

DUMONT TELEPHONE COMPANY

**FILED WITH
Executive Secretary**

January 23, 2014

IOWA UTILITIES BOARD

DIRECT TESTIMONY

OF

ROGER KREGEL

(PUBLIC VERSION)

**State of Iowa
Department of Commerce – Utilities Board
Docket No. FCU-2012-0019
In Re Rehabilitation Center of Allison, Iowa**

Date: January 22, 2014

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1 **BACKGROUND AND PURPOSE OF TESTIMONY**

2
3 **Q. Identify yourself, your current employer and job title.**

4 A. My name is Roger Kregel. For the past 17 years I have been employed as the General
5 Manager of Dumont Telephone Company. In that capacity, I manage all activities of the
6 company including day-to-day activities, budgeting, planning, policy creation and
7 implementation and report to the Board of Directors. I also represent the company at industry
8 events and serve as a leader in the greater local community.

9
10 **Q. Describe your educational background and experience in the telecommunications**
11 **industry.**

12 A. I received a Junior Accounting Diploma from Hawkeye Community College. I began
13 working in the telecommunications industry in 1990 as a technician in Monona, Iowa. In 1997 I
14 accepted the General Manager position at Dumont Telephone Company and have remained in
15 that position ever since.

16
17 **Q. Describe the history and business of Dumont Telephone Company (hereafter**
18 **referred to as “Dumont”).**

19 A. Dumont Telephone Company was incorporated in February 1902. Dumont is an
20 incumbent local exchange carrier (ILEC) structured as a locally owned stock company providing
21 facilities based telephone, broadband, video and wireless services to the communities and rural
22 areas of Dumont and Allison, Iowa. It also provides wireless voice services to the Iowa
23 communities of Aplington, Parkersburg, New Hartford and video services to Geneva.

1

2 **Q. What is the purpose of Dumont providing testimony in this case?**

3 A. The Iowa Utilities Board Staff’s proposed resolution of this rural call completion
4 complaint indicated that Dumont did not cause the call completion problems at issue in this case.
5 Board Staff also concluded that Dumont did not play a role in the misrouting of calls. However,
6 Dumont’s customer suffered rural call completion issues. Board Staff thought Dumont may have
7 information that would contribute to the Board’s understanding of what happened in this case to
8 cause the calls not to complete and could provide the perspective of a local exchange carrier. The
9 Board’s March 15, 2013 Order Granting Request for Formal Proceeding and Setting Procedural
10 Schedule anticipated testimony from Dumont on a variety of issues. My testimony responds to
11 these various issues.

12

13 **DUMONT’S SERVICES AND INVESTIGATION IN THIS CASE**

14 **Q. What types of services did Dumont provide in this case and to whom did it provide**
15 **those services?**

16 A. Dumont is the terminating local exchange carrier for the complainant in this case, the
17 Rehabilitation Center of Allison (hereafter “Allison facility”). The Allison facility provides
18 skilled care and long-term care nursing services to its residents. Dumont has been the
19 terminating carrier since Dumont acquired the Allison exchange from US West in 1997.
20 Dumont has provided facilities based landline voice service to the Allison facility since April
21 1997. Internet was added in 1997 and Video in 2000. Dumont also is the sales and service
22 provider of the telephone system and wiring at this facility, which enables Dumont to be familiar

1 with the entire route of all terminating calls. As a result of Dumont's customer relationship with
2 the Allison facility, Dumont was easily able to test and eliminate the local network and the
3 customer-owned equipment as being a contributing cause of any rural call completion problem in
4 this case.

