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March 19, 2014

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# **ELECTRONIC FILING**

Dr. Burl W. Haar Minnesota Public Utilities Commission 350 Metro Square Building 121 Seventh Place East St. Paul, MN 55101

# Re: In the Matter of the Commission Investigation of the Completion of Long-Distance Calls to Rural Areas in Minnesota MPUC Docket No. P-999/CI-12-1329

Dear Dr. Haar:

Enclosed please find the Reply Comments of Sprint Corporation in the abovereferenced docket. Please contact me if you have any questions. Thank you.

Sincerely,

/s/ Thos. Erik Bailey

Thomas Erik Bailey

TEB/rlr cc: Service List In the Matter of the Commission Investigation of the Completion of Long-Distance Calls to Rural Areas in Minnesota

Rachel Rolseth certifies that on the 19<sup>th</sup> day of March, 2014, she filed a true and correct copy of **Reply Comments of Sprint Corporation**, by posting it on <u>www.edockets.state.mn.us</u>. Said document was also served via U.S. Mail and e-mail as designated on the Official Service List on file with the Minnesota Public Utilities Commission.

# /s/ Rachel Rolseth

Rachel Rolseth

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Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_12-1329_DI-12- 1329
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## STATE OF MINNESOTA

#### **BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger David C. Boyd Nancy Lange Dan Lipschultz Betsy Wergin Chair Commissioner Commissioner Commissioner

In the Matter of the Commission Investigation of the Completion of Long-Distance Calls to Rural Areas in Minnesota MPUC Docket No. P-999/CI-12-1329

## REPLY COMMENTS OF SPRINT CORPORATION

On February 14, 2014, Sprint Corporation ("Sprint") filed initial comments in response to the Minnesota Public Utilities Commission's notice in the above-captioned docket soliciting comments on fourteen questions relating to a variety of issues raised by its rural call completion investigation, including the Commission's jurisdiction to conduct the investigation and what requirements could or should be imposed on carriers as a result of the investigation. Sprint's comments focused on the issue of whether state-specific data collection, retention, or reporting requirements should be imposed on carriers. Initial comments were also filed by AT&T Corp., CenturyLink, Integra Telecom of Minnesota and Eschelon Telecom of Minnesota (Integra), tw telecom of minnesota (tw telecom), the Minnesota Telecom Alliance (MTA), the Minnesota Cable Communications Association (MCCA), and the Department of Commerce.

#### **REPLY COMMENTS**

In initial comments, Sprint advised the Commission not to impose Minnesota-specific data reporting requirements. Sprint noted that the new data collection, retention, and reporting obligations recently established by the Federal Communications Commission's Report and Order

and Further Notice of Proposed Rulemaking on the rural call completion issue ("Rural Call Completion Order")<sup>1</sup> impose significant costs on carriers. In light of this, the Commission should decline to impose any additional state-specific requirements until it can examine the information that will be collected pursuant to the FCC's new rules and determine whether any further state-specific reporting is in fact necessary.

All the other commenters except the Department generally agreed with Sprint on this point.<sup>2</sup> The FCC has taken aggressive action to address the issue of incompleted calls in rural America, and its efforts should be given time to work. The Rural Call Completion Order requires carriers with over 100,000 lines who make the initial choice how to route a longdistance call to submit a quarterly, certified report that includes: (1) by month and by state, the number of interstate calls attempted and the number of intrastate calls attempted; (2) for each of these two groups, the number of call attempts that were answered and the number that were not answered; and (3) whether the unanswered attempts were signaled as busy, ring-no-answer, or unassigned number. The FCC's new requirements thus will generate a wealth of data that will be available to the Commission and Department to understand the nature and extent of any rural call completion problem in Minnesota.<sup>3</sup> The Commission and Department should carefully analyze this federally collected data before the Commission considers whether any further data reporting is required. As the MTA, which has been at the forefront in calling for action to address the issue of incompleted calls in rural Minnesota, observed in its comments, "there is no apparent need for additional blanket [state-specific] requirements" at this time because:

<sup>&</sup>lt;sup>1</sup> In the Matter of Rural Call Completion, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 13-39 (rel. November 8, 2013).

<sup>&</sup>lt;sup>2</sup> See AT&T Comments at 6; CenturyLink Comments at 10; Integra Comments at 5-6; tw telecom Comments at 4-5; MCCA Comments at 6-8; MTA Comments at 9.

<sup>&</sup>lt;sup>3</sup> Rural Call Completion Order at ¶ 34.

