

### **Part 51: Interconnection**

The Commission added Part 51 in 1996 to implement the interconnection requirements set out in sections 251 and 252 of the Telecommunications Act of 1996. The Commission defined the term “interconnection” to mean the physical linking of two networks for the mutual exchange of traffic, and set a minimum of six “technically feasible” points at which ILECs must provide interconnection. It also identified a minimum set of network elements that ILECs must provide on an unbundled basis to requesting carriers (UNEs). The rules require ILECs to provide any technically feasible method of interconnection or access requested by a carrier, including physical collocation, virtual collocation, and interconnection at meet points. The rules direct state commissions to set interconnection and unbundled rate elements, and establish standards and procedures the FCC will use if it must assume the responsibilities of the state commission under section 252 of the 1996 Act.

In August 2003, the FCC reduced ILEC unbundling obligations, including eliminating most requirements for broadband architectures serving the mass market. This action recognized increasing intermodal broadband competition in the marketplace.

Part 51 also addresses compensation for the exchange of “access” and “non-access” telecommunications traffic. Non-access traffic traditionally is local interconnection traffic, including traffic exchanged with wireless carriers within a Metropolitan Traffic Area (MTA). Rates for access traffic are traditionally filed in state or interstate tariffs; rates for non-access traffic are traditionally established by privately negotiated reciprocal compensation arrangements.

The 2011 Transformation Order amended Part 51 to establish rules to govern the transition of all compensation for traffic exchanged with a LEC to bill-and-keep. The Order required:

- Terminating switched access rates as well as certain transport rates to be capped as of December 29, 2011, the effective date of the Order.
- Interstate and intrastate access rates to be brought to parity within two steps, by July 2013.
- Carriers to reduce their termination (and for some carriers also transport) rates to bill-and-keep, within six years for price cap carriers and nine for rate-of-return carriers (by July 1, 2020).

The Commission has collected comments on reforming the remaining types of access charges.

## Part 51 Structure

- **Subparts B and C** of Part 51 address the general duty to interconnect and the specific obligations of all LECs, including dialing parity, access to rights of way, and reciprocal compensation, that are found in section 251 of the Act.
- **Subpart D** addresses the additional ILEC obligations for interconnection, unbundled access, resale, and collocation that are spelled out in section 252. It also defines the procedures for ILEC negotiation, arbitration, and approval of agreements for the interconnection of services or unbundling network elements, and includes rules pertaining to physical and virtual collocation and notice of network changes and copper retirement.
- **Subpart E** contains the rules to implement the “rural exemption” clause found in section 251(f). The rules allow a LEC to be granted a suspension or modification of the interconnection requirements of section 251(b) or section 251(c) if such LEC, at the holding company level, has less than two percent of the subscriber lines installed in the aggregate nationwide.
- **Subpart F** implements the section 252 requirements for the pricing of interconnection and network element charges to be based on cost and determined by a state commission to be just and reasonable.
- **Subpart G** contains the rules for resale.
- **Subpart H** contains the rules for reciprocal compensation for transport and termination of telecommunications traffic.
- **Subpart I** contains the standards and procedures the FCC will use if it must assume the responsibilities of the state commission under section 252.
- **Subpart J** contains the rules for implementing the transition of intercarrier compensation to bill-and-keep, per the 2011 Transformation Order.