5

6 **Q. How did Dumont Telephone Company first learn that its customer, the**
7 **Rehabilitation Center of Allison, Iowa (hereafter "Allison facility"), had experienced call**
8 **completion problems, and what did Dumont do in response to receiving that information?**

9 A. Sometime between June and September 2011, I received telephone calls from Shellene
10 and Kathy at the Allison facility describing recurring problems it was having receiving faxes
11 from Waverly Health Center and Shell Rock Clinic (hospital and medical clinic). Calls between
12 the Allison facility and either Waverly or Shell Rock are long distance calls. After hearing their
13 complaints, consistent with Dumont's normal customer response, Dumont sent some test faxes to
14 the Allison facility. This was done to ensure the faxing equipment at the Allison facility was
15 working properly and to eliminate local connection as a cause. All faxes sent by Dumont to the
16 Allison facility terminated properly and were successfully received. After eliminating local
17 connection as a cause of any completion problems, Dumont proceeded to inform the Allison
18 facility staff about the increasing nationwide problem of call termination in rural areas and the
19 current industry recommendation to report its call completion problem on the Federal
20 Communications Commission website. It is my understanding that the Allison facility filed a
21 complaint with the FCC about their completion issues in or about mid-September, 2011.

22

1 **Q. What is Dumont’s understanding of how long the Allison facility had experienced**
2 **rural call completion problems, and what is the basis of that understanding?**

3 A. According to my summer, 2011 telephone conversations with Shellene and Kathy from
4 the Allison facility, the problem had been occurring for several months. Based on a telephone
5 conversation with Waverly Health Center staff Jerry Tiedt and Tony Campbell, this problem
6 occurs often, and when it does, Waverly Health Center calls its long distance carrier,
7 CenturyLink, to report the trouble and calls shortly thereafter begin to terminate normally.
8 Sometimes the problem is fixed for weeks or months but then the trouble returns. According to
9 the trouble ticket documentation produced by CenturyLink in this case, there were [REDACTED]
10 trouble tickets relating to the inability to complete calls to 319-267-XXXX reported by the
11 Waverly Health Center to CenturyLink. (See Confidential OCA Exhibit CL-13,pp.1-2 and
12 Confidential OCA Exhibit CL-13S,pp.1-5) Of those [REDACTED]
[REDACTED]
[REDACTED]

15
16 **Q. What is Dumont’s understanding of the rural call completion problems experienced**
17 **by the Allison facility?**

18 A. The OCA’s description of the rural call completion problems experienced by the Allison
19 facility as reflected in the prefiled written testimony of Kathy Miller is accurate. (See, Miller
20 Direct Testimony) That description is consistent with Dumont’s understanding of the rural call
21 completion problems suffered by the Allison facility based on Dumont’s prior communications
22 with its customer. From Dumont’s standpoint, the problem was an Iowa long term care facility,

1 the Allison facility, not receiving health care information for its residents or patients via
2 telecommunications from the doctors and staff of the Shell Rock, Iowa medical clinic and the
3 Waverly, Iowa hospital and clinic.

4

5 **Q. Does Dumont know, with certainty, the identity of the long distance carrier for the**
6 **Shell Rock and Waverly facilities at issue in this case?**

7 A. No. Based on a telephone conversation with Waverly Health Center Staff Jerry Tiedt and
8 Tony Campbell, Dumont was informed that the long distance carrier for the Waverly facility was
9 a CenturyLink reseller. Since that time Dumont has learned that may not be correct. Dumont
10 has no independent knowledge of who the long distance provider for these facilities was at the
11 time the calls addressed in the complaint occurred.

12

13 **Q. What actions did Dumont take after first learning of the Allison facility's rural call**
14 **completion complaints?**

15 A. After receiving call completion complaints from the Allison facility in the summer of
16 2011, consistent with Dumont's normal customer response, Dumont sent some test faxes from
17 Dumont to the Allison facility. This was done to confirm the functionality of the customer
18 premise equipment and to eliminate local connection as a cause. All faxes sent by Dumont to the
19 Allison facility terminated properly and were successfully received at the Allison facility. The
20 Allison facility had successfully received not only Dumont's faxes, but other faxes on its
21 equipment during the time period at issue. After eliminating local connection as a cause of any
22 completion problems, Dumont recommended to the Allison facility that it report the problems

1 using the Federal Communications Commission website. It is my understanding that the Allison
2 facility filed a complaint with the FCC about their completion issues in or about mid-September,
3 2011. The FCC eventually responded and directed the Allison facility to contact the appropriate
4 state regulating authority. The Allison facility staff requested assistance from Dumont to file a
5 complaint with the IUB. A complaint was then filed by the Allison facility with the IUB on or
6 about September 24, 2012.

