September 29, 2011

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW Room TW-A325
Washington, D.C. 20554


Dear Ms. Dortch:

Enclosed for your records is a copy of a letter with an attachment sent via e-mail to Chairman Julius Genachowski, and each of the FCC Commissioners dated Tuesday, September 28, 2011 in the above-referenced dockets.

Please do not hesitate to contact the undersigned at 202.898.2207 or jramsay@naruc.org if you have any questions about this filing.

Thank you for your attention to this matter.

Respectfully submitted,

/s/

James Bradford Ramsay
NARUC General Counsel

cc: Zachary Katz, Chief Counsel and Senior Legal Advisor to the Chairman
Angela Kronenberg, Wireline Legal Advisor to Commissioner Clyburn
Margaret McCarthy, Policy Advisor for Wireline Issues to Commissioner Copps
Christine Kurth, Wireline Policy Advisor to Commissioner McDowell
Sharon Gillett, Wireline Competition Bureau Chief
September 29, 2011

The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Re: Request for a Policy Statement on Call Routing and Termination Problems

Ex Parte Letter filed In the Matter(s) of  

Dear Chairman Genachowski:

The National Association of Regulatory Utility Commissioners (NARUC) commends the FCC for creating a “Rural Call Completion Task Force” and agreeing to hold a workshop on this issue on October 18th.¹ The FCC staff has been very responsive and diligent in investigating this issue over the past several months.

However, there is more that can and should be done.

Call completion issues are a serious problem. One hundred and seventy-six rural incumbent local exchange companies in 35 States have reported call termination issues for both voice calls and faxes. Between April of 2010 and March of 2011, rural telephone companies have reported a 2000% increase in complaints about incoming calls that are delayed, never completed, of poor quality or lacking accurate caller ID information. Moreover, although the FCC staff’s actions did result in a few months of improvement, it appears call routing and termination problems are again on the rise.²

This problem must be addressed expeditiously. The FCC Notice provides a precise and accurate articulation of why: “Failed or degraded calls not only undermine the integrity of the nation’s telephone networks and frustrate consumers, but they also pose a serious risk to public safety and harm the rural economy.” Notice, mimeo at 1 {emphasis added.}

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Indeed, NTCA members have already reported a myriad of serious and disturbing subscriber complaints, including: a school with an auto-dial system that was unable to contact parents with emergency information; a hospital having difficulty contacting patients; a police station that failed to receive long distance calls; a small enterprise that lost tens of thousands of dollars of business when customers were unable to reach it; and, urban dwellers being unable to contact family members in rural communities.  

The accumulation of such incidents requires a response.

That is why in July NARUC passed a resolution urging both its own members, as well as the FCC to immediately “take all appropriate actions to protect consumers by immediately addressing the call terminating issues that exist.” Indeed, several States have already opened investigations into this problem.

The FCC’s September 26, 2011 notice suggests that the pending comprehensive reform measure “is the long term solution.” Assuming arguendo, long term reform will in fact resolve the problem, that still cannot limit the likely impact on consumers in the near term.

On page 2, of a September 20, 2011 Letter to the FCC, NTCA Chief Executive Officer Shirley Bloomfield requests that: “the Commission issue a clear and unequivocal policy statement affirming the legal obligation of retail interexchange carriers to address and resolve any call routing and termination failures on their own networks and those of “downstream” routers involved in any call flows.”

NARUC’s resolution includes a related request – encouraging the FCC to immediately “reaffirm its decision in its Call Blocking Declaratory Order, “that no carriers, including interexchange carriers, may block, choke, reduce or restrict traffic in any way” and also that the FCC “expand its earlier finding that all providers comply with industry standards and best practices when routing traffic thereby not interfering with the quality of the transmission.”

A clear and unequivocal FCC statement reaffirming, as the resolution requests, the existing obligations of carriers to properly route traffic, noting the penalties for non-compliance, expressing the Commission’s concern and interest in the impact on consumers as well as its intent to engage in enforcement activities will provide a strong incentive for self-correction/prophylactic measures. This is something that can and should be done now pending additional FCC actions in the aftermath of its workshop/related investigations and/or the transition that will follow release of the anticipated reform order in October.

Please consider this letter as NARUC’s request that the FCC issue such a statement.

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3 Id. at 2.

4 State Commissions in Colorado, Nebraska, Oregon, and Washington either have opened an investigation into this issue or have held a workshop. See, e.g., In the Matter of Public Utility Commission of Oregon Staff Investigation of Call Termination Issues. Docket UM 1547 [Staff Report for July 5, 2011 Public Meeting (Item No. 8) filed by Malia Brock.], available online at: http://edocs.puc.state.or.us/efdocs/HAA/um1547haa133740.pdf; NECA May 17, 2011 presentation to the Nebraska Public Service Commission Workshop on Call Termination, available online at: http://www.psc.state.ne.us/home/NPSC/Call_Termination_Issues.pdf.

