

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 BPS Telephone Company, Citizens Telephone Company of Higginsville, Missouri, Craw-Kan Telephone Cooperative, Inc., Ellington Telephone Company, Fidelity Telephone Company, Granby Telephone Company, Grand River Mutual Telephone Corporation, Green Hills Telephone Corporation, Holway Telephone Company, Iamo Telephone Corporation, Kingdom Telephone Company, K.L.M. Telephone Company, Lathrop Telephone Company, Le-Ru Telephone Company, Mark Twain Rural Telephone Company, McDonald County Telephone Company, Miller Telephone Company, New Florence Telephone Company, New London Telephone Company, Northeast Missouri Rural Telephone Company, Orchard Farm Telephone Company, Oregon Farmers Mutual Telephone Company, Peace Valley Telephone Company, Inc., Rock Port Telephone Company, Steelville Telephone Exchange, Inc., and Stoutland Telephone Company (hereinafter collectively 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, and 392.250, and 4 CSR 240-2.060, 29.010, 32.070, 32.080, and 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

The Applicants are all small incumbent 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 whose contracts provide call 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 a recent resolution by the National Association of Regulatory Utility Commissioners (NARUC) urging state commissions to "take all appropriate actions to protect consumers by immediately addressing the call terminating issues that exist." A September 29, 2011 letter from NARUC's General Counsel to FCC Chairman Genachowski explains why: "Failed or degraded calls not only undermine the integrity of the nation's telecommunications networks and frustrate consumers, but they also pose a serious risk to public health and harm the rural economy." The letter requests that the FCC 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 . . . [and] 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.

THE APPLICANTS

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

P.O. Box 550
120 Stewart Street
Bernie, MO 63822-0550

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

2. Citizens Telephone Company of Higginsville, Missouri (Citizens) is a Missouri corporation with its principal office and place of business located at:

P.O. Box 737
1905 Walnut Street
Higginsville, MO 64037-0737

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

3. Craw-Kan Telephone Cooperative, Inc. (Craw-Kan) is a Kansas corporation with its principal office and place of business located at:

P.O. Box 100
200 North Ozark
Girard, KS 66743

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 400
200 College Avenue
Ellington, MO 63638

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

64 North Clark
Sullivan, MO 63080

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 200
Granby, MO 64844

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

7. Grand River Mutual Telephone Corporation (Grand River) is a Missouri corporation with its principal office and place of business located at:

1001 Kentucky Street
Princeton, MO 64673

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

8. Green Hills Telephone Corporation (Green Hills) is a Missouri corporation with its principal office and place of business located at:

P.O. Box 227
7926 N.E. State Route M
Breckenridge, MO 64625

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 112
208 Ash
Maitland, MO 64466

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

10. Iamo Telephone Corporation (Iamo) is an Iowa corporation with its principal office and place of business located at:

P.O. Box 368
104 Crook Street
Coin, IA 51636

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 97
211 South Main
Auxvasse, MO 65231

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

12. K.L.M. Telephone Company (KLM) is a Missouri corporation with its principal office and place of business located at:

P.O. Box 30
616 E. Park Avenue
Rich Hill, MO 64779

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 167
Princeton, MO 64673

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

14. Le-Ru Telephone Company (Le-Ru) is a Missouri corporation with its principal office and place of business located at:

P.O. Box 147
Stella, MO 64867-0147

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

15. Mark Twain Rural Telephone Company (Mark Twain) is a Missouri

corporation with its principal office and place of business located at:

Highway 6 East
P.O. Box 68
Hurdland, MO 63547

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 207
704 Main Street
Pineville, MO 64856-0207

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

Box 7
213 East Main Street
Miller, MO 65707

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 175
101 North Main Street
New Florence, MO 63363-0174

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is

incorporated herein by reference.

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

525 Junction Road
Madison, WI 53717

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

718 South West Street
Green City, MO 63545

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

525 Junction Road
Madison, WI 53717

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

22. Oregon Farmers Mutual Telephone Company (Oregon Farmers) is a Missouri corporation with its principal office and place of business located at:

Box 227
118 East Nodaway
Oregon, MO 64473

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is

incorporated herein by reference.

23. Peace Valley Telephone Company, Inc. (Peace Valley) is a Missouri corporation with its principal office and place of business located at:

P.O. Box 9
7101 State Road W
Peace Valley, MO 65788

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

P.O. Box 147
214 South Main
Rock Port, MO 64482

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

25. Steelville Telephone Exchange, Inc. (Steelville) is a Missouri corporation with its principal office and place of business located at:

P.O. Box 370
61 East Hwy 8
Steelville, MO 65565

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

525 Junction Road
Madison, WI 53717

A certificate of corporate good standing was filed in Case No. TC-2011-0404 and is incorporated herein by reference.

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

W.R. England, III/Brian T. McCartney
Brydon, Swearngen & England P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
573/635-7166 (telephone)
573/634-7431 (fax)
Email: trip@brydonlaw.com
bmccartney@brydonlaw.com

28. 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).

29. 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

30. 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.

31. **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.

32. **Nomadic Voice over Internet Providers.** Some nomadic Voice over Internet Protocol (VoIP) Providers refuse to terminate calls in rural Missouri.

33. **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.

34. **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' RLEC exchanges.

35. **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.

36. **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.

37. **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.

38. **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.

39. **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.

40. **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

41. **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;

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.

* * *

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 Directors (emphasis added).

42. **FCC Task Force**. 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.

43. On September 29, 2011, NARUC's General Counsel issued a letter to the FCC 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

44. The Commission has authority under Missouri law to oversee and regulate the telecommunications network and the intrastate telecommunications services provided by certificated telecommunications carriers to their Missouri customers. 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.* §§392.130 and 392.140 RSMo.; *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.

Respectfully submitted,

/s/ Trip England

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Attorneys 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 6th 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/ Trip England
W. R. England, III/Brian T. McCartney