7 Dumont then had several conversations with Allison facility staff regarding the
8 information needed to further investigate. Dumont instructed the Allison facility staff to
9 document each call date, time, origination number, dialed number and what problem was
10 experienced. The Allison facility staff responded by asking, "If our phones don't ring, how are
11 we supposed to know we missed a call or obtain this information?" Dumont instructed Allison
12 facility staff to request this information from the calling or fax-sending parties when they were
13 able to identify who they are.

14

15 **Q. What actions did Dumont Telephone Company take to investigate the rural call**
16 **completion problems involved in this case after the Allison facility filed its complaint with**
17 **the IUB?**

18 A. On October 16, 2012, Dumont initiated test fax calls originating at the Waverly Health
19 Center and Shell Rock Clinic and terminating at the Allison facility. Parties from Dumont,
20 Butler-Bremer Communications (Shell Rock Clinic's local exchange carrier), Iowa Network
21 Services, Waverly Health Center and Shell Rock Clinic participated in the test. Nine (9) fax
22 calls were attempted and all nine (9) completed as normal. This test included the complete

1 routing of the calls from the origination location to the termination location. Based on the results
2 of the testing described in this answer, it appears that CenturyLink corrected the call completion
3 problem sometime between the complaint filing date and the date the October 16 test was
4 performed.

5

6 **Q. During Dumont's investigation, was it limited in accessing certain information**
7 **regarding the call routes for the calls at issue in this case? If so, what limitations existed?**

8 A. As the terminating local exchange carrier, Dumont's access to information regarding call
9 origination and routing to deliver CenturyLink's calls from Waverly is essentially non-existent.
10 According to FCC Regulations, it is the sole obligation and responsibility of an originating
11 carrier to route and deliver calls to the terminating carrier. Terminating carriers such as Dumont
12 do not have access to monitor the origination side of the call route. All origination information
13 such as date, time, call set up, originating number, number dialed, call route, LCR facilities,
14 underlying carriers, duration and call completion remain the responsibility and in the possession
15 of the originating long distance carrier, which is CenturyLink in this case.

16

17 **Q. Based on the information disclosed in this case to date, has Dumont identified the**
18 **cause of the rural call completion problems experienced by the Allison facility?**

19 A. No, Dumont has not been able to identify with certainty the cause of the problems. As
20 explained above, terminating local exchange carriers such as Dumont do not have access to
21 monitor the origination side of the call route.

1 The originating long distance carrier in this case, CenturyLink, has not yet served its
2 responses to the OCA's data request numbers 39-62, which requests have been pending for over
3 3 months. The pending discovery seeks, among other subjects, CenturyLink's performance
4 standards used for underlying carriers, the specific contract between CenturyLink and its
5 underlying carriers used in this case, and call completion rates in Iowa. It is hoped that
6 CenturyLink's eventual full and complete responses to the data requests will shed additional
7 light on the nature and cause of the rural call completion problems in this case.

8

9 **Q. Has Dumont been able to identify the nature of the call completion problems in this**
10 **case, either from its own investigation or as a result of information from other public**
11 **sources?**

12 A. Based on all available information to date, Dumont has not been able to identify, with
13 certainty, the nature of the call completion problems experienced by the Allison facility that are
14 the subject of this case. However, based on investigations by the Federal Communications
15 Commission and numerous industry informational meetings, it is Dumont's opinion that the rural
16 call completion issues experienced by the Allison facility are a direct result of poor origination
17 service which may be caused by several reasons, including but not limited to Voice Over Internet
18 Protocol (VoIP) trunks and/or Least Cost Routing (LCR) facilities. These are areas for
19 exploration by the Iowa Utilities Board in this proceeding.

