



MONTANA
TELECOMMUNICATIONS
ASSOCIATION

September 7, 2011

Marlene Dortch, Secretary
Federal Communications Commission
334 12th Street, SW
Washington, D.C.

In the Matter of

Establishing Just and Reasonable Rates
for Local Exchange Carriers,
Call Blocking by Carriers

WC Docket 07-135

Developing an Unified Inter-carrier
Compensation Regime

CC Docket No. 01-92

Rules and Regulations Implementing
the Truth in Caller ID Act of 2009

WC Docket No. 11-39

Dear Ms. Dortch,

On May 6, 2011, Betty Buckley, Executive VP of the Washington Independent Telecommunications Association, and met with Terry Cavanaugh and Margaret Dailey of the Enforcement Bureau and Lynn Engledow of the Wireline Competition Bureau to urge immediate action by the FCC against telecommunications providers whose actions are preventing telecommunications traffic from properly terminating on local networks. The actions by these providers are causing serious harm to commercial activity and personal security.

It is not clear what action, if any, the FCC is taking to thwart this clear and present threat to our nation's telecommunications network and the consumers who depend on efficient, reliable telecommunications. I have heard that there is a group is looking into this, but reports in the field indicate that the problem is not getting any better—in fact, it's getting worse.

Meanwhile, I have read that the FCC has scheduled a network reliability and continuity workshop later this week, and the FCC also appears to be most concerned about the temporary loss of some (wireless) telecommunications traffic as a result of the recent earthquake in the DC area and Tropical Storm Irene.

Marlene Dortch
September 7, 2011
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It seems to me that a virus that has been affecting telecommunications traffic nationwide for more than a year, which the FCC has been made aware of repeatedly, warrants at least as much attention as the also-important issue of intermittent loss of signal during natural disasters.

Attached to this letter, below, are two recent emails sent to Range Telephone Cooperative, headquartered in Forsyth, Montana, as examples of the continuing crisis in our nation's network operations. Also attached are:

- the *ex parte* notice filed by Betty Buckley and me on May 6, 2011; and
- the August 24, 2011 Comments of the "Western Associations" on the FCC's Further Notice on Universal Service/Intercarrier Compensation reform. The Western Associations point out the continuing call termination/failure problem and cite a number of other references, including *ex parte* communications and dockets that have been opened in both Washington and Oregon.

I respectfully reiterate the plea that Ms. Buckley and I made in May urging the FCC to use its full resources to put an immediate end to this threat to our nation's telecommunications capabilities. There is no reason that this critical issue should receive any less public attention or focus by the Commission than the Chairman's concern about other crises that undermine the reliability and continuity of our communications networks.

Respectfully submitted,

/s/

Geoffrey A. Feiss, General Manager
Montana Telecommunications Association
208 North Montana Avenue, Suite 105
Helena, Montana 59601
406-442-4316
gfeiss@telecomassn.org

cc: Terry Cavanaugh, Enforcement Bureau
Margaret Dailey, Enforcement Bureau
Lynne Engledow, Wireline Competition Bureau
James Barnett, Chief, Public Safety & Homeland Bureau

----- Forwarded Message

From: Rob Stephens <rob@rangetel.coop>

Date: Tue, 06 Sep 2011 08:34:00 -0600

To: 'Geoff Feiss' <gfeiss@telecomassn.org>

Subject: FW: telephone problems

-----Original Message-----

From: Nancy Carrel [<mailto:jncarrel@rangeweb.net>]

Sent: Tuesday, September 06, 2011 8:03 AM

To: Rob Stephens

Subject: telephone problems

Dear Rob: I appreciate that someone is trying to do something about our telephone service.

I wrote to you about our long distance problems some time last winter, I think, and you responded. I might say that things seemed a little better in the spring.

Now I can say that they are MUCH WORSE. If it would help to have documentation, I can cite two instances in the past week. A businessman in Philadelphia, PA had an appointment to call me last Friday, Sept. 2, at 8 AM. It was an important matter. I knew he was going to call at that time. I waited for 20 minutes, and finally he got through to me. He had been trying, unsuccessfully, all that time. It was a significant inconvenience to both of us. He only succeeded because he was so persistent.

My son called from Sheridan, WY late last night (Sept. 5). He wanted to know if I had gotten home all right, driving by myself. We had made an arrangement to do this. When he called, after trying 3 or 4 times to get through, my telephone finally rang but there was no voice on the other end. Then I called him back, and I did get through to him. This is something that matters to us a lot, especially in the winter time.

I am just telling you two of many incidents. One cannot tell what other ones there are, if the caller is not persistent enough.

Thanks for your efforts in this matter.

Nancy Carrel

----- End of Forwarded Message

----- Forwarded Message

From: Rob Stephens <rob@rangetel.coop>
Date: Tue, 06 Sep 2011 08:35:00 -0600
To: 'Geoff Feiss' <gfeiss@telecomassn.org>
Subject: FW: Telephone service

From: Chris Valentine [<mailto:svalentine@rangeweb.net>]
Sent: Sunday, September 04, 2011 1:22 PM
To: Rob Stephens
Subject: Telephone service

Hi Rob -

This is just to document for you that the long distance service has deteriorated once more.

1. A recent call from the UK had to be placed 3 times before we could get enough quality of signal to talk with each other. Signal was breaking up.
2. Calls from WY either do not reach me or are of such poor quality I have to re-dial from my end 1-3 times before we have audibility enough to talk. Issues are volume., crackling and breaking up.

I appreciated the piece in the range Newsletter about the meeting with the FCC.

Thanks for all you are doing - Chris

----- End of Forwarded Message



MONTANA
TELECOMMUNICATIONS
ASSOCIATION



May 6, 2011

Marlene Dortch, Secretary
Federal Communications Commission
334 12th Street, SW
Washington, D.C.

