, the Lucent facility in Dublin, Ohio, and Bell Labs Naperville, Illinois. I held various technical management and engineering positions with Qwest, TCG, the AT&T Hawaii Information Transfer System in Honolulu, and NeuStar, Inc.

3. In May of 2000 I joined NeuStar, Inc. as the Director of Deployment for planned deployment of a large New Generation C7 (C7 at the edge and IP in the core)

signaling network to provide Intelligent Network functionality and signaling in 12 countries in Europe. Later as Director of New Business Technical Development I lead a team of developers and engineers in the successful development of a Session Initiation Protocol based service to provide Local Number Portability for Voice Over Internet Protocol (VoIP) providers. While at NeuStar I upgraded my technical knowledge in New Generation Networks by attending meetings for the Internet Engineering Task Force, the International Engineering Consortium, as an active member of the World C7 Planning Meeting held at Cape Town South Africa in 2000, as well as attending Voice On the Network (VON) meetings.

4. On April 21, 2004, the Federal Communications Commission (FCC) released an order determining that the IP-in-the-middle phone-to-phone VoIP service offered by AT&T was a telecommunications service. (*FCC Order, FCC Docket WC No.* 02-361, Petition for Declaratory Ruling That AT&T's Phone-to-Phone IP Telephony Services Are Exempt from Access Charges). In June of 2004, this Commission concluded that LocalDial, an Oregon company doing business in Washington, was providing a form of intrastate interexchange IP-in-the-middle phone-to-phone IP Telecommunications service. LocalDial was ordered to register with the Commission as a provider of interexchange telecommunications and as such, subject to WECA's access tariffs.

5. WebTel offers a number of services, at least one of which requires the consumer to buy an "iBox" device and use a broadband connection to the Internet. The

only service in question here requires no broadband connection and is the service advertised as providing "[a]ffordable, unlimited long-distance calling plans to and from major metropolitan areas and surrounding communities within one state for a flat rate of \$14.95 per month (Residential plan), \$29.95 per month (Business plan)." (<u>http://www.webtel.net</u>) WebTel advertises that it provides flat-rate long distance calling

within Washington State from Bellingham to Vancouver. WebTel also states on its

website:

-"Because WebTel is an Internet Telephony Provider (ITSP), we charge Internet rates for your long-distance calls—saving you money."

-"A telephone and telephone service from your local company are the only two requirements for using WebTel services."

-"It's simple and requires nothing more than a telephone. First, you dial a WebTel local-access number to enter our system. Once the number is verified, a voice prompt will instruct you to enter the area code and phone number of the person you want to call—no need to dial "1" first. The WebTel Voice over Internet Protocol (VoIP) gateway and server that's closest to your call's destination. The VoIP gateway server at the destination site dials the phone number you entered. After the connection is made both you and the person you've called are talking over the WebTel network."

It is clear from these statements that WebTel is providing an IP-in-the-middle intrastate telecommunications service similar to the phone-to-phone IP service that was provided by LocalDial. Based on my experience, and on a discussion I have had with a representative of competitive local exchange carrier (CLEC) that is providing PRI service to WebTel, it is my opinion that WebTel has most likely leased PRI T1s from that CLEC, and that the CLEC has provided the telephone numbers that enable WebTel's DECLARATION OF ROBERT WILLIAMSON - 3

customers to reach the WebTel network by dialing a number within the customer's local calling area and thereby avoiding a toll charge. When a WebTel customer dials a number assigned to the PRI (the WebTel toll free number) the call is connected from the customer's local exchange carrier (LEC) to the CLEC, who then routes the call to the WebTel IP gateway equipment via the PRI circuit. (In the case of a customer located in one of the WECA companies' territories, the call would be handed off from the customer's LEC to either Qwest or Verizon via local interconnection trunks before being handed off to the CLEC. Tolls would still be avoided because of extended area service boundaries.) At the gateway the call is then converted from Time Division Multiplexing (TDM—the protocol that is used most commonly on the public switched telephone network) to Internet Protocol (IP), switched to different router ports, converted back to TDM, transported to another CLEC PRI and then terminated at the appropriate LEC (and in the event the called party is in a WECA company's territory, via local interconnect trunks) as a local call. Essentially, all originating and terminating access charges are bypassed even though the call is between local calling areas and should therefore be subject to originating and terminating access charges by the local exchange companies that originated and terminated the call over their local facilities.

6. WebTel is providing a phone-to-phone IP-In-the-Middle VoIP service similar to the service provided by LocalDial and AT&T. The FCC's AT&T order applied to service that: "1) uses ordinary customer premises equipment (CPE) with no enhanced functionality; 2) originates and terminates on the public switched telephone network (PSTN); 3) and undergoes no net protocol conversion and provides no enhanced functionality to end users due to providers use IP technology. (*FCC Order, FCC Docket WC No. 02-361, Petition for Declaratory Ruling That AT&T's Phone-to-Phone IP Telephony Services Are Exempt from Access Charges*;¶ 1)

7. Given the information on the WebTel website and the information I have from a CLEC providing PRI service to WebTel, I see no possible technical differences of any significance between the services provided by WebTel and LocalDial. Whether WebTel switches calls over a private IP network or the Public Internet makes no difference in its regulatory status because there is no net change to protocol or voice transmission. WebTel is providing a form of intrastate interexchange (i.e. long distance) telecommunications service that should subject it to the obligation to pay access charges to the extent required of interexchange carriers by those carriers tariffs just as the Commission decided with LocalDial.

I declare under penalty of perjury under the laws of Washington that the foregoing is true and correct.

DATED this _____ day of August, 2004, at Olympia, Washington.

ROBERT WILLIAMSON