20

1 **Q. Based on information provided by CenturyLink in this case, is there an economic**
2 **impact upon CenturyLink if it uses LCR facilities to deliver the calls at issue, rather than**
3 **delivering the calls on CenturyLink's own network?**

4 A. Yes. CenturyLink pays a per minute rate for calls it delivers on its own network, but pays
5 a [REDACTED] per minute rate for calls delivered via LCR facilities. (See Confidential OCA Exhibits
6 CL-5, CL-5S and CL-5S2) Thus, CenturyLink has an economic incentive to use LCR facilities
7 for delivery of calls rather than delivering calls on its own network.

8
9 **Q. Does Dumont have concerns regarding the Allison facility experiencing rural call**
10 **completion problems in the future and if so, what is the basis and extent of those concerns?**

11 A. In Dumont's opinion, the issues that the Allison facility experienced were indicative of the
12 use of LCR and/or VoIP facilities by both originating and underlying carriers. It has been well
13 documented by the FCC and National Exchange Carrier Associations (NECA) that issues like
14 false dial tone, dead air and/or post dial delay occur when the LCR equipment becomes
15 congested or the VoIP Trunks do not have sufficient bandwidth and as a result, do not perform
16 properly. A simple reboot or reset of the LCR equipment eliminates the congestion and allows
17 calls to flow and be delivered normally until such time that the LCR is congested again which
18 could take days, weeks or months. If the VoIP Trunks are congested, traffic can be rerouted
19 which will alleviate the congestion. This pattern is reflected in the comments from Waverly
20 Health Center staff when they confirmed an issue existed, reported it to CenturyLink, after which
21 calls flowed normally for a period of time until the issue re-emerged and Allison facility staff
22 had to report trouble again. The use of LCR and/or VoIP Trunks is not confined to CenturyLink.

1 This practice is widely used by many interexchange carriers which equates to any call originated
2 and routed using LCR and/or VoIP Trunks may or may not terminate properly at the Allison
3 facility. A major concern in this situation is medical personnel's inability to timely communicate
4 for the purposes of administering or responding to urgent patient care needs. Fortunately up until
5 now, there has not been a materially adverse outcome resulting from the failure of a rural call to
6 terminate to the Allison facility. Dumont is concerned about the potential and likely recurrence
7 of rural call completion problems and public safety issues resulting from the Allison facility not
8 receiving an urgent call.

9
10 **Q. Does Dumont have any recommendations/suggestions for addressing the rural call**
11 **completion problems at issue in this case?**

12 A. Based on the parties' status reports in this case to date, it appears that current calls are
13 terminating normally to the Allison facility. That positive result indicates that the filing of this
14 rural call completion complaint and resulting investigation helped to identify the problems,
15 brought them to light and provided a relatively prompt resolution for the Allison facility. While
16 the routing changes made by CenturyLink in response to this complaint appear to have resolved
17 the Allison facility's issues, it is important to note that resolution is only for a single customer
18 and there is no assurance that it will not re-emerge for the Allison facility or others. CenturyLink
19 still needs to submit full and complete answers to the remaining data requests sent by the OCA
20 that should help illuminate how widespread and continuing the rural call completion problems
21 are by revealing information such as, but not limited to, CenturyLink's network performance
22 data, call completion rates in Iowa and any geographic concentrations of rural call completion

1 problems. CenturyLink's responses to this discovery may help establish a pattern and timeline
2 on a state-wide basis for how widespread and continuing rural call completion problems are on
3 CenturyLink's network and set a basis for determining a format for resolution of call completion
4 issues on a state-wide basis.

5 This case is one of 6 formal case proceedings currently pending before the IUB
6 addressing rural call completion problems in Iowa. The scope and persistence of rural call
7 completion problems is well documented and does not appear to be temporary. The Board may
8 wish to consider adoption of industry-wide performance standards for underlying carriers,
9 consequences for underperforming carriers and enforcement mechanisms. The FCC's February
10 2012 Declaratory Ruling on Rural Call Completion Issues and November 8, 2013 Report and
11 Order and Notice of Further Proposed Rule Making are good initial steps in addressing rural call
12 completion issues on the national front. It is vital that interexchange carriers fulfill their
13 obligations to deliver originated calls to all rural areas in Iowa and be held publicly accountable
14 for any failures to do so.