In the Matter of

Establishing Just and Reasonable Rates
for Local Exchange Carriers,
Call Blocking by Carriers

WC Docket 07-135

Developing an Unified Intercarrier
Compensation Regime

CC Docket No. 01-92

Rules and Regulations Implementing
the Truth in Caller ID Act of 2009

WC Docket No. 11-39

Dear Ms. Dortch,

On April 28, 2011, Ms. Betty Buckley, Executive Vice President of the Washington Independent Telecommunications Association (WITA), and Geoff Feiss, General Manager of the Montana Telecommunications Association (MTA), met with Terry Cavanaugh and Margaret Dailey of the Enforcement Bureau and Lynn Engeldow of the Wireline Competition Bureau's Pricing Policy Division.

Mr. Feiss and Ms. Buckley described an increasingly prevalent problem which has developed in the last eighteen months and which appears to be caused by IXCs and wireless companies subcontracting with third parties for call termination services. The third party contractors are failing to terminate calls on rural networks in at least 35 states. In some very rural areas, ILECs estimate that more than 10% of all calls to their service areas are dropped due to "least cost routing." Results include a loss of sales to businesses, delays in medical care, and interruptions in elder care.

Mr. Feiss and Ms. Buckley requested immediate action from the Commission to issue an advisory to the industry to cease and desist from manipulating telecommunications traffic on the public switched network in such a

way that compromises the integrity of the network and the safety of telecommunications consumers. In the longer term, Mr. Feiss and Ms. Buckley recommended that the Commission take whatever enforcement action appropriate to discontinue the behavior by companies responsible for failure to terminate calls on local networks.

Respectfully submitted,

/s/

Geoff Feiss, General Manager
Montana Telecommunications Assn
208 N. Montana Avenue, Suite 105
Helena, Montana 59601
406-441-4044
gfeiss@telecomassn.org

/s/

Betty Buckley, Executive VP
WA Independent Telecom Assn.
2405 Evergreen Park Drive SW
Suite B-4
Olympia, WA 98502
360-352-5453
bettyb@wita-tel.org

cc. Terry Cavanaugh
Margaret Dailey
Lynn Engeldow

**BEFORE THE FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Further Inquiry Into Certain Issues in the
Universal Service-Intercarrier Compensation
Transformation Proceeding

WC Docket Nos. 10-90, 07-135, 05-337, 03-109

CC Docket No. 01-92, 96-45

GN Docket No. 09-51

**COMMENTS OF
CALIFORNIA INDEPENDENT TELEPHONE COMPANIES
COLORADO TELECOMMUNICATIONS ASSOCIATION
IDAHO TELECOM ALLIANCE
MONTANA TELECOMMUNICATIONS ASSOCIATION
OREGON TELECOMMUNICATIONS ASSOCIATION
WASHINGTON INDEPENDENT TELECOMMUNICATIONS ASSOCIATION
AND
WYOMING TELECOMMUNICATIONS ASSOCIATION**

August 24, 2011

SUMMARY

In response to the Notice of Further Inquiry filed in this matter, the California Independent Telephone Companies (CITC), the Colorado Telecommunications Association (CTA), Idaho Telecom Alliance (ITA), the Montana Telecommunications Association (MTA), the Oregon Telecommunications Association (OTA), the Washington Independent Telecommunications Association (WITA) and the Wyoming Telecommunications Association (WTA) join together to file these Comments. For ease of reference, CITC, CTA, ITA, MTA, OTA, WITA and WTA will be collectively referred to in these Comments as the "Western Associations." The Western Associations support the "RLEC Plan" put forward by the Joint Rural Associations. The RLEC Plan is a well thought out, integrated and comprehensive plan that represents significant compromise on the part of rural telecommunications companies across the nation. The Western Associations urge the Federal Communications Commission (Commission) not to disturb the carefully integrated components of the RLEC Plan. The Commission should refrain from the temptation to pick and choose parts of the Plan and should accept the RLEC Plan as a whole.

The ABC Plan filed by six price cap companies is clearly a plan that is applicable to those companies, and should not be viewed as having any application to rural, rate of return companies. The RLEC Plan and the ABC Plan should be viewed and adopted as separate, but integrated components of a holistic universal service reform solution. In this context, the Western Associations support the Consensus Framework which is comprised of both the RLEC Plan and the ABC Plan.

The Western Associations further urge the Commission to adopt strong rules on call termination practices and the population of call records. Customers in rural company service

territory are suffering economic and social harm because of certain call termination practices that result in calls not being forwarded for termination, or forwarded with very poor call quality, to customers in rural company service areas.

INTRODUCTION

The vast majority of the member companies in the associations that comprise the Western Associations are rural incumbent local exchange carriers that serve the high cost and hard to serve areas in their respective states.¹ As a general proposition, these companies do not have available to them the economies of scope and scale that may be available to larger companies. These rural independent local exchange companies bring excellent service to their rural communities and do so with the support of the existing universal service and current intercarrier compensation mechanisms. However, the landscape is changing, and the members of the Western Associations recognize the change must come.

SUPPORT FOR THE RLEC PLAN

In the Public Notice of Further Inquiry into Certain Issues in the Universal Service - Intercarrier Compensation Transformation Proceeding (Notice of Further Inquiry) released August 3, 2011, the Commission called for comment on a number of plans for universal service and intercarrier compensation reform that have been submitted for the Commission's consideration.² Among these was what the Notice of Further Inquiry labeled as the "RLEC Plan," which is the rate of return portion of the "Consensus Framework." The RLEC Plan is contained in Comments and Reply Comments of National Exchange Carrier Association (NECA), National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) and the Western Telecommunications Alliance (WTA) filed in this proceeding (together the Joint

¹ A list of member rural independent local exchange companies for each Association is set out in Appendix A.

