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March 12, 2014

Ex Parte Notice

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

Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Developing a 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 Monday, March 10, 2014, the undersigned and Bob Gnapp (via telephone) on behalf of the National Exchange Carrier Association (NECA) together with Jill Canfield of NTCA – the Rural Broadband Association (NTCA), and Eric Keber of WTA – Advocates for Rural Broadband (WTA) (collectively, Rural Representatives) met with Chris Killion, Randy Clarke, Greg Kwan, Bill Devers, Carol Simpson, and Richard Hovey of the Wireline Competition Bureau and Terry Cavanaugh, Margaret Daily, and Sarah Brown, of the Enforcement Bureau to discuss rural call completion issues.

Consistent with our pleadings filed in the above captioned dockets, the Rural Representatives discussed challenges rural local exchange carriers (RLECs) would face attempting to report incoming call answer rates (CARs). RLECs do not, in their normal course of business, have access to the data necessary to calculate a CAR (attempts vs. completed call). Call records received from tandem providers, upon which most rural ILECs rely, are typically only provided for calls that are billable, i.e., answered. Thus, rural ILECs are simply not able to calculate a CAR because they do not have access to data on call attempts, either by originating carrier or in the aggregate.

The Rural Representatives discussed potential alternatives for gathering missing attempt data. However, even where technically possible, the cost of switch reconfigurations and reprogramming as well as ongoing process and reporting charges from billing vendors would make such efforts quite high, particularly for RLECs, most of whom serve only a small fraction of the 100,000 domestic retail subscriber line reporting threshold established in the order.

Further, any RLEC reported CAR data would likely be of limited use as it would be understated because it would not include call attempts that were blocked or otherwise terminated before they reached the rural ILEC's network. In addition, some providers have engaged in manipulation of call data (e.g., altering CPN/CN information) and have routed calls in a manner not compliant with the LERG in order to avoid applicable access charges. Thus, much of the long distance traffic destined for rural ILEC end users goes undetected or is incorrectly categorized as local.

The various petitions for reconsideration of the Commission's call completion rules were also discussed. Consistent with the previously filed opposition, the Rural Representatives urged the Commission to refrain from implementing changes or exemptions to the call completion rules until after at least a full year's worth of data has been collected and analyzed. Addressing the USTelecom/ITTA Petition, it was pointed out that the request for reconsideration or waiver of the requirement to include all intraLATA data in the call completion reports is overly broad. The Rural Representatives suggested that if the Commission does consider the Petition, it should narrowly tailor any revisions or waivers to include only "on-network" intraLATA traffic that is originated by the LEC's retail customers and carried entirely over that originating carrier's network or is passed directly from the originating carrier to the terminating carrier. It was noted that a major billing vendor found nearly 20% of all toll traffic terminated by RLECs was intraLATA. Of that 20%, only 4% (.765% of all traffic) terminated via an RBOC. The remainder (96%) of intraLATA traffic terminated to the RLEC via an IXC. To adequately capture the necessary data, all traffic involving any third party intermediate provider, or originated by other parties, should be included in the data retention and reporting requirements imposed by the rules.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS with your office. If you have any questions, please do not hesitate to contact me at (202) 682-2496 or csandy@neca.org.

Sincerely,

cc: Chris Killion

Randy Clarke

Greg Kwan

Bill Devers

Carol Simpson

Richard Hovey

Terry Cavanaugh

Margaret Daily

Sarah Brown