15

16 **DUMONT'S COMMENTS ON CENTURYLINK'S DIRECT TESTIMONY**

17 **Q. Does Dumont believe CenturyLink's written direct testimony was helpful in**
18 **answering the various issues identified by the Board in its March 15, 2013 Order Granting**
19 **Request for Formal Proceeding and Setting Procedural Schedule?**

20 A. CenturyLink's only filed direct testimony in this case was by witness Mary Retka. In
21 certain instances that testimony failed to address in any respect, questions raised in the Board's
22 Order. In other instances, CenturyLink's testimony made only general, vague references to

1 issues raised by the Board, lacking the specificity necessary to be helpful in resolving the call
2 completion issues.

3 For example, CenturyLink’s direct testimony failed to address with any specificity, its
4 performance standards for intermediate carriers to complete calls and any consequences imposed
5 upon its intermediate carriers for failure to meet those performance standards. Rather,
6 CenturyLink conclusorily stated that “On an on-going basis the performance of underlying
7 carriers is monitored and to the extent problems are detected, . . . underlying carriers can be
8 removed from certain call routes.” (Retka Testimony, p.12,ll.16-20; p.24,ll.4-7) Such testimony
9 lacks any specificity helpful to determine what performance standards exist and specific
10 consequences for failing to meet the performance standards. Moreover, CenturyLink’s data
11 responses admit that “there is no ongoing testing per se, but is used when trouble reports indicate
12 a need”. (See Confidential OCA Exhibit CL-18S)

13 Additionally, CenturyLink failed to provide its call completion rates in Iowa, as was
14 specifically requested by the Board. Rather, CenturyLink ambiguously testified that “all but a
15 very small percentage terminate successfully”. (Retka Testimony, p.13,l.11) Answering the
16 Board’s specific issue with a vague, non-quantitative response provides no reliable information
17 for comparison purposes of the number of calls completed against those that did not complete.

18 Nor did CenturyLink proffer any direct testimony on the effect of changes to routing
19 tables on call completion rates and whether any particular routes in Iowa are problematic, both of
20 which questions were raised by the Board.

21

1 **Q. CenturyLink testified that “The Allison issues may have been related to equipment**
2 **issues or process issues in the use of their fax equipment.” (Retka Testimony, p.16,ll.1-2) Is**
3 **Dumont aware of any such issues?**

4 A. No. As mentioned earlier, Dumont also provides the sales and service of the telephone
5 system and wiring at the Allison facility. When Dumont conducted testing in this case, it sent
6 and received faxes between the Allison facility and the Dumont central office to confirm that the
7 Allison customer premise equipment was functional. Those tests revealed that it was properly
8 and fully functioning. There has been no issue with the Allison facility equipment.

9
10 **Q. CenturyLink testified that, after receiving the rural call completion complaint from**
11 **the Rehabilitation Center of Allison, it performed test calls that completed successfully.**
12 **(Retka Testimony, p.15,ll.15-16) Did Dumont review documents produced by CenturyLink**
13 **relating to the test calls that it performed and if so, what was notable relating to**
14 **CenturyLink’s test calls?**

15 A. Yes, Dumont reviewed CenturyLink’s documents produced in this case relating to test
16 calls that CenturyLink performed. First, the testing of voice calls performed by CenturyLink
17 [REDACTED] and second, such testing [REDACTED]
18 [REDACTED]. (See Confidential OCA Exhibit CL-19 and Confidential OCA Exhibit
19 CL-19S,pp.1-6) CenturyLink’s testing in this manner was incomplete, since [REDACTED]

20 [REDACTED]
21 [REDACTED].] INS is
22 the Centralized Equal Access provider that connects most Iowa independent service providers

1 (like Dumont) to the interexchange carriers (like CenturyLink). If test calls are performed
2 *without* involving INS, there is no ability to confirm that the test calls reached the INS network
3 and were thereafter able to terminate properly. Rather, such limited test calls reveal only a
4 certain narrow front segment of the total call route, short of the termination point. Performing a
5 “test call” as CenturyLink did, [REDACTED]
6 [REDACTED] is flawed and unhelpful in attempting to identify call completion problems to
7 the called party at the termination point.

