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May 29, 2012

Carol Hulse
Oregon Public Utility Commission
550 Capitol St., NE
Suite 215
Salem, OR 97301

Re: UM 1547 – Comments of AT&T

Dear Ms. Hulse:

Enclosed for filing in the above entitled matter, please find an original and three copies of AT&T's Comments.

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

Sincerely,

A handwritten signature in black ink, appearing to read "David Collier", written over a horizontal line.

David Collier
Area Manager – Regulatory Relations

Attachment

cc: Service List plus original + 3 copies being sent via overnight mail

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1547

In the Matter of)
) **AT&T COMMENTS**
PUBLIC UTILITY COMMISSION OF)
OREGON STAFF,)
)
Investigation of Call Termination Issues)

AT&T Communications of the Pacific Northwest, Inc. and TCG Joint Venture Holdings, Inc d/b/a TCG Oregon (“AT&T”) respectfully submit these comments in response to the comments and recommendations submitted by the Oregon Public Utility Commission’s telecommunication and consumer complaint staff (“Staff”) on April 23, 2012.

I. Introduction

AT&T shares the concerns of Staff regarding potential call completion issues and the related provision of reliable service to end users. AT&T takes its obligation to its customers seriously and works hard to ensure that customer calls complete. AT&T has been and remains willing to work with Staff as well as rural carriers and telecommunications service providers, to identify call completion problems and to work together to ensure the proper completion of calls.

While AT&T remains committed to working with Staff and other carriers on these issues, we do not believe an Oregon rulemaking is needed at this time. Call completion issues are generally not constrained by state boundaries¹ and, therefore, resolution of these issues must be

¹ In its comments, Staff provided an example of call completion issues from Stewart Company (located in California) to Lucan Trucking (located in Oregon).

national in scope. The Federal Communications Commission (“FCC”) has recognized this by taking two significant actions – issuance of a Declaratory Ruling² and transition to bill and keep methodology as set forth in the *USF/ICC Transformation Order*.³ In addition, an ATIS forum is examining this issue and will complete a Call Completion/Call Termination Handbook (“Handbook”) later this summer, and certain rural associations have been conducting call completion testing. Contact information for interexchange carriers (“IXCs”) is being provided to rural carriers so that the carriers can work together to resolve customer issues. There are ample actions occurring at the federal level and amongst industry members to address call completion issues such that Oregon does not need to engage in a call termination rulemaking.

II. High Call Termination Rates in Rural Areas Create Opportunity for Call Completion/Call Termination Issues

AT&T does not condone the practice of not completing calls to rural areas. The FCC’s *ICC/USF Transformation Order* will reduce terminating switched access and reciprocal compensation rates to bill-and-keep by July 1, 2017 for price cap carriers and July 1, 2020 for rate-of-return carriers. At this point, the financial incentive to not complete calls to rural areas, which often have high termination rates, will be eliminated.

As recognized by staff, the primary motivation for least cost routing is “the high cost of termination fees in those areas.”⁴ Staff recognized that it could recommend that local exchange carriers in high cost areas lower their termination fees which could “reduce the economic

² See Developing an Unified Intercarrier Compensation Regime, Establishing Just and Reasonable Rates for Local Exchange Carriers, CC Docket No. 01-92, WC Docket No. 07-135, DA 12-154, Declaratory Ruling, (rel. February 6, 2012) (“Declaratory Ruling”).

³ See *Connect America Fund*, WC Docket No. 10-90 et al, FCC 11-161, Report and order and Further Notice of Proposed Rulemaking, (rel. Nov. 18, 2011) (“*ICC/USF Transformation Order*”).

⁴ Staff Comments, page 9.

incentive for carriers to avoid completing calls in rural areas.”⁵ Staff, however, summarily dismissed this option by stating that, “the impact of such a change could be disastrous for rural carriers, who depend on termination fees to meet revenue requirements.”⁶ AT&T recommends that this option be investigated further.

III. Additional Actions Being Taken to Address Call Completion/Call Termination Issues

A. FCC Declaratory Ruling

On February 6, 2012, the FCC issued a Declaratory Ruling to clarify the scope of the FCC’s prohibition on blocking, choking, reducing or restricting telephone traffic. Specifically, the FCC’s Declaratory Ruling states:

...a carrier that knows or should know that calls are not being completed to certain areas, and that engages in acts (or omissions) that allow or effectively allow these conditions to persist, may be liable for a violation of section 201 of the Act. We also emphasize that it may be a violation of section 202 to provide discriminatory service with respect to calls placed to rural areas. Finally, we clarify that a carrier remains responsible for the provision of service to its customers even when it contracts with another provider to carry the call to its destination.⁷

Therefore, the FCC has already provided clear direction on the call completion issues. The FCC noted that it would be a particular issue when “problems are brought to the carrier’s attention by customer, rate-of-return carriers serving rural areas, or others, and the carrier nevertheless fails to take corrective action that is within its power.”⁸ As call completion issues are national issues and generally do not stop at state borders, it is appropriate for call completion/call termination issues to be addressed by the FCC.

⁵ Id.

⁶ Id.

⁷ *Declaratory Ruling*, para. 11.

⁸ Id., para. 12.

