

Pennsylvania PUC Claims Jurisdiction over VoIP Access Charges

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In a February 11, 2010 ruling in Palmerton Telephone Company v. Global NAPs South, Docket No. C-2009-2093336, the Pennsylvania PUC concluded that Global NAPs is required to pay intrastate access charges for terminating VoIP calls. The opinion is 30 pages long and highly detailed, but overall it appears to be contrary to the recent decision by the U.S. District Court in Paetec v. CommPartners, where the court ruled that VoIP services are not subject to access charges. And although the PA PUC attempted to distinguish another May 1, 2009 ruling of the U.S. Court of Appeals in Vonage v. Nebraska PSC preempting a state regulation of VoIP, the new PA PUC decision appears to contradict that Vonage ruling as well. The May 2009 Vonage opinion upheld a lower court finding that the FCC had "concluded nomadic interconnected VoIP services were only subject to regulation by the FCC." The PA PUC rejects that reading of Vonage on the basis that Global NAPs' wholesale services are different from Vonage's retail services (even while recognizing that over 50% of Global NAPs traffic may be VoIP). The PUC thus claims jurisdiction and orders Global NAPs to pay intrastate access charges to Palmerton.

These conflicting court and PUC rulings are providing increased need for the FCC to finally stop avoiding the issue and address directly the application of access charges to VoIP services.