

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of an Investigation to)	
Examine Call Routing and Call Completion)	Case No. TO-2012-_____
Problems in the State of Missouri)	

APPLICATION TO OPEN INVESTIGATORY DOCKET

Come now Alma Communications Company d/b/a Alma Telephone Company, Chariton Valley Telephone Corporation, Chariton Valley Telecom Corporation, Choctaw Telephone Company, Mid-Missouri Telephone Company, and MoKAN Dial Inc., (Applicants), pursuant to §§386.250, 386.310, 386.320, 386.330, 392.130, 392.140, 392.150, 392.160, 392.170, 392.200, 392.230, 392.240, 392.250, and 392.470; and 4 CSR 240-2.060, 4 CSR 240-29.010, 4 CSR 240-32.070, 4 CSR 240-32.080, and 4 CSR 240-32.100 et al., and for their Application for the Missouri Public Service Commission (Commission) to open an investigatory docket to examine call routing and completion problems in Missouri, state to the Commission as follows:

INTRODUCTION AND SUMMARY

Applicants are all small local exchange telephone companies (ILECs) that provide service in rural, sparsely-populated parts of the state of Missouri. Applicants are regulated by the Commission. Over the last eight to twelve months, the Applicants have experienced increasing complaints from their local customers that long-distance calls are not being completed to their rural local exchange carrier (RLEC) service areas, resulting in loss of business and loss of personal communications. Examples of these problems include: (1) calls that ring for the calling party, but not at all or on a delayed basis for the called RLEC local customer; (2) calls

that fail to ring for the calling party (i.e. “dead air”) or that receive improper “fast busy” signals; (3) calling parties who receive incorrect or misleading message interceptions before the call ever reaches the RLEC or the tandem it subtends; (4) calls in which the calling party hears ringing or even hears the called party answer, but the called party cannot hear the calling party, and hangs up; (5) unusually long call set-up times, even as long as 50 seconds; (6) calls that appear to “loop” between routing providers, but never reach the RLEC or the tandem it subtends; (7) incorrect caller ID data that displays to called parties; (8) calls that actually do complete but are of such low quality that the called or calling party ends the call; and (9) inability to receive faxes.

This problem adversely impacts Applicants’ local customers, the persons attempting to call Applicants’ local customers, and Applicants themselves. The problem also raises health, public safety, and economic development concerns.

Often, Applicants’ local customers contact Applicants for assistance in tracing the source of the problem. The calling party’s long distance carrier must be identified, and the calling party must cooperate in finding the problem. Some carriers have cooperated, but some have not. It appears to the Applicants that the problem arises due to inappropriate techniques specifically designed to prevent call completion. The techniques appear to be employed by the long distance carriers’ sub-contracted “underlying carriers” or “least cost routers”. The suspected techniques include routing loops, improperly setting and resetting routing tables, congested or low quality routes, improper call set up, originating carrier contracts with underlying carriers that provide calls will not be completed to certain NPA-NXXs, and/or VoIP providers unwilling to terminate calls to certain areas

This is a nationwide problem, and it is currently being investigated by other state public utility commissions as well as the Federal Communications Commission (FCC). Moreover, call routing and termination problems were the subject of NARUC's recent Resolution urging state commissions to **"take all appropriate actions to protect consumers by immediately addressing the call terminating issues that exist."** NARUC's September 29, 2011 Letter to FCC Chairman Genachowski articulates 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."** NARUC joined with the request of NTCA for the FCC to 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, ... noting the penalties for non-compliance"**.

For all of these reasons, Applicants respectfully request that the Commission open an investigatory docket to address these call routing and completion problems, to expeditiously enter an order with the appropriate findings, and to file said order with the FCC workshop/call completion investigation.

