BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of an Investigation into the Quality) of Wireline Telecommunications) I Services in the State of Missouri)

) File No. TO-2011-0

MOTION TO OPEN AN INVESTIGATORY DOCKET

COMES NOW the Staff of the Missouri Public Service Commission and moves the Missouri Public Service Commission (Commission) to open an investigatory docket in which to gather information about the quality of wireline telecommunications service in Missouri. Service may be degrading due to lack of proper testing, preventive maintenance and timely replacement of telecommunications facilities in the State of Missouri and states as follows:

1. On August 28, 2008, a change was made to the law allowing most, if not all, companies to obtain waivers of the Commission's quality of service and billing standards:

[F]or all existing alternative local exchange telecommunications companies, the commission shall waive ... the application and enforcement of its quality of service and billing standards rules [...]. Notwithstanding any other provision of law in this chapter and chapter 386, RSMo, where an alternative local exchange telecommunications company is authorized to provide local exchange telecommunications services in an incumbent local exchange telecommunications company may opt into all or some of the above-listed statutory and commission rule waivers ... §392.420 RSMo Supp 2009.

2. Since that law was changed, the Staff has received anecdotal evidence of degradation of service quality of wireline, voice-grade telecommunications services. See the attached affidavits of Mr. Myron Couch and Ms. Gay Fred, Attachments A and B, respectively.

3. The Staff seeks to determine whether the reported service problems are isolated instances or whether they indicate a systemic deterioration of facilities, which leads to a lower quality of service in large portions of the state. To that end, the Staff would like to begin its investigation by asking all facilities-based local exchange telecommunications companies to answer the questions set out in Attachment C. The Staff requests that the Commission order all such companies to reply in a timely manner to those questions.

4. The Staff requests that the Commission, in opening this docket, clearly note that this is not a contested case. The Staff will not take any action in this case beyond reporting to the Commission its findings. If the results of the investigation indicate that there is a widespread problem, the Staff will seek guidance from the Commission. If the problem appears to be limited to one or two companies, the Staff may pursue remedies, to the extent it is able, pursuant to §392.420:

... The commission may reimpose its quality of service and billing standards rules, as applicable, on an incumbent local exchange telecommunications company but not on a company-granted competitive status under subdivision (7) of subsection 5 of section 392.245 in an exchange where there is no alternative local exchange telecommunications company or interconnected voice over Internet protocol service provider that is certificated or registered to provide local voice service only upon a finding, following formal notice and hearing, that the incumbent local exchange telecommunications company has engaged in a pattern or practice of inadequate service. Prior to formal notice and hearing, the commission shall notify the incumbent local exchange telecommunications company of any deficiencies and provide such company an opportunity to remedy such deficiencies in a reasonable amount of time, but not less than sixty days. Should the incumbent local exchange telecommunications company remedy such deficiencies within a reasonable amount of time, the commission shall not reimpose its quality of service or billing standards on such company.

WHEREFORE, the Staff respectfully moves the Commission to open an investigatory docket in which to gather information about the whether the quality of wireline telecommunications service is degrading in Missouri and order all facilities-based local exchange telecommunications companies to timely answer the Staff's questions set forth in Attachment C.

Respectfully submitted,

Colleen M. Dale Senior Counsel Missouri Bar No. 31624 Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-4255 (Telephone) cully.dale@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 24th day of August, 2010.



AFFIDAVIT OF MYRON E. COUCH

I am currently employed as a Utility Operations Technical Specialist II for the Missouri Public Service Commission. I've been employed by the Commission for eighteen and one half years. In addition, I have served as a technician for two telephone companies for sixteen and one half years. In total I have thirty-five years worth of experience working within the telecommunications industry. My current position at the Missouri Commission includes resolving quality of service complaints pertaining to telecommunications companies.

In my opinion some telecommunications providers may not be adequately maintaining facilities which is causing service quality to decline. This opinion is based on complaints received by the Commission and my experience inspecting company facilities and observing how some companies react to complaints. In a significant number of instances, customers are repeatedly complaining about a company's failure to address the service-related problem. Customers are reporting repeat troubles whereby the company makes an effort to resolve the complaint only to have the problem reappear within a few days or weeks. In many instances I suspect companies are trying to conserve costs by "swapping" cable pairs as a temporary fix instead of replacing or repairing the cable. I also suspect companies are failing to perform preventive maintenance. Failure to make permanent repairs, when needed, can lead to more extensive damage to the telephone company cable.

The scope of the problem cannot be assessed because most companies have waivers of the Commission's quality of service reporting rules. In this regard it is difficult to monitor the quality of service being provided by any company in Missouri. The only solution to assess the quality of service currently provided in Missouri is to conduct an investigation. An investigation should seek certain information from all companies providing basic local telecommunications service or interconnected voice over the Internet service.

