

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Connect America Fund*, WC Docket No. 10-90; *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92.

The reasoning in this Order on Remand is undoubtedly correct: as firmly established by Commission precedent, the defining feature of end office switching in a TDM network, or the functional equivalent thereof, is the act of physical interconnection of subscriber loops and trunks. Since over-the-top VoIP providers do not actually interconnect with the last-mile network to a customer's home, they are not entitled to collect access charges for performing that function. This Order creates certainty by completing the D.C. Circuit's remand and rejecting a previous Commission's flawed interpretation of the VoIP symmetry rule. I fully support the action we take.

At the same time, the issue of whether over-the-top VoIP providers may assess end office switching charges ought to be kept in perspective. End office switching charges will finish transitioning to bill-and-keep in 2020, and while the Declaratory Ruling should help in resolving certain ongoing litigation, the item's effect will be largely retroactive. I look forward to further reforms to shift the entire intercarrier compensation universe to bill-and-keep and a day when the Commission and the industry will no longer be saddled with this regulatory anachronism.