The IP Interconnection Debate

Proposals to the FCC's NPRM

WTA Fall Forum – October 7, 2026

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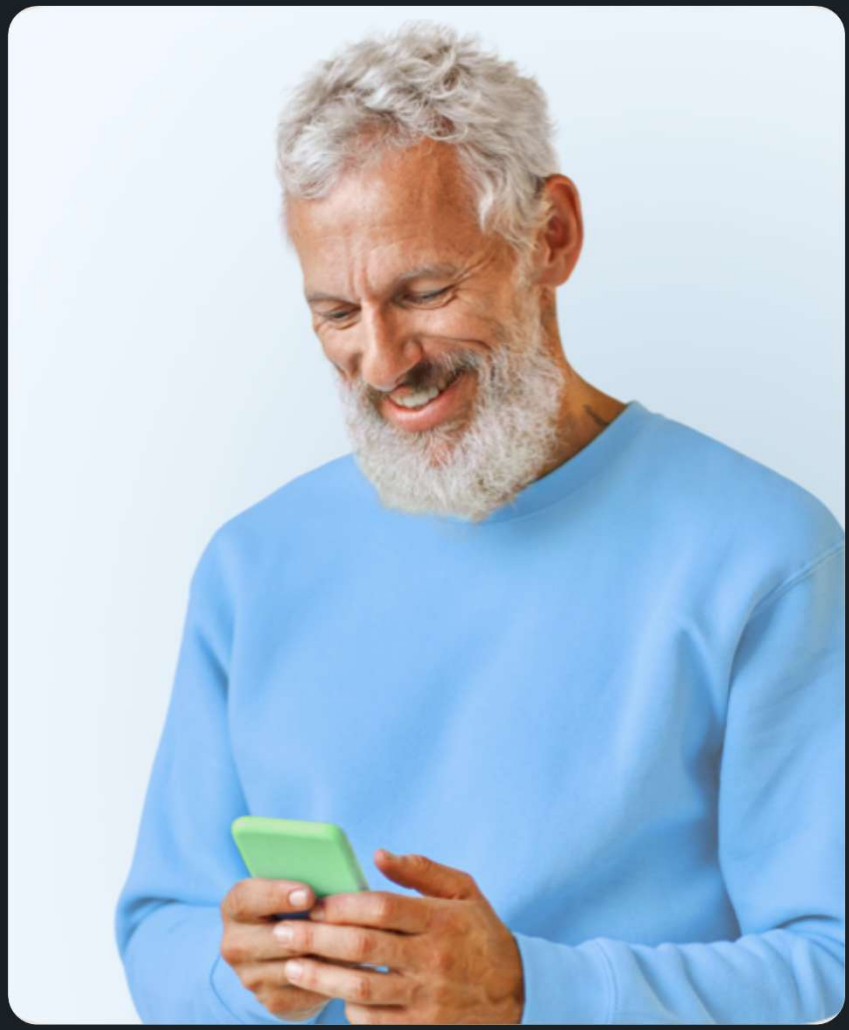
Text questions to 217-299-1955



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Overview and Background

- FCC issued NPRM in October 2025
- Purpose:
  - (1) To seek comment on transitioning voice services to all IP interconnection
  - (2) Eliminate outdated interconnection obligations requiring LECs to maintain TDM technology → accelerate network modernization
- Key Aspects/Proposal
  - (1) Forbear TDM obligations by December 31, 2028
  - (2) Transition to all-IP infrastructure supporting NG911 and other voice services
  - (3) Accessibility considerations: how the transition would affect people with disabilities (i.e., is TDM needed for TTY or other services)
  - (4) Regulatory framework: define what replaces the current TDM-based framework and the FCC's role in regulating it

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IP Interconnection Proposals

1. USTelecom's "ALIII" proposal
2. Inteliquent (dba Sinch) – NTP proposal
3. AT&T's LATA-by-LATA proposal

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USTelecom's ALIII Proposal

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Highlights of “ALIII” Proposals

1. USTelecom…AT&T, Lumen, and Verizon
2. Mesh Network: each VSP connects to all other VSPs to exchange traffic (bilateral agreements)
3. Long implementation timeline (~5–7 years)
4. Default connection type (RLECs): Public IP (Private IP optional)
5. Support, maintenance, and troubleshooting?
6. Failover/redundancy options?
7. “Cost?”: Private IP, Public IP QoS, support from large carriers, maintaining hundreds+ connections, additional hardware
8. Risk: rising cost of SS7 or complete obsolescence