² DA 11-1348, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; GN Docket No. 09-51 (August 3, 2011).

Associations).³ There are several negotiated modifications to the original concept for the RLEC Plan in the Joint Associations' Comments and Reply Comments that are contained in a letter signed by, among others, NTCA, OPASTCO and WTA, and filed on July 29, 2011.⁴ The RLEC Plan is thus spelled out in the Joint Associations' Comments and Reply Comments and the Joint Letter.

The Western Associations support the RLEC Plan, which is part of the Consensus Framework addressing the separate, but complementary needs of the price cap companies and rate of return companies. The RLEC Plan represents a significant reform of existing universal service and intercarrier compensation mechanisms. It is a plan that contains substantial compromises by the rural incumbent local exchange company industry. The RLEC Plan is consistent with the Commission's goals in the National Broadband Plan. The RLEC Plan is a well-balanced, fully-integrated plan which represents a number of highly negotiated compromises creating a new framework for universal service and intercarrier compensation. The RLEC Plan should be accepted as a whole.

It would be a mistake to try to separate the RLEC Plan into individual components and then adopt only some of the components of the RLEC Plan. The Commission has before it the America's Broadband Connectivity Plan or "ABC Plan" filed by six price cap companies. It would not be appropriate to comingle aspects of the ABC Plan with the RLEC Plan and apply the comingled set of outcomes to the rural incumbent local exchange industry. The ABC Plan and the RLEC Plan are carefully balanced to work together on separate, but parallel tracks taking into account very real differences between price cap and rate of return companies.

³ See, Comments of NECA, NTCA, OPASTCO and WTA filed April 18, 2011, and Reply Comments of NECA, NTCA, OPASTCO and WTA filed May 23, 2011. It is telling that the Comments and Reply Comments of NECA, NTCA, OPASTCO and WTA were concurred in by over thirty state associations.

⁴ This letter is referred to in the Notice of Further Inquiry as the "Joint Letter."

Price cap companies have a greater ability to take advantage of economies of scope and scale than the rate of return regulated companies. Rate of return regulated companies generally serve in rural areas of America which cost more on a per customer basis to serve than more urban areas. The Commission seems to recognize this distinction in Section I.B. of the Notice of Further Inquiry when it seeks comment on using a distinction between regulated rate of return companies and price cap companies. The Western Associations urge the Commission to be clear in recognizing the difference by adopting the RLEC Plan for rural incumbent local exchange carriers that are rate of return based carriers.

DATA SUPPORTS ADOPTION OF THE RLEC PLAN

In comments filed earlier in this docket, two of the Western Associations, OTA and WITA, filed data that demonstrated possible effects of the National Broadband Plan on member companies and their ability to remain financially sound.⁵ Part of this analysis was to demonstrate the pressure on local rates that would be generated by a transition to a switched access rate of zero or near zero.⁶ The tables for OTA and WITA are set out below.

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⁵ Reply Comments of Oregon Telecommunications Association and Washington Independent Telecommunications Association, In the Matter of Connect America Fund, A National Broadband Plan for Our Future, High-Cost Universal Service Support, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337, filed August 11, 2010, at p. 16-18.

⁶ An access rate as set out in the National Broadband Plan and the NPRM of \$0.0007 is essentially a zero access rate.

Table 1

OTA ILEC MEMBERS
EFFECT OF TRANSITION OF SWITCHED
ACCESS RATES TO "0" RATE

Company	Existing Local Rate* (w/EAS)	Rate After Transition
Asotin	\$18.75	\$61.90
Beaver Creek	\$30.50	\$43.51
Canby	\$30.58	\$47.00
Cascade	\$33.89/\$30.24	\$70.36/\$66.71
Clear Creek	\$32.87	\$49.08
ColtonTel	\$44.35	\$96.14
Eagle	\$18.10	\$63.74
Gervais	\$34.45	\$78.08
Helix	\$22.17-\$26.17	\$229.04-\$233.04
Home	\$23.05	\$60.05
Molalla	\$34.45	\$47.70
Monitor	\$23.15	\$104.97
Monroe	\$30.08	\$45.58
Mt. Angel	\$24.50	\$53.52
Nehalem	\$19.50	\$36.94
North-State	\$33.30	\$114.07
OR-Idaho	\$18.15-\$26.55	\$68.80-\$77.20
Oregon Tel	\$29.00	\$92.24
People's	\$29.40	\$120.02
Pine	\$16.50	\$102.01
Pioneer	\$22.95	\$51.86
Roome	\$33.50/\$36.50	\$108.39/\$111.39
St. Paul	\$27.35	\$79.03
Scio	\$29.65-\$31.00	\$52.85-\$54.20
Stayton	\$24.99	\$70.60
Trans-Cascades	\$28.62	\$58.84

