

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *8YY Access Charge Reform*, WC Docket No. 18-156.

An early sentence in this item expresses the views of prior Commissions on intercarrier compensation. It reads, "In 2011, in the USF/ICC Transformation Order, the Commission adopted bill-and-keep as the ultimate end state for intercarrier compensation, and recognized it is the best way to rid the system of arbitrage and to provide the right incentives for efficient use of the nation's telephone system." I wholeheartedly agree.

Our broken payment system generates a vicious snowball effect in many different facets of communications policy. Certainly, it generates arbitrage and traffic pumping. It also is at the heart of why there was or is a rural call completion problem. It's part of the reason there is a need for the rural rate floor. And, it's keeping providers from making the best economic decisions for their companies and their customers.

Today, we take another step toward adopting the correct and sound policy objective of bill-and-keep as a replacement for all the current flawed compensation schemes, particularly in the 8YY context. In my opinion, the whole 8YY dialing structure is on its way out, as consumers move in droves to other means of communications. But, fixing it here will provide some immediate benefit and reaffirms the Commission's larger goal of moving towards universal bill-and-keep, albeit on a slower pace than is appropriate or necessary.

So, let's do the bigger lifts necessary on adopting bill-and-keep across the board, with no carveouts, and then move on just like the market is telling us to do on traditional voice telephony.