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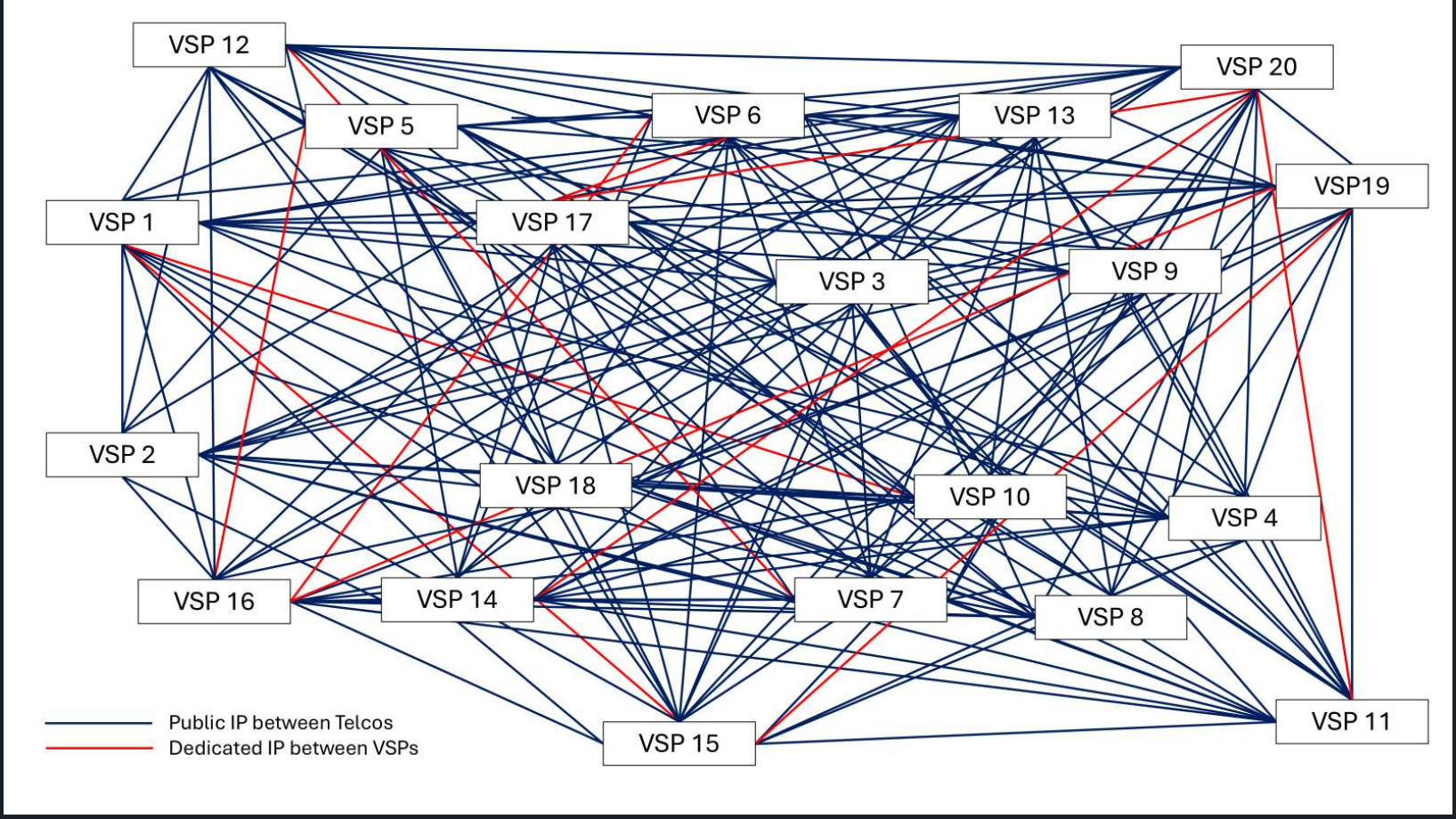
USTelecom "ALIII" Proposal