*Residential Rate including EAS and existing SLC at \$6.50 per month

Table 2

WITA MEMBERS
EFFECT OF TRANSITION OF SWITCHED
ACCESS RATE TO "0" RATE

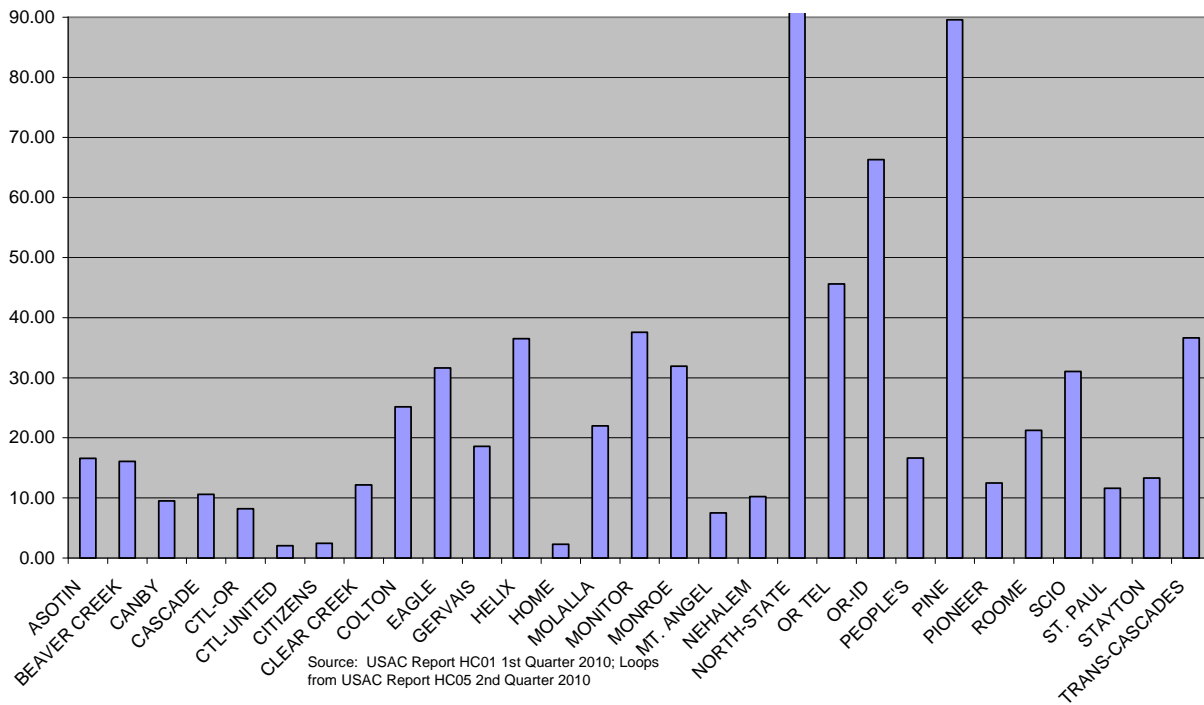
Company	Current Rate*	Post Transition Rate
TDS (Asotin)	\$23.70	\$51.11
FairPoint (Ellensburg)	\$14.97	\$31.54
FairPoint (YCOM)	\$22.50	\$34.06
Hat Island	\$21.50	\$35.39
Hood Canal	\$20.25	\$78.32
Inland	\$20.30	\$90.57
Kalama	\$19.50	\$51.16
TDS (Lewis River)	\$32.50	\$42.76
TDS (McDaniel)	\$20.80	\$47.13
POTC	\$21.00	\$48.41
Pioneer	\$15.50	\$109.12
Rainier Connect	\$20.25	\$46.15
St. John	\$16.00	\$131.39
Tenino	\$18.50	\$45.24
Toledo	\$37.44	\$94.33
Wahkiakum	\$19.90	\$83.90
Whidbey	\$15.90	\$54.01

*Taken from Exhibit TWZ-3 prepared by Washington Commission Staff Member Mr. Zawislak in Docket UT-081393. Includes EAS and \$6.50 SLC. Where a company has different rates for different exchanges, the rate for the most populated exchange was chosen.

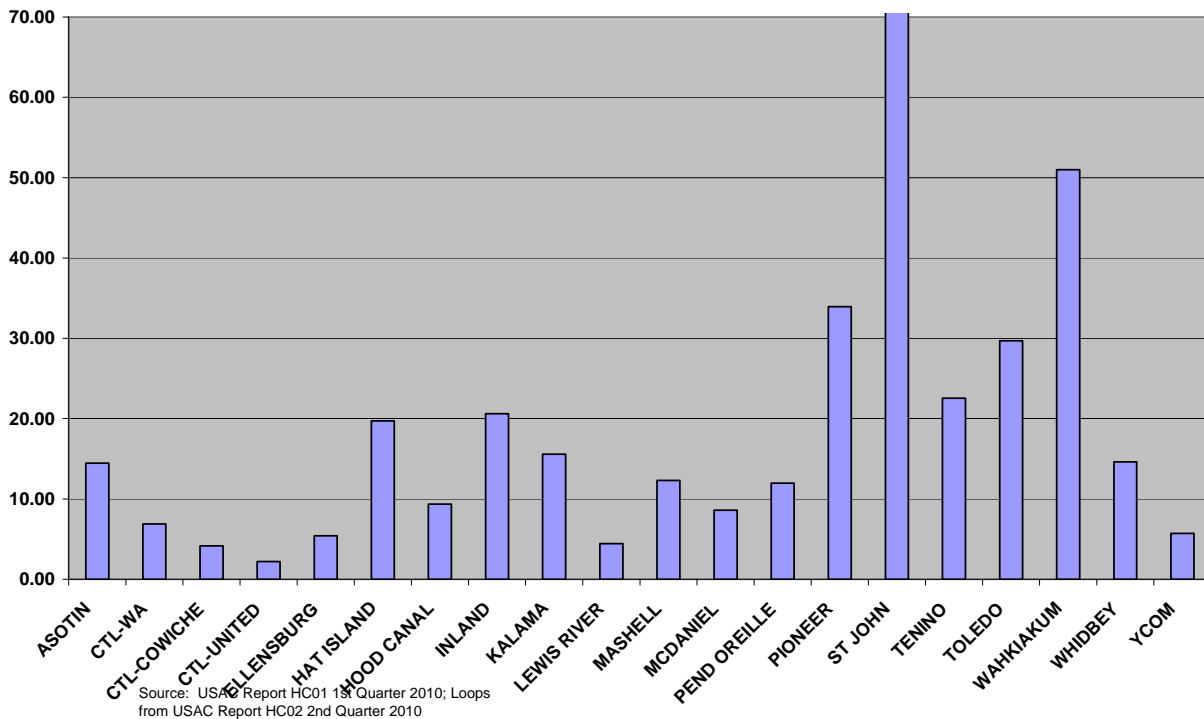
In addition to the foregoing, part of the National Broadband Plan calls for interstate common line support (ICLS) to be frozen and transitioned away. OTA and WITA provided information to show what additional pressure on local rates would be generated by that step.⁷

⁷ Comments of Oregon Telecommunications Association and Washington Independent Telecommunications Association, In the Matter of Connect America Fund, A National Broadband Plan for Our Future, High-Cost Universal Service Support, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337, filed July 12, 2010, at p. 34-36.

