



October 19, 2017

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: *Rural Call Completion, WC Docket No. 13-39*

Dear Ms. Dortch:

On Wednesday, October 18, 2017, the undersigned from NTCA–The Rural Broadband Association (“NTCA”), met with Jay Schwarz, Wireline Advisor to Chairman Pai of the Federal Communications Commission (the “Commission”) regarding the above referenced matter.

During this conversation, NTCA discussed the serious continued problem of calls not completing to rural consumers and the sudden uptick in complaints over the last few weeks. NTCA reviewed the long history on this matter, reminding the Commission that it advised the carriers of their obligation to complete calls in 1987,¹ 2007² and 2011,³ but rural call completion problems increased more than 2000% between April 2010 to March 2011.⁴ History has proven that reminders, admonishments and voluntary best practices is not enough of an incentive for providers to complete calls to rural consumers. The Commission released a strongly worded Declaratory Ruling addressing rural call

¹ See, *Blocking Interstate Traffic in Iowa*, FCC87-51, Memorandum Opinion and Order, 2 FCC Rcd 2692(1987).

² *Establishing Just and Reasonable Rates for Local Exchange Carriers; Call Blocking by Carriers*, WC Docket No. 07-135, Declaratory Ruling and Order, 22 FCC Rcd 11629 (2007).

³ *Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-up, Universal Service Reform – Mobility Fund*, WC Docket Nos., 10-90, *et. al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17662, 17903 (2011).

⁴ See Letter from National Exchange Carrier Association, NTCA, Organization for the Promotion and Advancement of Small Telecommunications Companies and Western Telecommunications Alliance, to Theresa Z. Cavanaugh and Margaret Dailey, Investigations and Hearings Division, Enforcement Bureau (filed June 13, 2011).

completion in February 2012⁵ and the industry group, ATIS, released its voluntary best practices in August 2012. Despite very specific guidance for originating providers, the Commission reported that it received 500 informal rural call completion complaints from September to November 2012.⁶ By and large, the originating providers did not implement the industry developed voluntary best practices, which if followed, would have significantly mitigated call completion problems. Believing that voluntary best practices would be effective today, while there remain financial incentives to route calls as inexpensively as possible no matter the consequences, would be a mistake.

There is ample evidence that before the Commission created an affirmative obligation, originating providers failed to properly manage their networks to ensure that calls complete. They did not voluntarily comply with best practices and did not effectively manage their intermediate providers. The only thing that worked to mitigate the problem was the visibility provided by the Commission's November 2013 Order and the safe harbor.

The Commission adopted record keeping and reporting requirements creating an affirmative obligation for providers to collect data on rural call completion or abide by a safe harbor in November 2013,⁷ yet 9 months later, one of the Nation's largest provider was still failing to properly investigate failed rural calls.⁸ By the time the November Order was effective, nearly two years after its adoption, originating providers had complied with the Order's requirements and were actively managing their networks to better ensure that calls to rural subscribers complete. Reports of rural call completion problems declined during this period. Although the Commission concluded the record keeping and reporting requirements provided little useful data, to properly measure their effectiveness, the Commission must compare the number of complaints it received before November 2013 and those it received after the Order's effective date of April 1, 2015. The requirements worked to mitigate rural call failure.

NTCA pointed out that the Commission must not permit providers to use the fact that it costs more to terminate calls in rural areas as justification or excuse for not completing calls to rural consumers, as they are legally obligated to do. Providers who fail to complete calls should be subject to immediate enforcement action.

NTCA urges the Commission to not repeal the current record keeping and reporting requirements until an effective replacement is identified and implemented. To do so risks a backslide to a time when a substantial number of rural consumers and businesses could not receive calls. Before the Commission created an affirmative obligation to retain records or comply with a safe harbor, businesses lost customers, doctors couldn't reach patients, 911 call centers couldn't return calls and critical safety alerts were not received.

⁵ *Developing a Unified Inter-carrier Compensation Regime, Establishing Just and Reasonable Rates for Local Exchange Carriers*, CC Docket No. 01-92, WC Docket No. 07-135, Declaratory Ruling, 27 FCC Rcd 1351 (2012).

⁶ *Rural Call Completion*, Notice of Proposed Rulemaking, WC Docket No. 13-39, n. 34 (rel. Feb. 7, 2013).

⁷ *Rural Call Completion*, Report and Order and Further Notice of Proposed Rulemaking, 28 FCC Rcd 16154 (2013).

⁸ Verizon, Consent Decree and Adopting Order, File No.: EB-IHD-14-00014821 Acct No.: 20153208007, FRN: 0004335592 (Rel. Jan. 26, 2015).

As detailed in its comments,⁹ NTCA recommends that if the Commission repeals the current requirements, it require providers to actively manage their networks and least cost routers, consistent with the ATIS best practices. Specifically, it should require providers to limit the number of intermediate providers that handle a call. Limiting the number of intermediate providers has proven to reduce the number of call failures. This “best practice” is the bedrock of the “safe harbor” and it, combined with the record keeping and reporting requirements, have mitigated call completion issues. Three of the country’s largest providers, who combined handle more than 70% of the traffic originated in the United States, already abide by this practice. To make it mandatory imposes virtually no additional burden on originating providers beyond the inclusion of effective clauses in their contracts with their intermediate providers.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission’s rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Jill Canfield

Jill Canfield

V.P. Legal & Industry, Assistant General
Counsel

cc: Jay Schwarz

⁹ Joint Comments of NTCA – The Rural Broadband Association and WTA – Advocates for Rural Broadband, Rural Call Completion, WC Docket No. 13-39 (filed Aug. 28, 2017).