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September 20, 2013

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Ex Parte

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Notice of Oral Ex Parte Communications, WC Docket No. 13-39

Dear Ms. Dortch:

On September 18, 2013 Mark Montano, Kitty O'Hara, Tim Vogel and the undersigned of Verizon met with Lisa Gelb, William Dever, Richard Hovey, Steve Rowings and Jean Ann Collins of the Wireline Competition Bureau and Terry Cavanaugh and Margaret Dailey of the Enforcement Bureau to discuss the pending Notice of Proposed Rulemaking (NPRM) in the above referenced docket. In the meeting, Verizon explained that it takes seriously the real concerns expressed by rural carriers regarding the impact of call completion problems on their customers and their businesses.

Verizon explained its analysis of call answered data for calls to rural destinations carried over its own network as set forth in the attached presentation. The Commission should ensure that providers have the flexibility to address the issues raised therein to avoid the reporting of skewed or misleading data.

In addition, Verizon explained that any call detail record retention requirement should only apply to calls to rural destinations. The retention of call detail records for calls to non-rural destinations for up to seven months as proposed in the NPRM would impose a considerable burden on providers with no countervailing benefit. For Verizon, the volume of call detail records to retain would increase by almost nine times if non-rural calls were included, and the ability to retrieve records of individual calls to non-rural locations is not likely to be relevant to investigations into issues in rural areas.

Finally, Verizon explained that any order should provide a sufficient implementation period to allow providers to perform the IT work necessary to retain data and produce reports in the manner set forth in the NPRM.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

Maggie McCready

Attachment

cc: Lisa Gelb
William Dever
Richard Hovey
Steve Rowings
Jean Ann Collins
Margaret Dailey
Terry Cavanaugh

Rural Call Completion

September 18, 2013

- Verizon examined approximately 20 rural destinations experiencing below average call answer rates.
- Verizon manually reviewed over 30,000 call detail records and placed over a thousand test calls.
  - ❑ Test calls were placed on both the Verizon long distance network and other carriers' long distance networks using dial-around services.
- Primary findings relate to:
  - ❑ autodialer activity;
  - ❑ unallocated numbers;
  - ❑ signaling of cause release codes.

Autodialer Activity

- Substantial evidence of mass calling/autodialer activity driving low call answer rates. (See attachment)
- Autodialer activity may lead to low call answer rates for a number of reasons:
  - ❑ calls to numbers that are not in service (disconnected or unallocated).
  - ❑ abandonment of calls by autodialers after a certain number of rings (e.g., in order to avoid voicemail).
  - ❑ repeated attempts to a particular number if the initial call is not answered.
  - ❑ impairment of the completion of other “legitimate” calls to customers of the same RLEC by congesting network circuits.

Exclude Autodialer Traffic

- FCC should permit carriers to exclude autodialer traffic.
- Excluding autodialers presents a number of challenges.
- Autodialers may engage in a number of activities to avoid detection:
  - ❑spoofing originating numbers;
  - ❑using multiple originating numbers;
  - ❑using call forwarding technology;
  - ❑sporadically using facilities.

Unallocated Numbers

- Verizon found a significant percentage of unallocated numbers.
  - Of the 433 terminating numbers to which test calls were made, 207 of them (nearly half – 47%) were not in service or had been disconnected.
- FCC should permit carriers to exclude calls to unallocated numbers.
- FCC should explore creation of a directory of unallocated numbers for use by IXCs for reporting purposes.
- FCC should study whether unallocated number issues disproportionately impact call completion rates in rural areas.