APPLICANTS

1. Alma Communications Company d/b/a Alma Telephone Company (Alma) is a Missouri corporation with its principal office and place of business located at:

113 S. County Road
Alma, MO 64001

2. Chariton Valley Telephone Corporation (Chariton Valley) is a Missouri corporation with its principal office and place of business located at:

1213 East Briggs Drive
Macon, MO 63552

3. Chariton Valley Telecom Corporation (Chariton Valley Telecom) is a Missouri corporation with its principal office and place of business located at:

1213 East Briggs Drive
Macon, MO 63552

4. Choctaw Telephone Company (Choctaw) is a Missouri corporation with its principal office and place of business located at:

204 W. Main
Halltown, MO 65664

5. Mid-Missouri Telephone Company (Otelco) is a Missouri corporation, and a wholly-owned corporate division of Otelco, Inc., with its principal office and place of business located at:

215 Roe Street
Pilot Grove, MO 65276

6. MoKAN DIAL, Inc. (MoKAN) is a Kansas corporation doing business in Missouri, with its principal office and place of business located at:

112 South Broadway
Louisburg, KS 66053

7. Applicants are in good standing with the Missouri Secretary of State, and certificates thereof have been filed in other dockets, or can be renewed and filed herein.

8. Matters regarding this complaint may be directed to the attention of:

Craig S. Johnson
Johnson and Sporleder, LLP
304 E. High, Suite 200
P.O. Box 1670
Jefferson City, MO 65102

(573)659-8734
(573)761-3587 fax
cj@cjlaw.com

9. Applicants are “telecommunications companies” providing “basic local telecommunications services” and “exchange access services,” as those terms are defined by §386.020, to customers located in their service areas pursuant to a certificates of public convenience and necessity issued by the Commission. Applicants are also small “Local Exchange Telecommunications Companies” (LECs) as that term is defined by §386.020(31).

10. Applicants are unaware of any pending action or final unsatisfied judgments or decisions issued against them from any state or federal agency or court within three years of the date of this complaint which involved customer service or rates. Applicants’ annual reports to the Commission and assessment fees are not overdue.

CALL ROUTING AND CALL COMPLETION PROBLEMS

11. Over the last eight to twelve months, the Applicants have experienced increasing problems with calls not being completed to their rural local exchange carrier (RLEC) service areas. Examples of these problems include: (1) calls that ring for the calling party, but not at all or on a delayed basis for the called RLEC customer; (2) calls that fail to ring for the calling party (i.e. “dead air”) or that receive improper “fast busy” rings; (3) calling parties who receive incorrect or misleading message interceptions before the call ever reaches the RLEC or the tandem it subtends; (4) calls that appear to “loop” between routing providers, but never reach the RLEC or the tandem it subtends; (5) incorrect caller ID that displays to called parties; (6) calls that actually do complete but are of such low quality that the called or calling party ends the call.

(See e.g. June 13, 2011 NECA/NTCA/OPSASTCO letter to FCC; see also Sept. 20, 2011 NTCA letter to FCC Chairman Julius Genachowski from Shirley Bloomfield).

12. **Least Cost Routing.** On information and belief, Applicants believe that the improper use of least cost routing (LCR) is one component of the call termination problems extant in Applicants' rural Missouri exchanges. In the telecommunications industry, LCR is the process of selecting the path of a long distance telecommunications traffic based on cost. LCR may sometimes result in low-quality voice connections and incorrect or missing Caller ID information. Examples include calls that are characterized by gaps or long pauses, poor or garbled voice quality, severe echo, and incomplete or lost connections.

13. **Nomadic Voice over Internet Providers.** Some nomadic Voice over Internet Protocol (VoIP) Providers refuse to terminate calls in rural Missouri. (See e.g. Magic Jack example.)

14. **Customer Complaints.** The Applicants have received numerous customer complaints about these call termination problems, which are most often identified only when the calling party communicates their concerns about the problem to the called party, who in turn then reports the problem to the serving RLEC.

15. **Quality of Service.** Call termination problems implicate quality of service issues related to competitive interexchange telecommunications for all customers in Applicants' rural exchanges. Federal and state telecommunications statutes require that telephone service be "universally available" and reasonably comparable in urban and rural areas. See §392.185 RSMo. and 47 U.S.C. §254(b). Call routing and call completion problems are impacting the quality of service being received in Applicants' exchanges.

16. **Health and Safety.** Call completion problems raise significant concerns for the health and safety of the customers in Applicants' rural Missouri exchanges. For many disabled and elderly customers in rural Missouri exchanges, the landline telephone remains the primary means of communicating with family members, friends, and physicians in other parts of the state. Call completion problems may prevent callers from completing interexchange calls to disabled or elderly friends and relatives, as well as emergency service providers.