5 See note 3.
Please do not hesitate to contact the undersigned at 202.898.2207 or jramsay@naruc.org if you have any questions about this filing.

Thank you for your attention to this matter.

Respectfully submitted,

/s/

James Bradford Ramsay
NARUC General Counsel

cc: Zachary Katz, Chief Counsel and Senior Legal Advisor to the Chairman
    The Honorable Commissioner Mignon Clyburn
    c/o Angela Kronenberg, Wireline Legal Advisor to Commissioner Clyburn
    The Honorable Commissioner Michael Copps
    c/o Margaret McCarthy, Policy Advisor for Wireline Issues to Commissioner Copps
    The Honorable Commissioner Robert McDowell
    c/o Christine Kurth, Wireline Policy Advisor to Commissioner McDowell
    Sharon Gillett, Wireline Competition Bureau Chief
Resolution on Federal/State Joint Efforts to Address and Resolve Call Termination Issues

WHEREAS, The Public Switched Telephone Network (PSTN) is a series of interconnected networks operated by multiple providers; and

WHEREAS, The value of the PSTN requires the ability of end users to make and receive calls regardless of their location; and

WHEREAS, The Federal Communications Commission (FCC) has unequivocally stated in its Declaratory Ruling and Order, WC Docket No. 07-135, DA 07-2863, released June 28, 2007 at paragraph 6, “that no carriers, including interexchange carriers, may block, choke, reduce or restrict traffic in any way”; and.

WHEREAS, The FCC has also acknowledged in footnote 20 of the Call Blocking Declaratory Order that exceptions to its no-blocking and no-call choking policy are permitted only under “rare and limited circumstances;” and

WHEREAS, The FCC has in recent years taken prompt steps to address perceived or actual blocking of calls and other problems associated with the routing and transmittal of traffic across a wide variety of networks, including Voice over Internet Protocol calls and Internet access; and

WHEREAS, The failure to complete calls is having a significant negative impact on consumers and interstate commerce throughout the country; and

WHEREAS, A recent letter sent by various Rural Trade Associations to the FCC’s Investigations and Hearings Division of the Enforcement Bureau outlines recent and continuing call completion issues and notes that from prior to 2008 to mid-April 2011, over 10,000 consumer call completion complaints have been reported to the Rural Trade Association members with the number of complaints increasing over 2,000% during the April 2010 to March 2011 time frame; and

WHEREAS, A growing number of State commissions have begun their own investigations of the call termination issues that have been raised in each of their States; and

WHEREAS, One Hundred and Seventy Six rural incumbent local exchange companies in 35 States have reported having call termination issues for both voice calls and faxes; and

WHEREAS, The call termination issues manifest themselves in several ways such as, but not limited to, the calling party hears ringing but the called party hears nothing, the called party’s phone rings but hears dead air when the call is answered, the calling party hears a fast busy, where there are unusually long call set-up times or there is the use of a call intercept messages, or the called party receives a display of incorrect Caller ID information; and

WHEREAS, Suspected causes of the reported call completion issues include, but are not necessarily limited to, originating carriers failing to ensure transiting providers they route traffic to for termination comply with industry standards and guidelines, the improper use of least cost routing arrangements where routing tables are not updated and/or where certain entities specifically decline to terminate traffic to generally higher cost rural areas; and
WHEREAS, To date, there has been no demonstration by providers or other entities that the call termination issues fit within the “rare and limited” exceptions to the FCC’s no-call blocking and no-call choking policies enunciated in the Call Blocking Declaratory Order; and

WHEREAS, Call termination issues create negative public interest by adversely impacting State and interstate commerce, reducing State and federal tax revenues, degrading the quality of the PSTN, and adding risks to public health and safety; and

WHEREAS, Call termination issues are antithetical to the public interest by creating confusion, isolation and frustration on the part of called parties and calling parties; now, therefore be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2011 Summer Committee Meetings in Los Angeles, California, encourages the FCC to reaffirm its decision in its Call Blocking Declaratory Order, “that no carriers, including interexchange carriers, may block, choke, reduce or restrict traffic in any way”; and be it further

RESOLVED, That the FCC expand its earlier finding that all providers comply with industry standards and best practices when routing traffic thereby not interfering with the quality of the transmission; and be it further

RESOLVED, That the FCC and State commissions take all appropriate actions to protect consumers by immediately addressing the call terminating issues that exist.

Sponsored by the Committee on Telecommunications
Adopted by the NARUC Board of Directors July 20, 2011