Cause Release Codes

- Cause release codes are often not a reliable indicator of call treatment (particularly call answer rates) and thus may not be particularly useful in identifying call completion issues.
  - Verizon placed 412 test calls that received a recording indicating either that the number had been disconnected or was not in service. Yet 186 (45%) of those calls received a release cause code of 1 and 226 (55%) received a release cause code of 16 from the terminating carrier.
  - When 80% of test calls to numbers in a particular CLLI resulted in a fast busy signal and received a release cause code of 34 (no circuit/channel available), Verizon contacted the RLEC. The particular RLEC confirmed that all the numbers called were in fact disconnected.
  - Verizon contacted another rural carrier when it noticed a change in treatment. For test calls placed in June, almost all received an “all circuits busy” recording or a fast busy signal and a cause release code of 34 (no circuit/channel available). In July, however, the test calls received disconnect messages and a cause release code of 1 (unallocated (unassigned) number). Verizon contacted the rural carrier, but the carrier indicated that they were not aware of any troubles or issues that would have caused this change.
  - Verizon opened a trouble ticket with a particular rural carrier when 76% of test calls to that carrier resulted in a fast busy signal and a cause release code of 34 (no circuit/channel available). The rural carrier indicated that it had a known issue with the equipment used to play its disconnect recording, and that all the numbers to which the test calls were made were in fact disconnected. The rural carrier could not provide any timeframe for repair of its equipment.

Cause Release Codes

- FCC should not use cause release codes to preclude carriers from including calls as properly completed when the carrier has obtained other evidence of proper treatment (for example, for calls terminated over the carrier's own network to the RLEC).
- FCC should further assess the extent to which cause release codes do not accurately indicate call treatment and whether industry coding practices may vary across rural and non-rural areas and across technologies (TDM vs. VoIP).

Other Issues

- Reporting for affiliates: Carriers should be able to rely on reports filed by a long distance affiliate if the affiliate is the carrier's only intermediate provider.

- Definition of intermediate provider: The definition should be revised to exclude tandem providers.

Attachment

EXAMPLES OF POTENTIAL AUTODIALER ACTIVITY IDENTIFIED FROM DATA ANALYSES

1. On a single day in May, a Verizon Business trunk group serving a CLLI in Louisiana received roughly 5,000 calls between 6:14 p.m. and 10:00 p.m. from a single company calling numbers served out of that CLLI.

2. On June 5, Verizon had a low call answer rate for calls to a CLLI in Louisiana. Upon review, 1,078 (30%) of the 3,529 calls attempted to that destination that day were placed from just nine originating numbers, seven of which were telemarketing companies and two of which were collection agencies.

3. On June 5, Verizon had a low call answer rate for calls to a CLLI in Mississippi. Upon review, 901 (44%) of the 2,024 calls attempted to that destination that day were placed from just thirteen originating numbers. When Verizon manually called the numbers, all thirteen originating numbers resulted in either a ring-no-answer; a recording indicating that the number had been disconnected; or a message indicating that person trying to be reached had not yet set up their voicemail.

4. On July 3, Verizon had a low call answer rate for calls to that same destination CLLI in Mississippi. Upon review, 451 (39%) of the 1,150 attempted calls were placed from just ten originating numbers. Six of those ten numbers belong to telemarketing or research entities. Of the other four, two were not in service on the date of our test calls, one was not answered, and one went to an individual voicemail account.

5. On June 5, Verizon had a low call answer rate for calls to a CLLI in North Dakota. Upon review, 231 of the 238 unanswered calls attempted to that destination were from a single originating number to a single terminating number. When the terminating number was called, Verizon received a message indicating the number had been disconnected. When the originating number was called, Verizon was placed into voicemail for the National Weather Service.

6. On June 12, Verizon had a low call answer rate for calls over a particular trunk group to a CLLI in Michigan. Upon review, 5,639 (99%) of 5,663 calls came from a single originating number. When Verizon called that number, a message was played thanking us for calling the office of the local Congressperson.

7. On June 19, Verizon had a low call answer rate for calls to a CLLI in Alaska. Upon review, 204 calls, none of which were answered, had been attempted to just 12 terminating numbers. Of the 204 calls, 169 (83%) were placed from just four originating numbers. When called, two of those originating numbers were associated with collection agencies, one was a telemarketer, and the fourth went to an unidentified voicemail system. Two of the terminating numbers accounted for 129 of the call attempts on that day (over 60 calls attempted to each number). When Verizon made test calls to those two numbers, one resulted in a ring-no-answer and the other went to voicemail after five rings.

8. On July 10, Verizon had a low call answer rate for calls to a CLLI in Ohio. Upon review, 159 (70%) of the 230 calls to that destination were from a single originating number belonging to a telemarketing firm.