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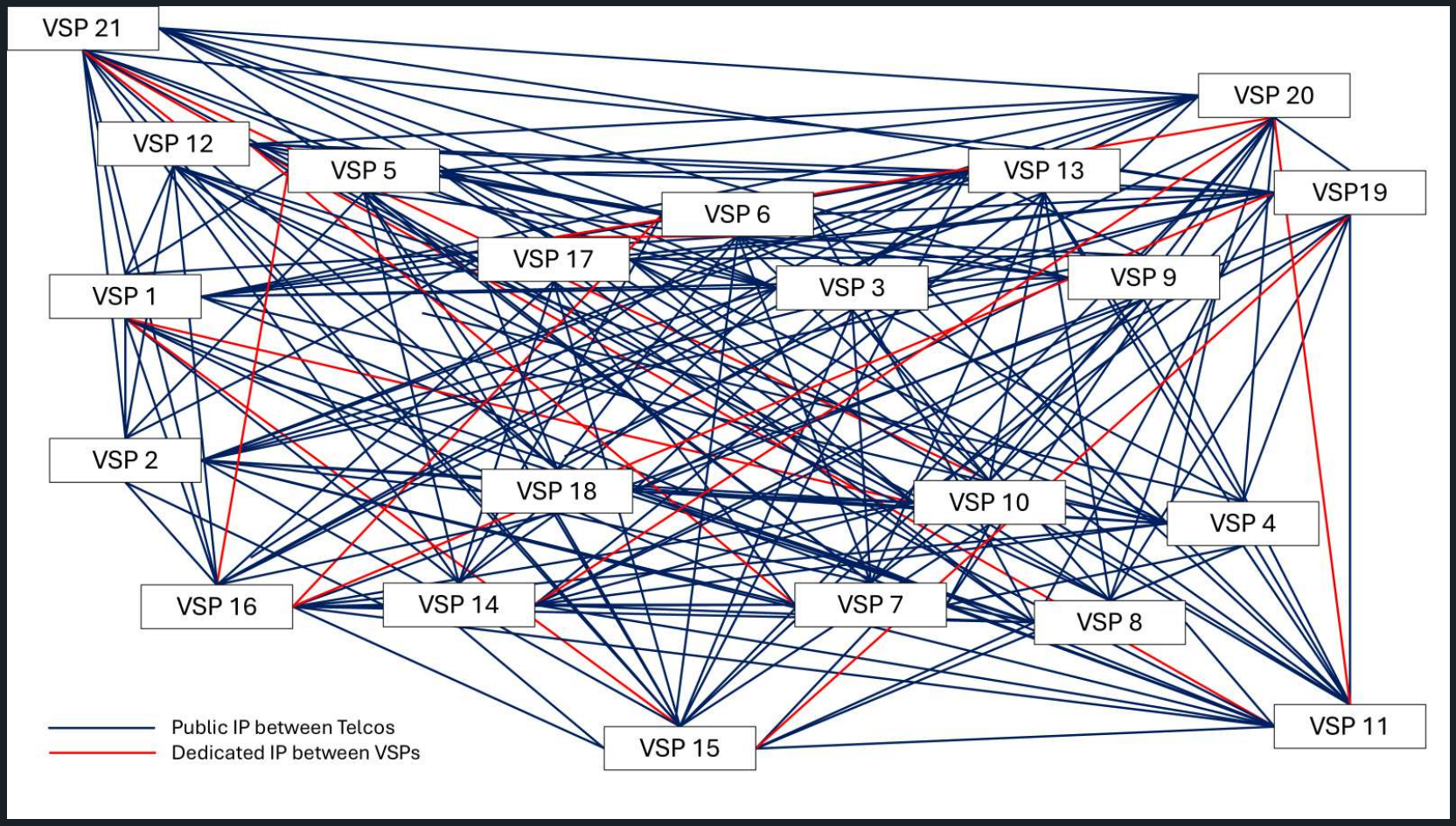
USTelecom "ALIII" Proposal



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The Inteliquent/Sinch National Transit Provider Proposal

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Highlights of Inteliquent's NTP Proposal

1. Centralized network allowing VSPs to "home" to one provider
2. Short implementation timeline
3. Allows for commercial peering between VSPs
4. Flexibility in routing – between VSPs, statewide networks, TDM (if needed)
5. Diverse/redundant routes: one Private IP and one Public/Private IP
6. Support – troubleshooting ease
7. What is the cost?
   A. Per session rate VSP pays for transport to the NTP
   B. CPS rate on outbound traffic