[t]he newly issued FCC order and the Commission's ability to investigate, as needed (under Minn. Stat. Section 237.74.74, subd. 4)[,] are likely to be sufficient and should be allowed a chance to succeed.<sup>4</sup>

For all of these reasons, Sprint opposes the Department's suggestions that the Commission impose further reporting requirements.

In particular, Sprint opposes the Department's proposal that interexchange carriers must report each call completion complaint to the Commission and Department on a monthly basis.<sup>5</sup> This regulatory oversight is wholly unnecessary. As a service provider in the highly competitive retail long-distance voice market, Sprint has a strong incentive to provide reliable, high quality service to all of its subscribers. If its customers' calls do not complete or are of poor quality, Sprint will feel the impact sharply and painfully: unhappy customers will contact our call centers and their account representatives; subscribers will demand service credits and sometimes cancel service; and the retail and wholesale service rating entities will take immediate notice, with repercussions to the Sprint brand.

For these reasons, when Sprint does route traffic through an intermediate carrier, it makes a concerted effort to ensure that high call quality is maintained. Therefore all of Sprint's arrangements with its intermediate carriers include the following:

- defined performance and call quality metrics (multiple categories);
- provisions to allow for corrective action (including contract termination) if the intermediate carrier does not meet the mandated performance standards;
- specification that the intermediate carrier is paid only for completed calls;
- prohibition on any form of call looping;
- prohibition on the use of "play early" or "false ringback" tones; and
- prohibition on any practice that seeks to improperly classify the jurisdiction of a call, or that alters calling party information or other signaling parameters.<sup>6</sup>

<sup>&</sup>lt;sup>4</sup> MTA Comments at 9.

<sup>&</sup>lt;sup>5</sup> Department Comments at 5.

<sup>&</sup>lt;sup>6</sup> *In the Matter of Rural Call Completion*, WC Docket No. 13-39, Comments of Sprint Nextel Corporation at 9-10 (May 13, 2013).

There is thus no reason to order Sprint to bear the burden of monthly complaint reporting.

Similarly, there is no basis for the Commission to use "known poor call completion performance" by an intermediate carrier as the basis for a finding that the service provider using the poorly performing intermediate carrier is "intentionally" impairing the quality of service offered to a Minnesota consumer in violation of Minn. Stat. § 237.121(a)(2).<sup>7</sup> This proposal from the Department wrongly assumes that an intermediate carrier's poor performance can be attributed to factors within its knowledge <u>and</u> control, and thus the service provider can be presumed to be engaging in intentional bad conduct in violation of state law. Given the record evidence in the FCC's investigation of the issue, there is no basis for such an assumption.<sup>8</sup>

Finally, Sprint does not support the Department's suggestion that the Commission require intermediate carriers—or the carriers that use intermediate carriers—to file point of contact information for the intermediate carrier with the Commission and Department.<sup>9</sup> This would not aid in the resolution of call completion complaints, as it would promote approaching the intermediate carrier directly and individually to address an issue that cannot be resolved without the full participation of the service provider that is using the intermediate carrier.

#### CONCLUSION

The new FCC data collection, retention, and reporting obligations under the Rural Call Completion Order will provide the Commission with significant data regarding the breadth and depth of any rural call completion problem in Minnesota. The Commission should allow time for the FCC's requirements to be implemented and analyzed, so that the Commission can fully assess what, if any, actions beyond those taken by the FCC are necessary. In light of this, the

<sup>&</sup>lt;sup>7</sup> Department Comments at 5-6.

<sup>&</sup>lt;sup>8</sup> Rural Call Completion Order at ¶ 16 and n.49 (noting that certain technical issues associated with call routing "are now understood by the industry as significant contributing factors to rural call completion problems," and that completion rates in rural areas "can be poor[] even where overall performance of the intermediate provider appears acceptable").

<sup>&</sup>lt;sup>9</sup> Department Comments at 6.

Commission should decline to impose any additional state-specific requirements that would increase carriers' costs until it can examine the information that will be collected pursuant to the FCC's new rules, and instead should work cooperatively with the FCC so that relevant data provided by carriers to the FCC is made available to the Commission and other state commissions.

## **BRIGGS AND MORGAN, P.A.**

Dated: March 19, 2014

By: <u>s/Thos. Erik Bailey</u> Thomas Erik Bailey Andrew Carlson 2200 IDS Center 80 South Eighth Street Minneapolis, Minnesota 55402 Telephone No. (612) 977-8400

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