OTA Member Companies
Frozen Per Line Per Month ICLS (IAS)



WITA Member Companies
Frozen Per Line Per Month ICLS (IAS)



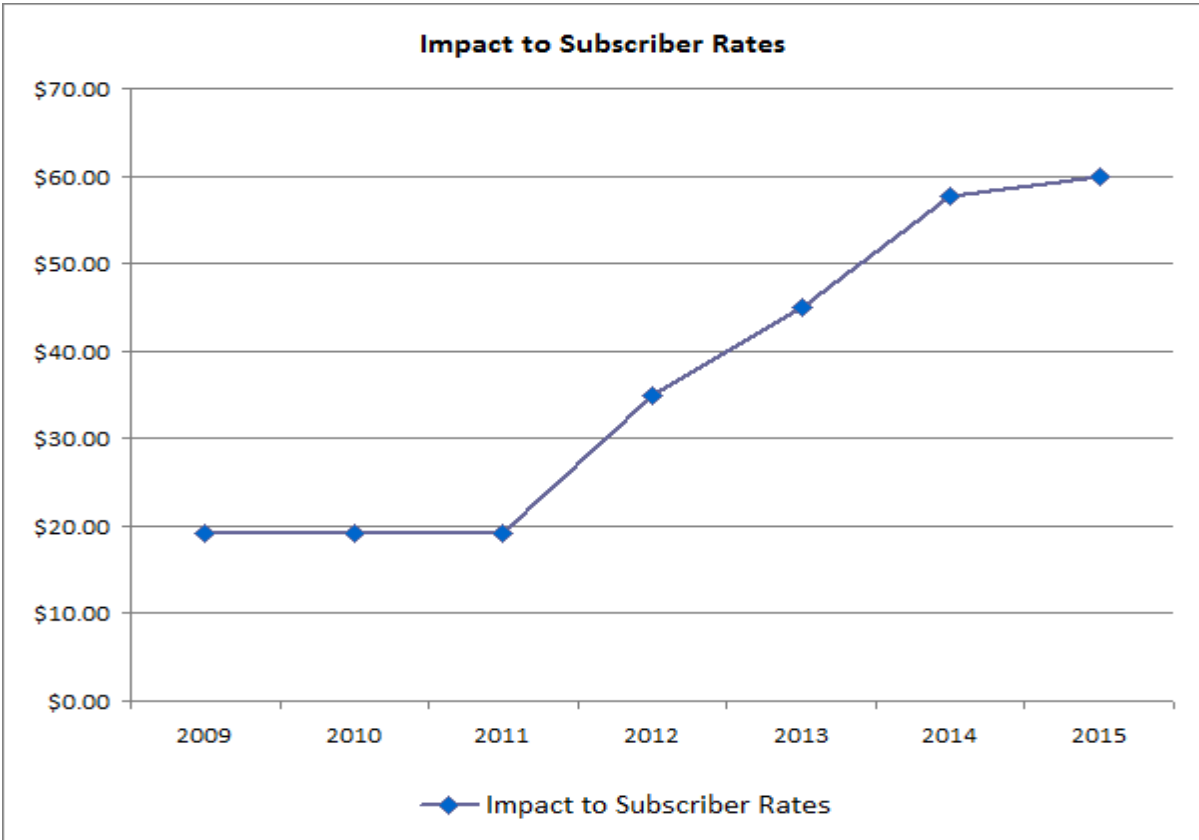
These graphs show additional pressure on local rates from changes to ICLS support that are often in the range of ten to fifty dollars or even much more in some cases. Obviously, the potential local rate increases from the combination of moving ICC to \$0.0007 and removing ICLS support are not feasible. What this means is that under the National Broadband Plan/NPRM concepts, the rural companies would have no way of raising money to meet their financial obligations and would be default on loans.

Under the RLEC Plan, companies do take financial hits, but will be able to meet their financial obligations and survive. For example, an analysis done by Toledo Telephone Company in Washington found that the National Broadband Plan would result in a net loss of annual revenue of \$975,000.00 by year 2015. To offset that loss, the company would need to increase its local rates from \$20.00 per month to \$56.00 per month. As an alternative, it would reduce its staff of twenty-one to a total of eight to try to run the company. A blend of changes might produce a \$40.00 per month rate and eliminating eight or nine jobs. Under any scenario, it appears that Toledo would fail to meet its outstanding RUS obligations. By comparison, under the RLEC Plan, there would be an annual reduction of approximately \$275,000.00 in revenue. There would be some rate increases needed and some layoffs needed, but that should allow the company to survive and meet its loan obligations. A copy of the company's analysis that was provided to the Commission earlier is set out below.⁸

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⁸ Notice of Ex Parte regarding: WC Docket Nos. 10-90, 07-135, 05-337 and 03-109; GN Docket No. 09-51 and CC Docket Nos. 01-92 and 96-45 filed May 19, 2011, by Warinner, Gessinger and Associates, LLC.

