



May 29, 2012

Filing Center  
Oregon Public Utility Commission  
550 Capitol Street NE, Ste 215  
Salem, OR 97301-2551

RE: UM 1547 – Investigation of Call Termination Issues

Dear Filing Center

Enclosed for filing, please find an original and one copy of CenturyLink's Reply Comments, along with a certificate of service.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

William E. Hendricks  
Corporate Counsel - Regulatory

Enclosures  
cc: Service List

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**BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON**

**UM 1547**

In the Matter of PUBLIC UTILITY  
COMMISSION OF OREGON STAFF  
Investigation of Call Termination Issues.

**CENTURYLINK'S REPLY  
COMMENTS**

Century Tel or Oregon, Inc., CenturyTel of Eastern Oregon, Inc., United Telephone Company of the Northwest, Qwest Corporation, CenturyLink Long Distance, and Qwest Communications Company, (collectively "CenturyLink") hereby provide these reply comments to the opening comments of the Oregon Commission Staff, filed with the Commission on April 23, 2012. CenturyLink appreciates the opportunity to provide its perspective on this important issue, and to address the specific comments and recommendations of the Commission Staff.

As both a local carrier and a long distance provider in rural areas throughout the country, CenturyLink is mindful of call failure rates and is concerned with the potential impact on consumers of voice service. It is in CenturyLink's interest that customer calls are completed to maintain a high level of customer satisfaction in this highly competitive industry. CenturyLink has participated in workshops in this docket, and

provided data in response to Staff's data requests over the last year in this docket. Additionally, CenturyLink has engaged in informal discussions with Staff and has responded to reports regarding call completion issues. However, it is critical to understand that CenturyLink processes billions of long distance minutes of use each month and expects calls generated and/or received by its customers to complete properly, regardless of where the call terminates. And of those minutes, an extremely low percentage experience issues. Currently, CenturyLink experiences on average less than one trouble ticket per month per million minutes of long distance traffic it sends to underlying carriers to terminate.

In an effort to address those few calls that are experiencing trouble, CenturyLink and others in the industry have identified some technical and carrier-related issues. Call failure may be the result of: 1) non-traditional VoIP providers refusing to terminate calls where they are required to pay switched access rates; 2) a handful of underlying providers who are not completing calls as stated in their contracts; and 3) technical issues associated with the network including in some cases end user equipment. Contrary to what some carriers have suggested, "least cost routing", while it may account for some of the issues, is certainly not the only cause of call termination problems.

CenturyLink also actively reviews the performance and service quality of underlying vendors and works with vendors to address issues if they arise. As an

example, CenturyLink participates in joint testing of call completion with other providers, and participates in industry groups in order to address technical issues. Additionally, for added transparency, CenturyLink has notified vendors that they will be externally identified if they fail to complete calls as required.

As noted in the comments of the Commission Staff, the Federal Communication Commission (FCC) created a Rural Call Completion Task Force to investigate and address the delay or completion failure of calls to rural customers. CenturyLink is actively participating in this effort and has established a formal process for receiving, investigating and addressing call completion issues. This process is looking at issues involving both CenturyLink's network and the network of underlying carriers. In addition, CenturyLink has established a single point of contact and a voice mailbox dedicated to receiving call completion concerns, which will be promptly investigated and addressed.

CenturyLink is also actively participating in the ATIS industry working group's efforts, that are working on these issues which were referred to ATIS by the FCC in their Rural Call Completion Task Force's workshop, and are expecting to develop industry standards to address call termination concerns. CenturyLink's practices and procedures for ensuring call completion are consistent with the outlined procedures in the FCC's declaratory ruling, and CenturyLink continues to review existing call

completion practices and processes for both CenturyLink's and other carriers' customers.