Listed below are summaries of various complaints received by the Commission that provide an example of failing to adequately repair service or failing to perform preventive maintenance:

Complaint No 1: A customer complained that her service repeatedly goes out of service. Her husband has had to have the ambulance out four times in the past few months and needs reliable phone service. The customer wants a permanent fix to the problem. I referred the complaint to her local telephone company and a technician simply had been repairing the temporary cable serving the customer. The temporary cable was ultimately replaced by a new buried cable about two weeks later. There are times when a temporary cable is necessary but it needs to be replaced in a timely manner within a few days or weeks, especially when it lies on a road. In this case the temporary cable may have been on the ground for two or three months.

Complaint No. 2: A customer complained about frequent service outages. The customer states in the last month their service has been out seven or eight times. The Customer is on oxygen and has other health problems and needs reliable phone service. The customer wants us to get her a permanent fix. I referred the complaint to the serving company. The technician discovered that a repeater had been damaged by lightning. He replaced the repeater and the customer was back in service. It is possible the repeater was in trouble for a long period of time and no one detected the problem

Compliant No. 3: A customer complained that for the last two years her phone service goes out every time it rains. The customer says she was told by the Company there were not enough people served on the line for it to be fixed. She said the school down the road was also affected by the same outages and she can't contact them when it rains. I referred the complaint to the serving company. The technicians acknowledge the area is served by a pair gain device that goes down when lightning hits it. The Company is looking at replacing this pair gain device with one that is more resistant to lightning. Customers need reliable service and a piece of equipment that goes down when lightning is in the area makes the service unreliable for customers who need their phones to work at all times.

Complaint No 4: For the last five years this customer lost phone service at least six or more times a year. I referred the complaint to the serving company who acknowledged the customer's service has been out of service three separate times during the past four months. The first outage was due to a broken wire in a pedestal. The second outage occurred when the power company transferred their service to a new pole and left the telephone cable lying on the ground. A forest fire burned up the cable because it was laying on the ground rather than being attached to a pole. The third outage occurred when lightning damaged his cable pair due to inadequate bonding and grounding. The technician explained to the customer that the lightning damage was due to a need to bond and ground the cable and the Company planned to accomplish that as soon as they had the time to do it. The first outage and the last outage are related to maintenance issues. These could have been avoided had the cable been better maintained.

Complaint No. 5: A customer complained of poor service with the serving company for many years. Over the past five years it has gotten even worse. She states that she only has phone service sixty percent of the time. The customer states, when they, *the telephone company*, come and repair it, it just goes out again. The customer also complains about static on the line. After I referred this complaint to the customer's provider, the Company rebuilt two buried splices and her service has been good since that time. This case of trouble had been reviewed many times by the serving provider and should have been corrected on previous repair visits.

Complaint No. 6: A customer complained of service outages lasting twenty days out of the past forty-five days. Again, today he has no service. The customer called in to

Consumer Services on the seventh day of the month and said the Company told him they would not be able to repair his line until the sixteenth of that month. The customer believes that a nine day delay is unacceptable. When the Company arrived to work on the customer's line, the trouble had cleared. This kind of trouble is related to moisture in the cable. When the sun makes the cable warm, the moisture evaporates and the trouble appears to go away. However, when evening comes and moisture begins to gather, the trouble reappears. This kind of trouble requires an immediate investigation to find a problem before it disappears due to sunny warm conditions. Out of service complaints should be investigated in a timely manner.

Complaint No. 7: A customer complained of buzzing on her line and of hearing her neighbors' conversations on the phone line. Customer claims these issues have been going on for the past two years. I referred this complaint to the Company who ultimately discovered excessive bridge tap on the line. The Company removed the excess bridge tap and the trouble cleared. This problem could have been resolved on the first trouble investigation had the Company tested the line from the central office before dispatching a repairman.

Complaint No. 8: A customer complained of multiple repairs over the past 9 years that only provide a temporary improvement in service. She said the repairs typically last until the next heavy rainfall. Customer states the lines are noisy and unreliable. She says, "In my opinion, it is time for the phone company to replace these lines entirely. I've tried contacting the phone company and can't seem to get any assistance in getting a permanent solution to the problem." I referred this complaint to the serving company and the repair technician found trouble in the cable and made the repair.

Complaint No. 9: The daughter of a customer, who is eighty-six years, called to report that her mom's phone goes out whenever it rains. She stated that this has been a problem for anywhere from six months to a year. The customer has contacted the Company many times and the problem never gets fixed. I referred this complaint to the serving company and initially, the technician replaced the gas module in the customer's Network Interface Device (NID). A few weeks later, I was contacted by the customer's daughter. She said there was still static on her mom's line. I, again, referred the problem to the serving company and after another look the technician found a seven volt cross on the cable pair. The cross was likely the problem from the beginning. Testing the line before closing the ticket might have prevented a repeat trouble report from this customer.