Toledo Telephone Company
Impact of Proposed FCC Changes
To Monthly Subscriber Rates



	2009	2010	2011	2012	2013	2014	2015
Impact to Subscriber Rates	\$19.26	\$19.26	\$19.26	\$34.97	\$44.92	\$57.69	\$59.87

Toledo Telephone Company
Impact Of Proposed FCC Changes
To High Cost Support

	LSS		ICLS		HCL/Safety Net		Total High Cost Support		Difference	Per Ln Per Mo.
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed		
2012	\$265,499	\$161,863	\$896,804	\$829,271	\$1,124,869	\$946,083	\$2,287,172	\$1,937,216	\$(349,956)	\$(15.48)
2013	\$246,084	\$66,566	\$1,090,628	\$952,797	\$917,195	\$686,510	\$2,253,907	\$1,705,872	\$(548,035)	\$(25.66)
2014	\$230,149	\$ -	\$1,238,266	\$1,027,943	\$1,154,427	\$798,389	\$2,622,841	\$1,826,332	\$(796,510)	\$(38.43)
2015	\$211,220	\$ -	\$1,325,767	\$1,110,864	\$1,365,648	\$975,555	\$2,902,635	\$2,086,419	\$(816,216)	\$(40.61)

**Cumulative
Impact \$(2,510,716) \$(120.18)**

Thus, while the RLEC Plan changes the support a rural company will receive, the change is manageable. The financial shocks of the NPRM proposals are not.

To be sure change is manageable, in implementing the RLEC Plan, the Commission should be sure that the Connect America Fund formula does not initially create overly large drops in support compared to current USF support. There should be a percentage checkpoint on a displacement in support. For example, a company should not lose more than five percent of current federal USF support in any one year in implementing the CAF formula. Such a provision would be consistent with the transitions that have occurred in the past. Such a provision would also avoid sudden losses in revenue that could negatively impact business plans, negatively affect the ability of a company to repay loans or have the negative consequence of preventing a company from obtaining new debt financing to pursue broadband deployment. This transition mechanism should be in effect for four or five years to allow a smooth change from the existing system to the new system.

THE RLEC PLAN DELIVERS FINANCIAL STABILITY

The RLEC Plan will deliver the stability and framework to meet the Commission's broadband deployment goals. Financial stability is critical to meeting the Commission's goals. This point was emphasized by a recent ex parte filed by the Rural Telephone Finance Cooperative (RTFC).⁹ RTFC pointed out that it has more than one billion dollars in outstanding and committed loans.¹⁰ Loans that RTFC states are at risk of failing.¹¹ RTFC concludes its presentation by stating: "Capital markets and private lenders would react positively to regulatory certainty and cash flow stability by adoption of RLEC associations' proposals for USF and

⁹ Notice of Ex Parte Communication, CC Docket No. 01-92; WC Docket No. 05-68, GN Docket No. 10-90 filed August 10, 2011, of August 9, 2011 ex parte.

¹⁰ RTFC Ex Parte Slide 5.

¹¹ RTFC Ex Parte Slide 9.

ICC."¹² Thus, even a member of the financial community believes the RLEC Plan delivers the financial stability to allow investment in further broadband deployment.

The RLEC Plan further ensures the predictability and sufficiency of universal service support as mandated by law. The RLEC Plan is a carefully constructed framework that delivers financial stability. The RLEC Plan represents a broad consensus based on highly negotiated compromises. Changing the RLEC Plan would crack that carefully constructed framework and undermine the consensus. If this happens, rural customers will be hurt.

THE RLEC PLAN ADDRESSES VOIP TRAFFIC CORRECTLY

The RLEC Plan includes the very important provision that VoIP providers that terminate traffic to the Public Switched Telecommunications Network (PSTN) pay intercarrier compensation (ICC) rates beginning at the interstate rate level.¹³ Most VoIP providers have relied on a perceived ambiguity in the Commission's pronouncements on VoIP traffic to refuse to pay ICC rates - most often paying nothing - for the use of the PSTN to complete communications they originate or transport. That loophole must be closed immediately.

As pointed out in the Joint Associations' April 1, 2011, Comments,¹⁴ it is time to resolve any regulatory uncertainty over VoIP traffic. VoIP traffic must be subject to ICC rates in the same manner as other traffic. If VoIP traffic is not subject to the same ICC rates as other traffic, it will only encourage further uneconomic arbitrage.¹⁵

¹² RTFC Ex Parte Slide 10.

¹³ This aspect of the RLEC Plan is discussed in more detail in the Joint Associations' April 1, 2011, Comments, which are incorporated into the April 18, 2011, Comments.

¹⁴ Joint Associations' April 1, 2011, Comments at p. 4-16.

¹⁵ In light of the Commission's reluctance to arbitrate these intercarrier compensation disputes, see, e.g., In the Matter of All American Telephone Co., e-Pinnacle Communications, Inc., and ChaseCom v. AT&T Corp., EB-10-MD-003, Memorandum Opinion and Order, FCC 11-5 (rel. Jan. 20, 2011), state commissions will play an important enforcement role in this context.

It is absolutely critical that the Commission, immediately and with no ambiguity, adopt the Joint Associations' call signaling rules and require interconnected VoIP providers to comply and to be subject to ICC rates.

IMMEDIATE ACTION IS NEEDED ON CALL TERMINATION ISSUES

The Western Associations have recently brought to the Commission's attention significant issues with call termination.¹⁶ Or, more correctly, lack of call termination. This is also sometimes referred to as least cost routing issues where least cost routing concepts are abused and result in the failure of call termination.