   ***VSPs pay nothing to receive traffic, only pay to send traffic via the NTP*

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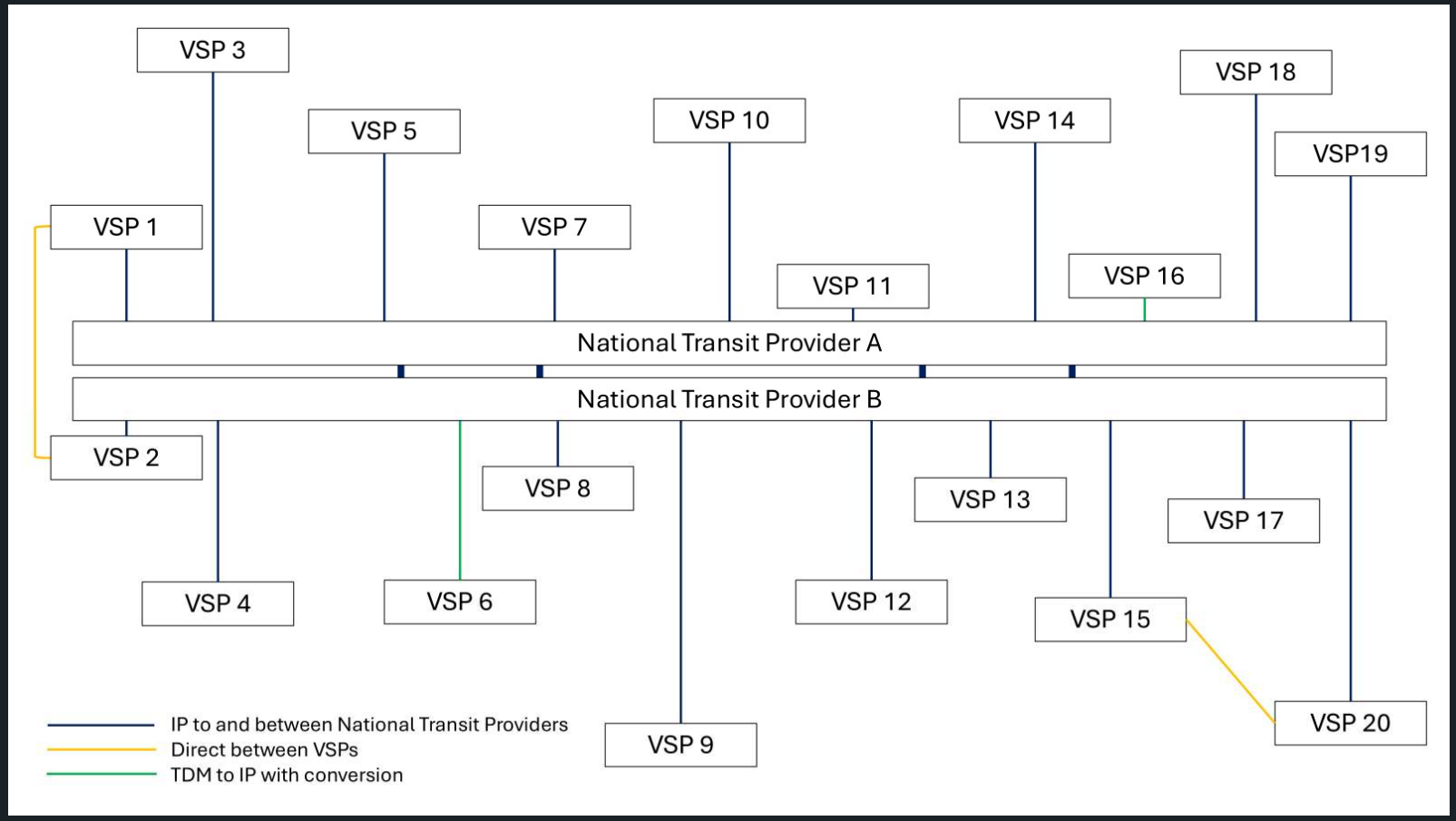
Inteliquent NTP Proposal



