

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER SMITH  
COMMISSIONER HANSEN  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** WELDON STUTZMAN

**DATE:** SEPTEMBER 22, 2006

**SUBJECT:** CASE NO. RUR-T-06-1  
STAFF REPORT FOLLOWING INVESTIGATION OF RURAL  
TELEPHONE COMPANY'S COMPLIANCE WITH COMMISSION  
RULES

On January 26, 2006, the Commission issued Order No. 29964 opening an investigation into issues raised by a complaint filed by a customer of Rural Telephone Company. The complaint was prompted by weather related service outages during November and December 2005, and the Company's response to customers' complaints. The Commission in Order No. 29964 directed the Company to respond to six questions.

On August 25, 2006, the Commission Staff completed its written report and filed it with the Commission. In addition, Staff provided a copy of the report to the telephone company and the complaining customer, and notified the parties that the Staff would ask the Commission to approve the report and its recommendations at a decision meeting on September 25, 2006. Staff also invited the parties to file written responses regarding the report no later than September 20, 2006, so that the Commission could also consider those comments at the decision meeting.

The six questions identified by the Commission for a response, as well as a brief summary of the Staff's finding, are as follows:

1. Pursuant to the Commission's Telephone Customer Relations Rules 501-503, are customers entitled to a refund of their monthly service charges for December 2005?

Answer: The service outages that occurred in December 2005 and January 2006 were not local telephone service outages, but were long-distance and 911 service outages. The Commission's rule only requires a refund of a monthly service charge when local service is out for a specified period of time. The Company nonetheless provided the customers with a service credit for January 2006.

2. Did the Company adequately respond to the reports of service outage by customers?

Answer: The Company maintains it did all that it could to restore service, but was impeded by high levels of snow and weather conditions.

3. What steps, if any, should the Company take to mitigate the possibility of outages caused by winter snowfalls?

Answer: The Company has purchased two backup wind turbines to provide electric power for its microwave repeaters, and also re-adjusted the position of solar panels to maximize the sun's rays on the solar battery chargers. The Company is also looking into the use of heat tape on the solar panels to help alleviate the accumulation of snow and ice.

4. Does the Company experience network congestion, and if so, what remedies are available?

Answer: When long-distance or 911 service is not available, a customer attempting one of those calls will receive an "all circuits busy" message. Rural maintains that it has never had a network congestion problem. Staff recommends that a different message to customers would be more appropriate.

5. Are the Company's directories in compliance with the Commission's Rules?

Answer: Staff determined the Company's directories were not in compliance with the Commission's rules in only one way. The Commission's Telephone Customer Relations Rule 601 requires a directory to contain the Commission's address and a statement that if a dispute cannot be resolved with the telephone company, a complaint may be filed with the Commission. The Company has worked with Staff to correct this omission.

6. How does the Company ensure it properly identifies customers as residential or business in compliance with the terms of its tariff?

Answer: The Company's tariff allows it to classify a customer as a business customer if the line is used at all for a business purpose, with some limited exceptions. The steps taken by the Company to determine whether a residential line should be reclassified as a business line appear to be consistent with the Company's tariff. However, the tariff may not be consistent with the Commission's rules, which allow some leeway in the use of the particular line. Under the Commission's rules, a residential line must be used primarily but not necessarily exclusively for residential purposes.

The Staff Report provides a review and analysis of each of these issues, and also makes specific recommendations to mitigate similar problems or confusion in the future. Those specific recommendations are at pages 14 and 15 of the Staff Report.

Staff recommends that the Commission approve the report as filed by the Staff and adopt the specific recommendations as set forth on pages 14 and 15 of the Staff Report.



---

Weldon B. Stutzman

b1s/M:RUR-T-06-01\_ws