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## United States Senate

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September 19, 2011

The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

**1293**

Dear Chairman Genachowski,

I am contacting you regarding a serious problem affecting telephone customers in my state and across rural America. I have heard considerable concern from my constituents about telephone calls that are failing to complete and the economic, quality of life, and public safety concerns that arise as a result of this issue.

Rural telecommunications companies in South Dakota and their affected customers are experiencing a range of recurring problems, primarily with long distance phone calls that are not being delivered to rural consumers. The failure to complete calls is having a negative effect on local businesses and people in my state. I have heard from small business owners across South Dakota who are rightfully frustrated by this problem and demand a solution. Especially during this challenging economic climate, businesses rely on reliable telephone service and cannot afford to lose a business opportunity because of a dropped call. Additionally, incomplete calls raise a significant public safety concern that could yield a devastating outcome, if this problem is not effectively and promptly addressed.

As you know, the call termination problem is widespread and has been reported by 176 local exchange companies in 35 states. The South Dakota Public Utilities Commission has been documenting consumer complaints and explained that these complaints involve "calls failing to complete, poor voice quality, delayed ringing at the receiving end, inaccurate or unintelligible Caller ID, and inaccurate or misleading interception messages." Over 10,000 consumer call completion complaints were reported to Rural Trade Association members between pre-2008 and mid-April 2011. This is a growing problem, with the number of complaints increasing by 2,000% during the April 2010 to March 2011 timeframe. Unfortunately, this problem is not going away. Last month, I heard from a rural telecommunications company in my state that has experienced a surge in customers reporting instances of calls failing to complete. I am concerned this problem will continue to affect rural consumers unless action is taken by your agency.

Despite efforts by rural local exchange companies, state regulatory commissions, and telecommunications trade associations to pinpoint the cause of this problem, there remain many unanswered questions. According to the Board of Directors for the National Association of Regulatory Utility Commissioners, suspected causes of the call termination problem include: "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.” I understand your agency has requested that rural carriers and industry representatives provide the Commission with specific information about terminated calls and keep the Commission apprised of developments for an industry solution. I urge your agency to move forward with a thorough investigation to determine whether these calls are being dropped intentionally or if there are technical issues that prevent call completion.

Please update me on your agency’s efforts to identify the cause of this problem. It is critical that actions are taken to protect consumers and ensure that the widespread and frequent occurrence of undelivered calls to rural areas is addressed. I appreciate your attention to my concerns regarding this issue and look forward to your response.

Sincerely,

A handwritten signature in blue ink that reads "Tim Johnson". The signature is fluid and cursive, with a large initial "T" and "J".

Tim Johnson  
United States Senator

cc: Commissioner Copps  
Commissioner McDowell  
Commissioner Clyburn



FEDERAL COMMUNICATIONS COMMISSION

November 10, 2011

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Tim Johnson  
United States Senate  
136 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Johnson:

Thank you for your letter regarding the growing problem of calls to customers of rural local exchange carriers that are not being delivered to their destination. This is a very serious concern and the Commission has dedicated substantial resources to identify the source of the problem and solve it.

Reports from representatives of rural carriers indicate an increase of 2000% in complaints between April 2010 and March 2011 incoming calls that are delayed, never completed, of poor quality, or lack accurate caller ID information. In response, the Commission created the Rural Call Completion Task Force comprised of staff from its Enforcement, Wireline, and Public Safety and Homeland Security Bureaus to examine the extent of and reasons for the call termination problem, and whether any parties involved in routing calls may be engaged in activity that violates a provision of the Communications Act or a Commission rule or policy.

On October 18, 2011, the Task Force conducted a workshop with key stakeholders to identify specific causes of the problem and discuss potential solutions. A variety of industry and other interested parties attended the workshop and it was very productive. Task Force staff found particular benefit in hearing various industry perspectives on the nature of the problem. The Task Force is weighing the information gathered at the workshop and will consider what an appropriate next step might be. To the extent that any portion of this issue might stem from the intercarrier compensation (ICC) regime, as some workshop participants indicated, the Commission's comprehensive reform of the ICC system adopted at its October meeting will reduce opportunities and incentives for arbitrage and other forms of system manipulation.

Be assured that I understand your concerns and will keep your office informed of any developments. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Julius Genachowski". The signature is stylized with a large, sweeping initial "J" and a long horizontal stroke extending to the right.

Julius Genachowski