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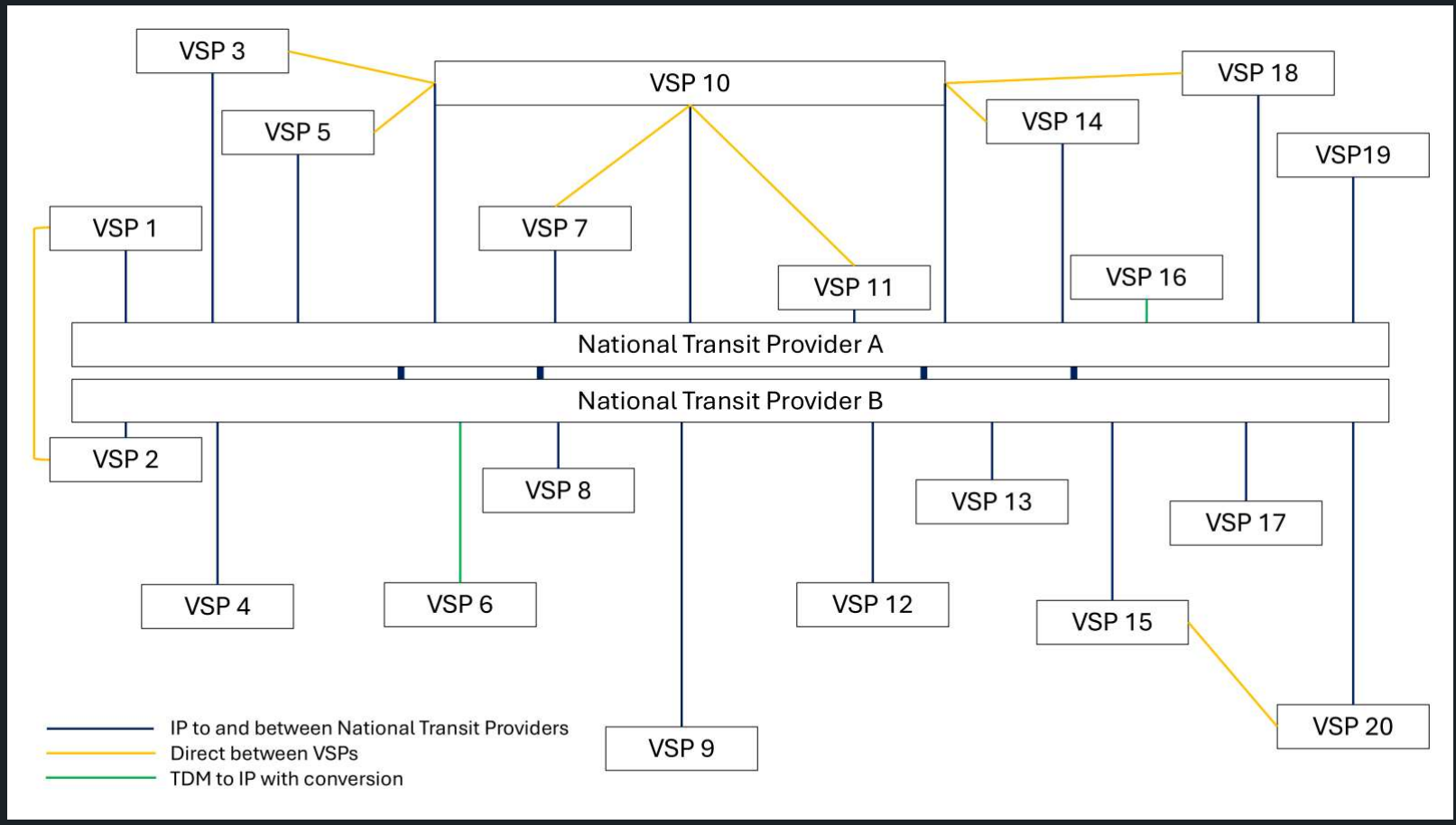
NTP – Flexibility in routing – between VSPs



