### BEFORE THE PUBLIC UTILITY COMMISSION

### OF OREGON

DOCKET NO. UM 1547

In the Matter of

PUBLIC UTILITY COMMISSION OF OREGON

Investigation into Call Termination Issues

REPLY COMMENTS OF THE OREGON CABLE TELECOMMUNICATIONS ASSOCIATION

The Oregon Cable Telecommunications Association ("OCTA") appreciates the opportunity to submit comments in reply to Staff's comments of April 23, 2012.

### I. INTRODUCTION

OCTA members or their affiliates provide state of the art telephone services throughout their service areas, and such services to the commercial sector continue to increase. Most of cable's commercial service growth has come from small and mid-size businesses, with an increasing focus on large businesses. According to the National Cable Telecommunications Association, cable's entry into the telephone business has already saved customers more than \$40 million, and small businesses could save more than \$100 million by 2012.

OCTA members cannot afford for their customers to have uncompleted calls, regardless of the initiating party. Reliability in the network architecture is necessary to ensure that calls and faxes reach their proper destinations. OCTA members receive revenue by completing calls, not through dropping calls. For these reasons, OCTA members and their affiliates continue to upgrade their Voice over Internet Protocol networks.

# II. STAFF'S RECOMMENDATION TO ENACT AN EMERGENCY RULE BY AMENDING OAR 860-032-0007 PRESENTS UNINTENDED CONSEQUENCES

While OCTA members understand there may be a problem with call termination issues in certain geographical areas of the state, adopting an emergency rule without the necessary technical input may lead to unintended consequences. OPUC staff's recommendations may

generally help address call termination issues, but the wording of the recommendations are too vague and lack technical interpretation for OCTA to provide a complete analysis.

As an example, on page 10, Staff recommends prohibiting telecommunication service providers from unduly or unreasonably disadvantaging persons or a class of persons. This approach might be construed by some to mean that the offerings from the service provider may not be different as among customers or potential customers, including rates, equipment and service offerings. OCTA anticipates the staff recommendations in this area were not meant to broadly apply to such circumstances; however, the language proposed by Staff is confusing and appears to be overbroad.

Also, on page 10, Staff recommends that telecommunication service providers may be held liable for the acts or omissions of their agents or other parties acting for the providers. This approach at first blush may appear to be an easy and straightforward solution to facilitate the penalizing of carriers who appear to be acting in bad faith. However, there are major technical issues that need to be discussed in this area as voice networks are complex and carrier contracts do not extend to all third parties that may be involved in completing a call. Furthermore, extending vicarious liability to a carrier could cause both administrative and technical issues for the OPUC.

### III. STAFF EMERGENCY RULE RECOMMENDATIONS AMENDING OAR 860-032-007 PROCLAIMING EMERGENCY

Staff has only provided a general description of proposed language to address the issues outlined in staff's proposal. OCTA needs the recommended new language before providing additional comments. Whether there is an emergency or permanent rule, there needs to be a process to discuss all the pertinent issues, and for all parties to collaborate in suggesting approaches to help solve potential call termination issues.

# IV. FEDERAL COMMUNICATION COMMISSION (FCC) RULES ADDRESSING CALL TERMINATION

OCTA understands current FCC rules prohibit practices impacting call termination and the Staff's recommendations appear to extend beyond the OPUC's authority.

### V. OTHER STATE COMMISSIONS ARE ADDRESSING CALL TERMINATION

OCTA understands that the state utility commissions' in Iowa, Nebraska and Washington have opened up call Termination dockets. Information from these dockets may be useful in helping to address the same issues in Oregon. There may be suggested language from another jurisdiction for parties in Oregon to consider.

### VI. STAFF'S PROPOSED REMEDIES MAY NOT SOLVE THE PERCEIVED **PROBLEMS**

While we agree that telephone calls and faxes need to be completed, there needs to be a technical discussion as to how telephone calls are placed and a more complete understanding of the intricate network architecture to determine if the Staff's general recommendations will ultimately be effective. Ultimately there may not be a solution to hold accountable all parties whose actions have caused calls to be uncompleted. If Oregon is to be one of the first states to adopt new rules in this area, the OPUC should be certain the solution works. This requires industry cooperation and technical support.

#### VII. COST TO COMPLY WITH NEW OPUC RULES

Since OPUC staff is recommending new rules which may have a financial impact on both the OPUC and carriers, there needs to be an analysis of the additional workload on the OPUC to effectively monitor call termination issues, and an analysis of the effect on carriers' to comply with call termination requirements.

OCTA appreciates the opportunity to address this complex issue.

Dated this 29 day of May, 2012.

Respectfully submitted,

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## CERTIFICATE OF SERVICE UM 1547

I hereby certify that the attached Reply Comments from the Oregon Cable Telecommunications Association (OCTA) was served on May 29, 2012, by U.S. Mail and electronic email, unless otherwise specified, to the following parties:

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DATED this 29th day of May, 2012

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