Complaint No. 10: A customer wrote a letter to the Consumer Services Department complaining about service problems over the past year. The problems include not having dial tone and their calls get interrupted or disconnected. These problems typically occur three or four times each month and the customer usually contacts the company once or twice a month. The customer wants reliable phone service. I referred the problem to the serving company. A technician found a faulty connector and replaced it. The service appears reliable at this time but a lot of time elapsed before the problem was resolved.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of an Investigation into Possible Degradation of Wireline Telecommunications Services in the State of Missouri

File No. TO-2011-0

AFFIDAVIT OF Myron E. Couch

STATE OF MISSOURI SS: COUNTY OF COLE

Myron E. Couch, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in preparing this affidavit. This affidavit recommends the Commission open an investigation of the quality of telecommunications services provided in Missouri. The facts therein are true and correct to the best of my knowledge and belief.

Myron E. Couch Myron E. Couch

Subscribed and affirmed before me this 24^{th} day of August 2010



SUSAN L. SUNDERMEYER My Commission Expires September 21, 2010 Callaway County Commission #06942086

NOTARY PUBLIC

AFFIDAVIT OF CAROL GAY FRED

I am currently employed as the Consumer Services Department Manager for the Missouri Public Service Commission. I have been an employee of the Missouri Public Service Commission for twenty-three years. Prior to my employment with the Commission, I was employed ten years by a telecommunications utility company. My current position at the Commission includes receiving, investigating and resolving consumer complaint and inquires regarding their utility service. I also monitor and review, geographical, utility type, and complaint issue trends statewide based on the volume of consumer complaints and inquiries received by the Missouri Public Service Commission Staff.

In my recent observations there appears to be an increase in telecommunication consumer complaints and traceable inquiries regarding service quality issues as also mentioned in more detailed by Myron E. Couch affidavit, Utility Operations Technical Specialist II. In fact, it appears that there has been a 30.19% increase in telecommunication utility complaints and inquiries regarding service quality issues from August 31, 2007 to August 31, 2008 versus August 31, 2009 to August 1, 2010, which coincides with the change in law which eliminated the Commission's oversight of service quality issues, as a part of the 2008 House Bill 1779.

In addition to the increase in recent informal complaint cases, it's important to point out that the overall increase in consumer inquiries has increased significantly due to service quality issues. The Consumer Services Department has dealt with inquiries that have dealt with delays for installation of service, delays in repairing service , which has caused consumers to be without service for as long as 1-4 weeks. Utilities have generally referred to the long delays as manpower shortages. In fact, when reviewing the data from August 31, 2006 to September 1, 2007, when we received 250 inquiries, to a more current period August 31, 2009 to August 1, 2010, were we have received 1449 inquiries, it equates to 579.6 percent increase in inquiries. While the numbers are significant it is only fair to mention that the increase has been steady, 2007-250 inquiries, 2008-466 inquiries, 2009-976 inquiries and 2010–1449 inquiries.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

AFFIDAVIT OF CAROL GAY FRED

STATE OF MISSOURI)) ss: COUNTY OF COLE)

Carol Gay Fred, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing this affidavit. This affidavit recommends the Commission open an investigation of the quality of telecommunications services provided in Missouri. The facts therein are true and correct to the best of my knowledge and belief.

Fred

Subscribed and affirmed before me this

23rd day of August 2010



CASSIE M. MELLOWAY My Commission Expires October 30, 2011 Cole County Commission #07337959

Telecommunications Service Quality Survey

Please answer the following:

1. Does your company own or maintain telecommunications facilities in Missouri? If yes, please answer all of the following. If no, then your survey is complete and should be submitted at this point.

2. Does your company track on a regular basis any of the following: If yes, explain how your company tracks it (include whether such information is tracked by exchange or some other area). If no, explain why not.

- a. Timeliness of installing service after a customer orders service.
- b. Timeliness of repairing service after a customer reports trouble.
- c. Amount of service trouble.

3. Please provide your most recent results for any of the information tracked above.

4. Explain your company's preventative maintenance procedures. Include in your explanation specific methods you utilize to be certain that telephone equipment and plant is kept in good working condition. State whether your preventative maintenance program is tracked by exchange, area or state. Please, provide results of this measurement for the past two years.

5. What percentage of your company's annual budget is spent on maintaining existing telephone plant?

6. What percentage of your company's annual budget is spent on training its technical staff?