Calls are being substantially delayed or call set up is occurring in such a way that calls do not go through or only one party to the call can hear the conversation. Customers are reporting such things as a ring tone with no answer where the calling party hears ten to twenty rings and the caller then hangs up thinking the called party is not there. Callers report dead air. As noted, there are one-way conversations where, for example, the called party can hear the calling party, but the calling party cannot hear the called party. Incorrect caller ID may be displayed. There are misleading or incorrect message interceptions. This abuse of telecommunications providers' responsibility to complete calls is causing substantial economic and personal harm. Rural businesses are losing customers. Families, sometimes with sick loved ones, are unable to complete calls to one another to check on the health and welfare of their loved ones.

This is not a case where there is something defective about the rural company's network. This is a matter of calls not being properly forwarded or the records for the calls not being

¹⁶ See, e.g., Ex Parte in WC Docket No. 07-135, CC Docket No. 01-92 and WC Docket No. 11-39 of MTA and WITA filed May 6, 2011; Notice of Ex Parte filed by Moss Adams LLP in WC Docket Nos. 10-90, 07-135, 05-337 and 03-109, GN Docket No. 09-51 and CC Docket Nos. 01-92 and 96-45 on behalf of Canby Telecom Association and National Telephone Cooperative Association of June 22, 2011, and Ex Part of WITA and some of its members of July 13, 2011.

properly populated. Often the calls do not even reach the rural company's network. This is effectively "call blocking" by those that engage in such practices.

More detailed information is available at the Washington Utilities and Transportation Commission (WUTC) web site.¹⁷ The WUTC held a workshop on call termination issues on August 8, 2011. This is WUTC Docket UT-110866. The web site is <http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=110866>. The Oregon Public Utility Commission has also gathered a great deal of data and analysis showing the existence of the problem. The Oregon Commission has opened a docket to investigate the call termination (least cost routing) issue under Docket No. UM 1547. Data on the issue is found at www.puc.state.or.us/PUC/telecom/call_termination_issues/call_termination_issues_workshop.shtml.¹⁸

This problem also has very real faces to it. On August 8, 2011, Steve Appelo, the Associate Executive Officer/Corporate Secretary of Wahkiakum West Telephone Company testified before the WUTC regarding public health and safety concerns. The state patrol office located in his company's territory has complained repeatedly of calls not getting through to them. Mr. Appelo reported the same was true for a local juvenile detention center. He also reported how medical workers and pharmacies were not able to get calls through to their patients with medical issues in his service area. (He explained that there are no physicians or pharmacies in his area so these incoming long distance calls are of critical importance to his service area's residents.) He provided examples of small businesses not receiving calls and faxes for ordering goods and services.

¹⁷ Much of that data has been made available to the Commission through WITA's prior ex parte presentations.

¹⁸ In particular, see the presentations of Brant Wolf, Brandon Zupancic and John Hoffmann. Mr. Zupancic's presentation was presented to the Commission in an ex parte of June 22, 2011, by Canby Telecom Association.

Greg Morasch, the General Manager of St. John Telephone Company testified about an elderly woman who was to receive a daily call from her son to verify that everything was alright and she had not fallen and broken a bone. On at least two occasions those calls have not gone through and have resulted in the son calling emergency services. This, in turn, meant fire trucks and aid cars showed up at the woman's home when they were not needed and might have been needed elsewhere. Mr. Morasch also testified about pharmacies and medical clinics not receiving calls.

This is a very important customer service issue. It is also a public health issue. Someone in a rural community should not have to die to get this problem addressed. It is also a public safety issue, where law enforcement is not getting information it needs. It is an economic issue for small businesses located in rural areas. It is even a revenue issue for federal, state and local governments because if toll calls do not get through, the taxes that would be associated with those services are not collected and remitted to the government agencies.

The Western Associations urge the Commission to adopt the traffic signaling rules set forth by the Joint Associations in their Comments of April 1, 2011, and Reply Comments of April 18, 2011. These proposed rules are proposed to address phantom traffic. However, they will also help address call termination issues. These proposed rules specifically require complete population and end-to-end transport without alteration of call signaling records, including the operating company number (OCN) and carrier identification code (CIC). There should be a clear indication of the jurisdiction of the call as set out in the Joint Associations' proposal.

In addition, the Western Associations urge the Commission to adopt a clear directive that call termination practices that result in calls not being completed to rural company territory or

being completed at such a poor level of quality that the communication is not possible are tantamount to call blocking and will face severe penalties where found to exist.¹⁹

CONCLUSION

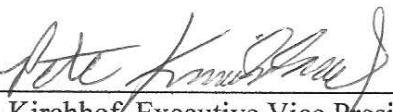
Thank you for the opportunity to comment. The RLEC Plan should be adopted as proposed. The traffic rules proposed by the Joint Associations should be adopted immediately. The Commission should clearly and immediately warn carriers that call termination practices that result in "call blocking" to customers in rural company service areas will not be tolerated.

Respectfully submitted this 24th day of August, 2011.


CALIFORNIA INDEPENDENT
TELEPHONE COMPANIES

By: 
Dan Douglas, Chairman

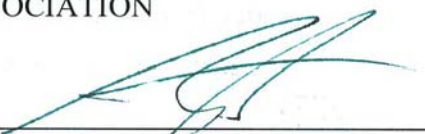
COLORADO TELECOMMUNICATIONS
ASSOCIATION

By: 
Pete Kirchof, Executive Vice President

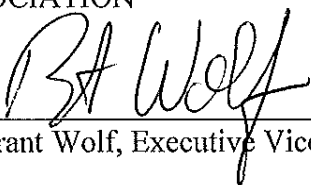
IDAHO TELECOM ALLIANCE

By: 
Molly Steckel, Executive Director

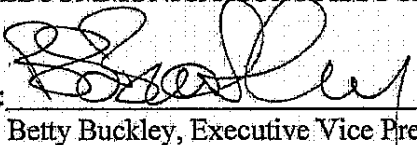
MONTANA TELECOMMUNICATIONS
ASSOCIATION

By: 
Geoffrey A. Feiss, General Manager

OREGON TELECOMMUNICATIONS
ASSOCIATION


By: 
Brant Wolf, Executive Vice President

WASHINGTON INDEPENDENT
TELECOMMUNICATIONS ASSOCIATION

By: 
Betty Buckley, Executive Vice President

¹⁹ As with carrier compliance with ICC standards, state commissions have an important role to play in enforcing call termination and traffic signaling rules.