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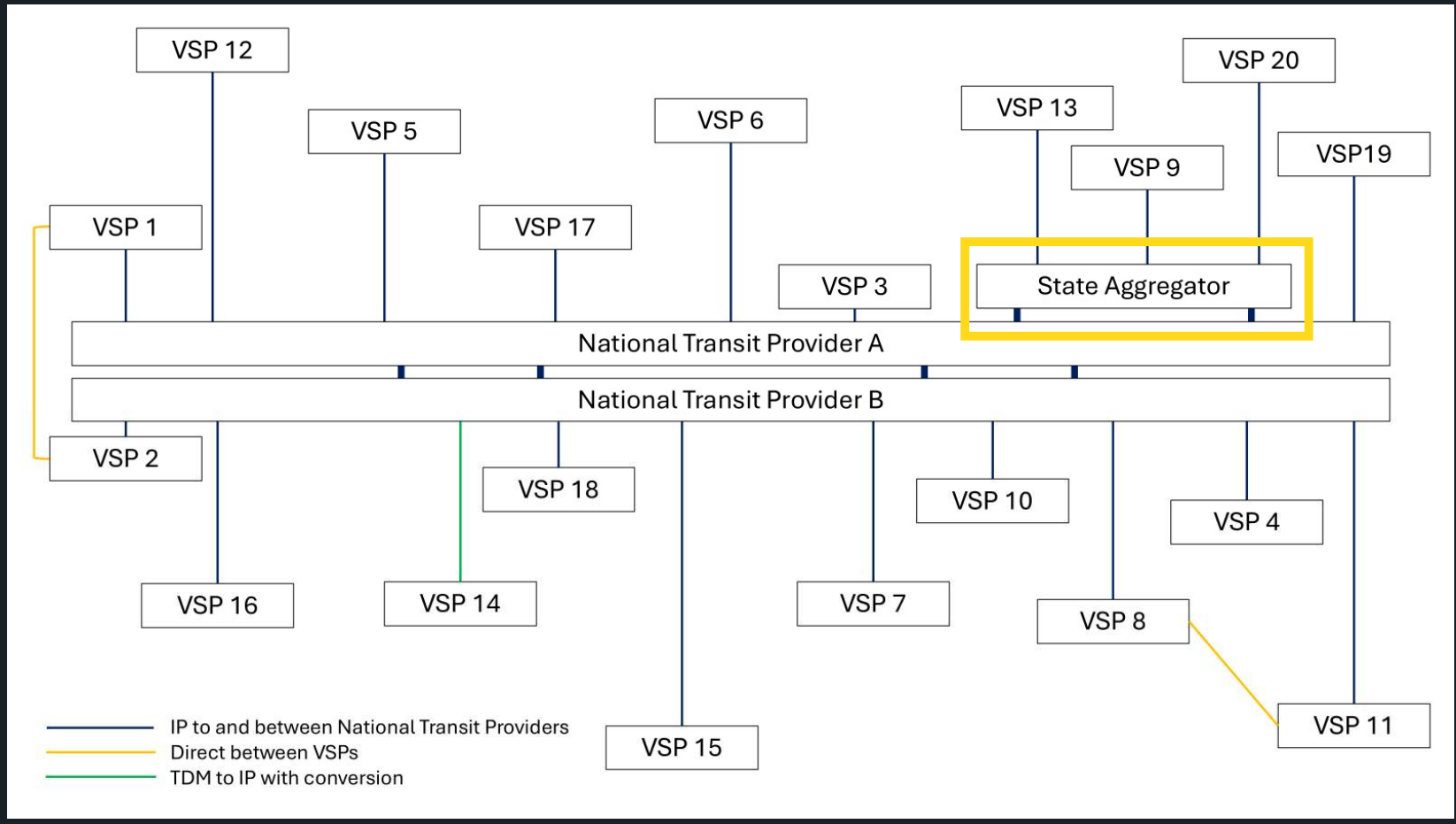
NTP – routing via statewide networks