8 The same flawed testing process applies to any fax testing used by CenturyLink.
9 However, it does not appear that CenturyLink performed *any* fax test calls in this case, as it did
10 not produce documentation evidencing that any fax test calls were made. The lack of any fax
11 test documentation performed by CenturyLink, despite the Allison facility complaining of
12 problematic faxes, is of concern.

13

14 **Q. CenturyLink testified that “Ms. Miller (from the Rehabilitation Center of Allison)**
15 **indicated to Mr. Johnson (CenturyLink Iowa State Regulatory Affairs Director) that the**
16 **local telecom provider had been upgrading copper facilities in the area to fiber” in late**
17 **September, 2013 (Retka Testimony, p.2, ll.18-19) Is Dumont the local telecom provider in**
18 **this geographic area and if so, was it upgrading copper facilities in the area that could have**
19 **impacted faxes attempting to be sent in that time frame?**

20 A. Dumont is the local telecom provider and was upgrading copper facilities to fiber in the
21 entire Allison exchange in September, 2013. The Rehabilitation Center of Allison has not been
22 switched from copper to fiber as of today. Dumont did experience a brief issue in September,

1 2013 when performing switch translations in preparation for fiber cutovers, in which two cards
2 failed in the DMS10 Nortel Switch. All calls were affected, not just faxes. However, this
3 situation had nothing to do with the previous call termination issues the Allison facility
4 experienced and complained to CenturyLink about.

5

6 **Q. In its filed testimony, CenturyLink stated that “As OCA has reported at prehearing**
7 **conferences in this and each of the other dockets, the complaining consumers are reporting**
8 **that problems are not continuing to occur, or for the most part are not continuing to occur,**
9 **and are being addressed when they do occur. In addition, insofar as OCA is aware, there**
10 **has been only one recent new rural call completion complaint in Iowa”. (Retka Testimony,**
11 **p.23, ll.2-4, citing 10/30/13 OCA Status Report, par.3). What is Dumont’s understanding of**
12 **the current status of rural call completion issues in Iowa?**

13 A. Dumont has an initial concern that the cause of the Allison facility’s rural call completion
14 problems has not been identified by CenturyLink, nor has CenturyLink provided responses to
15 data requests revealing the extent of call completion problems in Iowa. An additional concern is
16 whether a permanent solution has been identified. It is not a question of “if” the rural call
17 completion problem will present itself again, but rather where, when and how will it present
18 itself?

19 Subsequent to both the OCA and CenturyLink filing their written, direct testimony in this
20 case, public documents filed in a separate IUB rural call completion docket reflect the OCA’s
21 renewed concerns regarding additional, ongoing rural call completion problems in the state of
22 Iowa:

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STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IOWA UTILITIES BOARD

IN RE: REHABILITATION CENTER OF ALLISON, IOWA	DOCKET NO. FCU-2012-0019 (C-2012-0129)
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AFFIDAVIT OF ROGER KREGEL

STATE OF IOWA)
) ss:
COUNTY OF BUTLER)

I, Roger Kregel, being first duly sworn on oath, state that I am the same Roger Kregel identified in the testimony being filed with this affidavit, that I have caused the testimony to be prepared and am familiar with its contents, and that the testimony is true and correct to the best of my knowledge and belief as of the date of this affidavit.

/s/ Roger Kregel

Subscribed and sworn to before me by the said Roger Kregel this 22nd day of January, 2014.

/s/ Patricia K. Calease
Notary Public in and for the State of Iowa

My Commission Expires: 3-19-2014