

## VoIP vs CLEC vs ILEC

- ILEC: (Incumbent Local Exchange Carrier) is a telephone company that provided local service prior to the Telecommunications Act of 1996 which owns most of the local loops and facilities in a serving area.
- CLEC: (Competitive Local Exchange Carrier) a company that builds and operates communication networks in areas and provides its customers with an alternative to the local telephone company within the existing ILEC's territory.
- VoIP: (Voice over Internet Protocol) is a category of hardware and software that enables people to use the Internet as the transmission medium for telephone calls by sending voice data in packets using IP rather than by traditional circuit transmissions of the PSTN (Public Switched Telephone Network).
- Uverse, Comcast, Charter, etc, are not really VoIP service, but considered digital phone service between the ONT (Optical Network Terminal) installed at your home and the central office. It is connected to the same equipment in the central office (ILEC), as if you would still have a copper pair coming to your home and does not ever connect to the internet. They operate under their own closed network, not the public internet.
- Vonage and/or other VoIP providers are a SIP (Session Initiation Protocol) provider, where the entire connection is run over the public internet - and there is no means for the VoIP provider to control, or guarantee any level of QoS.
- To vendors: If you are a CLEC or ILEC, you need to follow the \$1.00 Residential and \$2.00 Business line rule. If you are operating outside of a CLEC or ILEC, you follow the new law of \$1.25 per line.