### Comments on Staff Recommendations

In its comments, Staff discusses several possible solutions and recommends that the Commission establish an emergency rulemaking to make changes to the certification requirements set forth in OAR 860-032-0007. Specifically, Staff recommends amending the certification rule to include provisions that:

1) prohibit telecommunication service providers from subjecting any particular person, class of person, or locality to any undue or unreasonable prejudice or disadvantage; 2) prohibit blocking, choking, reducing, or restricting traffic in any way, including to avoid termination charges; and 3) make telecommunications service providers responsible for acts, omissions, or failures of their agents or other persons acting for or employed by the carrier. Staff goes on to suggest that once the rule is amended, it would pursue investigations of complaints and recommend penalties be levied against carriers that violate these call completion penalties.

CenturyLink has several concerns with the proposed recommendation that the Staff outlined its comments. However, because the Staff has not yet proposed actual rule language, CenturyLink's comments here will be of a general nature. Centurylink urges the Commission to provide the parties with the opportunity to comment when and if the Staff does propose rule language.

First, the FCC has established a Call Completion Task Force ("Task Force"), which has already held a workshop and partnered with the industry standards body

(ATIS) in analyzing the problem and assessing the need to change standards. The Task Force is investigating the very same issues that the Commission Staff has raised in this proceeding. Because the product of the FCC process will apply broadly, this Commission should postpone action in this proceeding, otherwise it risks promulgating rules or policies that would conflict with federal requirements. Such a conflict could require the Commission to go through yet another rulemaking process, which would be an inefficient use of its and the parties' resources. This is especially true considering that the industry is now very much aware of this issue and working diligently to address it at the federal level.

Moreover, individual state requirements, as opposed to unified national requirements, would be administratively and financially burdensome to carriers. And more critically, having multiple standards, data collection metrics, and reporting requirements in various states could result in a system that is, as a practical matter, completely unworkable. CenturyLink therefore urges the Commission, at a minimum, to allow the federal Task Force to complete, through ATIS, its industry standards work which is intended to resolve the problems that will result in changes to industry standards, and best practices to address call completion issues.

The important thing to understand is that while the FCC described what it believes is the law with respect to these call termination problems, CenturyLink believes the FCC has not established the facts underlying the problems. Therefore, even

assuming for purposes of this discussion that the FCC is correct that carriers and their agents should be held liable for “blocking, choking, reducing or otherwise restricting traffic,” what the FCC has yet to do is establish a robust factual record to determine the extent, causes of, and remedies to the problem. That is precisely what the ATIS group is doing. So by adopting new rule language without a complete factual record, this Commission would essentially be taking a shot in the dark at formulating a solution to the issues.

CenturyLink is also concerned that the rule as generally proposed by the Staff does not contain meaningful guidelines to determine what the threshold would be for penalties or withdrawal of a company’s certification. This is critical to ensure predictability for the carriers, and once again, it is an issue that will likely be addressed by ATIS and the FCC on a nationwide basis. It would be nearly impossible for national carriers like CenturyLink to meet varying standards in all the states in which it does business.

In addition, the Staff has proposed that carriers be held responsible for “acts, omissions, or failures of their agents or other persons acting for or employed by the carrier.” CenturyLink has numerous contracts in place today with underlying carriers. It would be extremely burdensome to attempt to modify those contracts to include state specific terms that would address call completion requirements, potentially in varying manners state to state. Also, many such contracts are national level contracts and not

state specific, making it impractical to make state specific modifications. Any modifications would likely include standards and practices that, again, must be made at the national level to insure workability and consistency.

CenturyLink urges the Commission not to act too hastily and before all the facts have been gathered. That fact gathering process, which is now being undertaken at the federal level, is necessary to inform any changes to state regulatory policy.

CenturyLink appreciates the opportunity to comment on this important issue and looks forward to further discussion.

RESPECTFULLY SUBMITTED this 29<sup>th</sup> day of May, 2012



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## CERTIFICATE OF SERVICE

UM 1547

I hereby certify that on the 29<sup>th</sup> day of May, 2012, I served the foregoing **CENTURYLINK'S REPLY COMMENTS** in the above entitled docket on the following persons via e-mail transmission only; no paper copies will follow.

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DATED this 29<sup>th</sup> day of May, 2012.

CENTURYLINK



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