B. Industry Standards Bodies and Associations

The Next Generation Interconnection Interoperability Forum (NGIIF)⁹ of ATIS, a global standards development and technical planning organization, has been investigating call completion and call termination issues. AT&T supports the work underway by NGIIF. In May 2011, the NGIIF became aware that some telecommunications customers were experiencing problems with phone service, relative to making or receiving calls, or with call quality. After discussing the issue informally at several meetings, the NGIIF recognized call completion/call termination as a formal issue and began an information gathering effort to create potential solutions that could provide more specific assistance to carriers. To facilitate this work effort the NGIIF has scheduled workshops, met with rural carrier associations to update them on NGIIF efforts, and invited rural carriers to attend meetings/workshop, and conducted industry surveys. This effort will result in a Handbook that should be completed in mid-July. The Handbook will address: underlying carrier network management; existing applicable standards and/or guidelines relevant to call completion/call termination (e.g., signaling, transmission quality, routing and network congestion); and, trouble reporting and contact directories. Oregon Commission Staff has attended via teleconference a number of the NGIIF meetings.

In addition, the Rural Associations (NECA, NTCA, OPASTCO and WTA) have been investigating the issue as well. The Rural Associations conducted test calls from April 9th to April 13th. Those involved in the test that experienced call completion issues were encouraged to open trouble tickets with the originating service provider to resolve call failures and quality

⁹ NGIIF examines issues associated with telecommunications network interconnection and interoperability. Specifically, NGIIF develops operational procedures that involve the network aspects of architecture, disaster preparedness, installation, maintenance, management, reliability, routing, security, and testing between network operators. The NGIIF also addresses issues that impact the interconnection of existing and next generation networks and facilitates the transition to emerging technologies. However, as ATIS is a standard setting body, the items developed by it are not binding.

issues. The Rural Associations also recognized that the information gathered may be helpful in the development of the NGIIF Handbook. Although the Rural Associations did not accept NGIIF's offer to participate directly in testing, they did "commit to share results of this effort with the NGIIF at an appropriate level of detail after the completion of test calls and aggregation and evaluation of the associated calls logs."¹⁰ The Rural Associations also offered to provide carrier specific data to individual carriers upon request, AT&T has requested such data and is waiting to receive this information from the Rural Associations.

C. Resolution Among the Carriers

The best way to resolve call completion issues is for the carriers to work together to address issues that arise. With the advent of competition, number pooling and numbering porting, delivery of a call from point A to point B is often a complex undertaking. Sometimes calls do not complete due to a simple translation or routing issue and not because a least cost router was used that did not want to terminate calls to a high cost rural area. The FCC has provided IXC contact information to the rural carriers. This will allow rural carriers and IXCs to get together to work through issues. AT&T takes its obligation to its customers very seriously and works hard to ensure customer calls complete and will provide its relevant contact information to any rural provider. In addition, the NGIIF has added additional fields for IXC contact information to the Service Provider Contact Directory (SPCD). This contact information may be used to report problems directly to the IXC for call completion/call termination issues that arise between carriers.

AT&T encourages rural carriers to document and refer to our attention customer complaints regarding call failures. This documentation will assist AT&T in performing a root

¹⁰ Letter from Jill Canfield (NTCA), Stuart Polikoff (OPASTCO), Robert Gnapp (NECA) and Derrick Owens (WTA) to Robin Meier (AT&T) and Amy Straton (Verizon Wireless), NGIIF Co-chairs, March 28, 2012.

cause analysis and to properly investigate the concern. Helpful information includes providing calling and called numbers, the time and date of the call, the disposition of the call, and other available information.

IV. Recommendations

Staff recommends that OAR 860-032-007 be amended to address call completion issues. In general, AT&T believes that efforts being undertaken at the FCC and through industry forums are more than sufficient to address the national issue of call completion. A state-specific rule is not necessary to address call completion concerns and may actually thwart actions to address this issue nationally. At this time the best use of Staff resources should be to remain engaged in national forums and with carriers when complaints arise, which Staff has already been doing.

Although Staff has provided some general ideas for what should be included in new rules, it is difficult to offer more precise comments on staff's recommendation to amend OAR 860-032-007 without seeing specific suggested language. If the Commission decides to proceed with a rulemaking, there are a few key principles that should be followed. First, any rule must recognize that mistakes in routing can occur inadvertently, but if resolved when brought to a carrier's attention, should not become the basis for a fine or penalty. For example, routing issues may sometimes occur due to simple human error in typing in digits entered into network elements and systems to build the tables that control call routing. Call failures due to this sort of issue should be distinguished from those resulting from intentional actions taken to discriminate against calls destined for high cost rural areas. Second, the Commission cannot broaden its authority to address companies over which it currently does not have any jurisdiction by implementing call completion rules. For example, the Commission does not have jurisdiction over interstate calls or wireless carriers. Third, any rule should not require carriers to implement

costly enhancements to expand monitoring or reporting for an issue that will be resolved with the implementation of bill and keep. Fourth, carriers that are working with industry forums and with others to resolve call completion issues should not be penalized.

V. Conclusion

AT&T has been and remains willing to work with the rural carriers in Oregon as well as the Staff to resolve any call termination issues. Due to the numerous activities already occurring nationally regarding call completion issues, we believe it is unnecessary for the Commission to initiate a rulemaking at this time.

Dated this 29th day of May, 2012

By Cynthia Manheim by Doc with permission

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Attorney for AT&T Communications of the Pacific Northwest, Inc. and TCG Joint Venture Holdings, Inc d/b/a TCG Oregon and its subsidiaries

CERTIFICATE OF SERVICE
UM 1547

I hereby certify that on the 29th day of May, 2012, I served the foregoing Petition to Intervene by AT&T in the above entitled docket on the following persons via U.S. Mail, by mailing a correct copy to them in a sealed envelope, with postage prepaid, addressed to them at the address shown below, or via email only if the service list indicates such persons waive paper service.

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(W) = Waive Paper Service

DATED this 29th day of May, 2012

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