17. **Law Enforcement Assistance.** Call termination problems and least cost routing issues may impede or prevent RLECs from complying with lawful court or law enforcement intercept orders or subpoenas where the Calling Party Number (CPN) information is incomplete, missing, or spoofed.

18. **Adverse Economic Impacts.** Businesses in Applicants' rural Missouri exchanges have also complained of call termination problems. Call termination problems that prevent or make it more difficult for clients or customers to reach rural businesses create adverse economic impacts.

19. **Customer Confusion.** Call termination problems create confusion and dissatisfaction for customers. Some customers may be under the misconception that their rural local exchange provider is not providing high quality service. Applicants' customer service representatives are spending many hours addressing call termination problems with customers.

20. **Difficult to Resolve.** Applicants' network quality personnel are making efforts to identify and resolve call termination problems, but it is difficult and time consuming for the downstream carriers to try and address the problem.

21. **Nationwide Problem.** Call routing and termination problems have become a

nationwide problem. Other state public utility regulatory commissions have opened dockets to examine these issues.¹ National Rural Telecommunications Industry Associations have provided information about the problem to the Federal Communications Commission's Investigations and Hearings Division. (Attach NECA/NTCA/OPASTCO June 13, 2011 letter to FCC).

22. **NARUC Resolution.** The National Association of Regulatory Utility Commissioners (NARUC) identified the problem in a recent resolution (adopted by the NARUC Board of Directors on July 20, 2011), which among other things stated:

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;

* * *

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

Resolution on Federal/State Joint Efforts to Address and Resolve Call Termination Issues,
Sponsored by NARUC Committee on Telecommunications, Adopted by NARUC Board of

¹ See e.g. *In the Matter of the Nebraska Public Service Commission, on its own motion, to investigate issues related to service quality associated with intrastate interexchange service, including the origination, termination, and routing of interexchange calls*, Application No. C-4328; PI-176, Progression Order #1, entered June 21, 2011; *In the Matter of the Public Utility Commission of Oregon Staff Investigation of Call Termination Issues*, Docket No. UM 1547, opened July 5, 2011.

Directors (emphasis added).

23. On September 26, 2011, the FCC announced the creation of a Rural Call Completion Task Force to investigate and address the growing problems with call completion to rural customers. The FCC identified the following issues for the Task Force to examine: (a) the extent of the call termination problems in rural areas; (b) the causes of the problems; and (c) actions that can be taken by the FCC to address the problem. A Missouri PSC investigation would allow the Missouri PSC to determine the extent of the problem in Missouri and examine possible causes of the problems. This information would be useful both to the FCC and to any future state-specific actions that the Missouri PSC may wish to consider.

24. On September 29, 2011, NARUC's General Counsel issued a letter acknowledging that "[c]all completion issues are a serious problem." The letter requested the FCC to issue a "clear and unequivocal" statement reaffirming "the existing obligation of carriers to properly route traffic, noting the penalties for non-compliance, [and] expressing the Commission's concern and interest in the impact on consumers as well as its intent to engage in enforcement activities."

COMMISSION AUTHORITY

25. The Commission has authority under Missouri law to oversee and regulate the quality of service provided by certificated telecommunications carriers to their Missouri customers. The Commission has the authority to require certificated telecommunications carriers to police their underlying vendors or carriers to assure calls are completed as part of the certificated carriers' obligation to transmit or complete calls or messages. The Commission has authority to ensure the integrity of Missouri's telecommunications network and maintain the

ability of customers in rural Missouri to receive interexchange telephone calls. *See e.g. Investigation into the Quality of Wireline Telecommunications Services in Missouri*, File No. TO-2011-0047.

REQUEST FOR RELIEF

WHEREFORE, Applicants respectfully request that the Commission open an investigatory docket in order to examine and immediately address call routing and completion problems and take all appropriate actions to protect the customers of rural telecommunications providers.

/s/ Craig S. Johnson

Craig S. Johnson
Johnson and Sporleder, LLP
304 E. High, Suite 200
P.O. Box 1670
Jefferson City, MO 65102
(573)659-8734
(573)761-3587 fax
cj@cjlaw.com

Attorney for Applicants

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was mailed or hand-delivered, this 5th day of October, 2011 to:

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Lewis Mills
Office of Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

/s/ Craig S. Johnson
Craig S. Johnson