WYOMING TELECOMMUNICATIONS
ASSOCIATION

By: 

Edie Ortega, President

APPENDIX A

California Independent Telephone Companies

Calaveras Telephone Company
Cal-Ore Telephone Co.
Ducor Telephone Company
Foresthill Telephone Co.
Happy Valley Telephone Company
Hornitos Telephone Company
Kerman Telephone Co.
Pinnacles Telephone Co.
The Ponderosa Telephone Co.
Sierra Telephone Company, Inc.
The Siskiyou Telephone Company
Volcano Telephone Company
Winterhaven Telephone Company

Colorado Telecommunications Association

Agate Mutual Telephone Cooperative
Association
Big Sandy Telecom (FairPoint)
Blanca Telephone Company
*CenturyLink
Columbine Telephone Company (FairPoint)
Delta County Tele-Comm (TDS Telecom)
Dubois Telephone Exchange
Eastern Slope Rural Telephone Association
Farmers Telephone Company
Haxtun Telephone Company
Nucla-Naturita Telephone Company
Nunn Telephone Company
Peetz Cooperative Telephone Company
Phillips County Telephone
Pine Drive Telephone Company
Plains Cooperative Telephone Association
Rico Telephone Company
Roggen Telephone Company
Rye Telephone Company
South Park Telephone Company
Stoneham Cooperative Telephone Company
Strasburg Telephone Company (TDS Telecom)
Sunflower Telephone Company (FairPoint)
Union Telephone company
Wiggins Telephone Association
Willard Telephone Company

Idaho Telecom Alliance

Albion Telephone Company
Cambridge Telephone Company
Custer Telephone Cooperative
Direct Communications
Farmers Mutual Telephone Company
Filer Mutual Telephone Company
Fremont Telecom Company (dba FairPoint
Communications)
Inland Telephone Company
Midvale Telephone Exchange
Oregon-Idaho Utilities
Project Mutual Telephone Company
Rural Telephone Company
Silver Star Communications

Montana Telecommunications Association

3 Rivers Telephone Cooperative
Blackfoot Telephone Cooperative
*CenturyLink of Montana
Hot Springs Telephone Company
Lincoln Telephone Company
Range Telephone Cooperative
Ronon Telephone Company
Southern Montana Telephone Company

Oregon Telecommunications Association
Asotin Telephone Company d/b/a TDS
Telecom
Beaver Creek Cooperative Telephone
Company
Canby Telephone Association d/b/a Canby
Telecom
Cascade Utilities, Inc., d/b/a Reliance Connects
*CenturyTel of Oregon, Inc., d/b/a
CenturyLink
*CenturyTel of Eastern Oregon, Inc., d/b/a
CenturyLink
Clear Creek Telephone & Television
Colton Telephone Company, d/b/a ColtonTel
Eagle Telephone System, Inc.
*Frontier Communications Northwest, Inc.
Gervais Telephone Company
Helix Telephone Company
Home Telephone Company d/b/a TDS
Telecom
Midvale Telephone Exchange
Molalla Communications, Inc. d/b/a Molalla
Communications
Monitor Cooperative Telephone Company
Monroe Telephone Company
Mt. Angel Telephone Company
Nehalem Telecommunications, Inc., d/b/a RTI
Nehalem Telecom
North-State Telephone Co.
Oregon-Idaho Utilities, Inc.
Oregon Telephone Corporation
People's Telephone Co.
Pine Telephone System, Inc.
Pioneer Telephone Cooperative
Roome Telecommunications Inc.
St. Paul Cooperative Telephone Association
Scio Mutual Telephone Association
Stayton Cooperative Telephone Company
Trans-Cascades Telephone Company, d/b/a
Reliance Connects

Washington Independent Telephone
Association
Asotin Telephone Company d/b/a TDS
Telecom
*CenturyTel of Cowiche, Inc., d/b/a
CenturyLink
*CenturyTel of Inter-Island, Inc., d/b/a
CenturyLink
*CenturyTel of Washington, Inc., d/b/a
CenturyLink
Ellensburg Telephone Company d/b/a
FairPoint Communications
*Frontier Communications Northwest, Inc.
Hat Island Telephone Company
Hood Canal Telephone Co., Inc. d/b/a Hood
Canal Communications
Inland Telephone Company
Kalama Telephone Company
Lewis River Telephone Company, Inc. d/b/a
TDS Telecom
Mashell Telecom, Inc. d/b/a Rainier Connect
McDaniel Telephone Co. d/b/a TDS Telecom
Pend Oreille Telephone Company, d/b/a RTI
Pend Oreille Telecom
Pioneer Telephone Company
St. John Co-operative Telephone and
Telegraph Company
Tenino Telephone Company
The Toledo Telephone Co., Inc.
Western Wahkiakum County Telephone
Company d/b/a Wahkiakum West
Whidbey Telephone Company
YCOM Networks, Inc. d/b/a FairPoint
Communications

Wyoming Telecommunications Association

All West Communications

*CenturyLink

Chugwater Telephone Company

Dubois Telephone Exchange

Project Telephone Company

Range Telephone Company

RT Communications

Silver Star Communications

Tri County Telephone

Union Telephone Company

*The CenturyLink and Frontier companies support the Consensus Framework, but may file their own Comments or Joint Comments with others.