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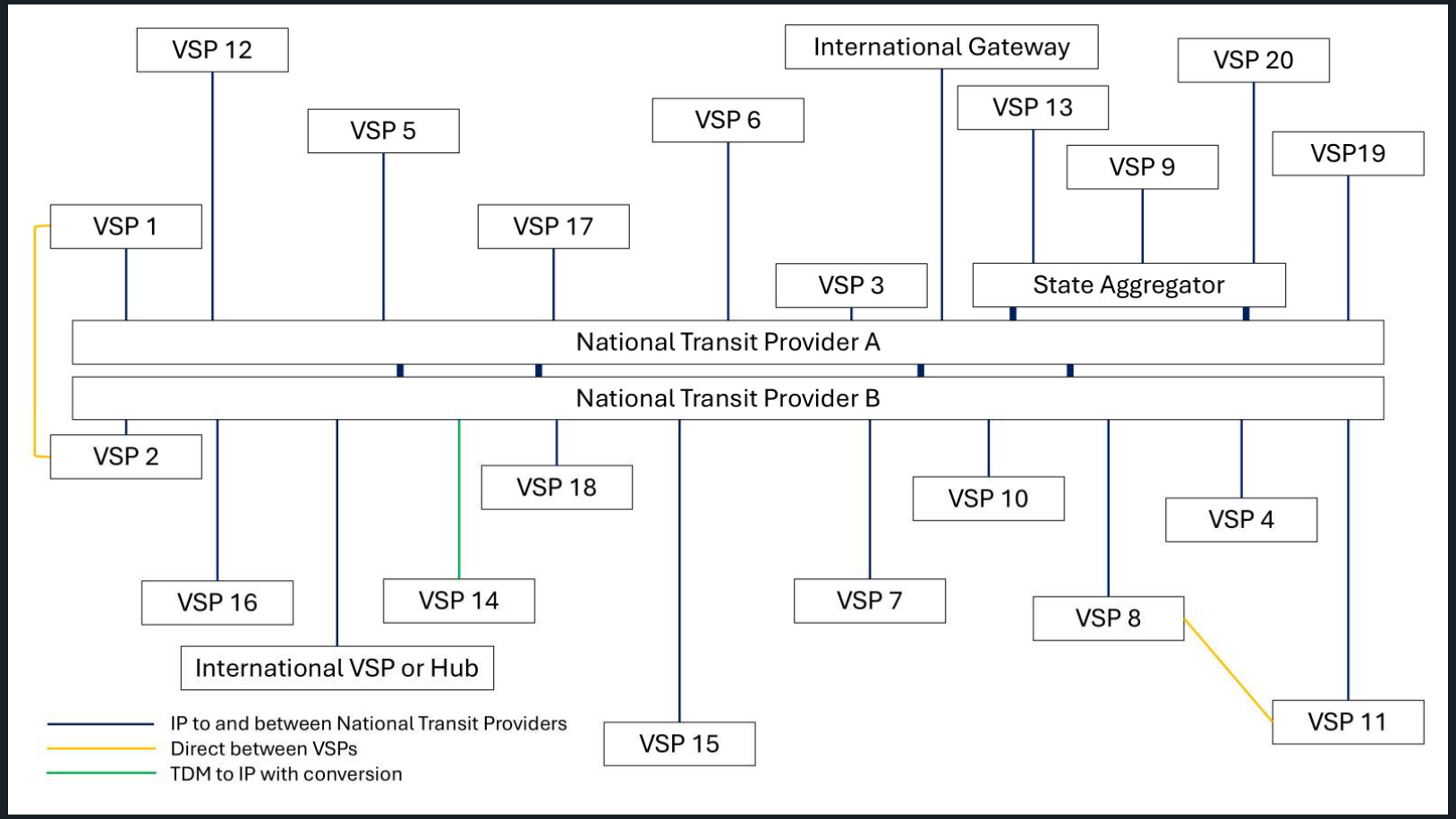
NTP – TDM to IP conversion (if necessary)



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Alternative Proposal: AT&T

1. AT&T will offer IP interconnection on a LATA-by-LATA basis
2. In exchange for forbearance of TDM obligations
3. Verizon supports this proposal…Lumen's position is unknown
4. RLECs connect to the LATA(s) IP tandem
5. Non-IP LATA tandems = VSPs will pay to connect to the tandem. Expensive BDS circuit charges
6. Costs? Will the LEC IP tandem charge to reach other carriers?
7. Risk: if #6 happens, will these deregulated BDS-like rates get out of hand
8. Questions: Redundancy? Lumen markets? Failover to NTP? SS7?

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Summary

Highlights of each proposal

ALIII

- Mesh network
- Bilateral agreements between VSP
- Long term implementation
- No redundancy
- Cost: support and maintenance

NTP

- Centralized network
- Short term implementation
- Flexibility
- Failover and redundancy
- Costs: private transport and session rates (lightly regulated)

AT&T

- IP LATA-by-LATA
- Some LATAs not converted
- Costs: TDM transport to non-IP tandems; other costs unknown
- Other details?

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Thank you

Q&A (via text)

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