IN THE MATTER OF THE PETITION FOR)A DECLARATORY RULING)DETERMINING COMPETITIVE LOCAL)EXCHANGE CARRIER PROCESSES FOR)REQUESTING 9-1-1 TRAFFIC DELIVERY)FROM RURAL)LOCAL EXCHANGE CARRIERS)

TC18-013

NEXTGEN COMMUNICATION INC.

REPLY TO THE COMMENTS OF SDTA

AND

OBJECTIONS

TO THE

JUNE 28, 2018 COMMISSION ORDER

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A. Introduction

NextGen Communications, Inc. ("NextGen" or "Party") hereby respectfully objects to the South Dakota Public Utilities Commission ("Commission" or "Party") written Order ("Order") entered on June 28, 2018 in this matter,¹ and incorporates its previously filed *Objections*² and *Notice of Entry* (containing corrections to the Order).³ NextGen respects the Commission's desire to resolve this matter; however, to preserve the integrity of the Commission's Order, it must be revised to comply with the Petition, the Commission's transcribed discussions⁴, and the specific legal Motion made by the Commission in response to the Petition for Declaratory Ruling ("Petition").⁵

While the errors may have resulted from a short publication deadline and been inadvertent, the Order contains findings and a declaration that are outside the scope of and differ materially from the Department of Public Safety / 9-1-1 Coordination Board's ("Board") Petition. The Order differs materially from the actual oral Motion and record of clarifying comments made during the public hearing held on June 26, 2018 ("Hearing"). Also, the additional statements in the Order exceed the Commission's legal and/or statutory authority because they were not part of the Petition.

 ¹ Order Denying Motion to Dismiss; Declaratory Ruling Regarding Competitive Local Exchange Carrier Processes for Requesting 9-1-1 Traffic Delivery From Rural Local Exchange Carriers; Notice of Entry (TC18-013) published June 28, 2018. {"Order") <u>https://puc.sd.gov/commission/orders/telecom/2018/TC18-013noticeofentry.pdf</u>
 ² NextGen Communication Inc. Objections to the June 28, 2018 Commission/Order and Certificate of Service (TC18-013) filed June 29, 2018 ("Objections") <u>https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/objectionstoorder.pdf</u>

³ Proposed Order Denying Motion to Dismiss; Declaratory Ruling Regarding Competitive Local Exchange Carrier Processes for Requesting 9-1-1 Traffic Delivery From Rural Local Exchange Carriers; Notice of Entry (TC18-013) filed June 29, 2018 ("Amended Order") <u>https://puc.sd.gov/commission/dockets/telecom/2018/tc18-</u>013/proposedorder.pdf

 ⁴ The differences between the Hearing and the Order may be typographical errors introduced during the drafting process. While these may be inadvertent, they would have the authority of a Commission Order if not corrected.
 ⁵ In the Matter of the Petition for a Declaratory Ruling Determining Competitive Local Exchange Carrier Processes for Requesting 9-1-1 Traffic Delivery from Rural Local Exchange Carriers - Petition for Declaratory Ruling (TC18-013) filed May 11, 2018. ("Petition") https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/petition.pdf

B. The Missing Phrase, "Voluntary Agreements are Not Feasible," and the Additional

Sentence at the End of the Order Could Be Inadvertent Errors and Easily Correctable

NextGen recognizes that the process of writing a Commission Order is difficult,

especially under the deadline to publish quickly after a hearing. The Commission has issued

corrections to Orders⁶ in the past. As noted below, NextGen believes that there may be

inadvertent transcription errors in the Order that require attention.

The Order states;

". . . the Commission voted unanimously to declare that when a competitive local exchange carrier is requesting deliver of 9-1-1 traffic from a rural exchange carrier, it must submit a bona fide request for interconnection as contemplated in both state and federal law and file a copy of the request with the Commission."⁷

The finding is in error because it omitted from the Board's Petition question the additional

prerequisite, "assuming voluntary agreements are not feasible."⁸ This portion of the Board's

question is a direct paraphrase of the relevant statute, SDCL 49-31-79.⁹ Therefore, NextGen

http://sdlegislature.gov/statutes/Codified_laws/DisplayStatute.aspx?Statute=49-31-79&Type=Statute

⁶ IN THE MATTER OF THE APPLICATION BY TRANSCANADA KEYSTONE PIPELINE, LP FOR A PERMIT UNDER THE SOUTH DAKOTA ENERGY CONVERSION AND TRANSMISSION FACILITIES ACT TO CONSTRUCT THE KEYSTONE XL PROJECT, ORDER GRANTING IN PART MOTION TO RECONSIDER AND AMENDING CERTAIN CONDITIONS IN FINAL DECISION AND ORDER, (HP09-001). Issued June 29, 2010. <u>http://puc.sd.gov/commission/orders/hydrocarbonpipeline/2010/hp09-001b.pdf</u>

⁷ Order at p. 1. ⁸ D (iii)

⁸ *Petition* at p. 3.
⁹ Pursuant to 47 U.S.C. § 2

⁹ Pursuant to 47 U.S.C. § 251(f)(1) as of January 1, 1998, the obligations of an incumbent local exchange carrier, which include the duty to negotiate and provide interconnection, unbundled network elements, resale, notice of changes and collocation, do not apply to a rural telephone company unless the company has received a bona fide request for interconnection, services, or network elements and the commission determines that the rural telephone company shall fulfill the request. The commission may only determine that the rural telephone company shall fulfill the request if, after notice and hearing pursuant to chapter 1-26, the commission finds that the request is not unduly economically burdensome the request is technically feasible, and the request is consistent with the universal service principles and provisions set forth in 47 U.S.C. § 254 as of January 1, 1998. The commission shall make such determination within one hundred twenty days after receiving notice of the request. The person or entity making the request shall have the burden of proof as to whether each of the standards for reviewing the request has been met. Nothing in this section prevents a rural telephone company *from voluntarily agreeing to provide any of the services, facilities, or access referenced by this section.* (emphasis added)

submits that because this element of the question is contained in the relevant statute, it must be

part of the Commission's response, and was omitted inadvertently.

In its Order, the Commission included the statement;

"The Commission finds that for a CLEC to successfully provide its telecommunications services throughout the state, it requires from other local exchange companies in South Dakota public switched telephone network connections, or in other words, interconnection."¹⁰

This statement responds to an issue that was expressly disclaimed by the Board (infra), and as such

could have been a transcription error. As an initial request, NextGen urges the Commission to

voluntarily reissue the Order with the corrections noted above as inadvertent errors.

C. The Commission's Written Order is Inconsistent with the Request of the 9-1-1 Board in

its Written Motion and Oral Statements

While NextGen appreciates the importance of this matter, the Board asked for a decision

only on the following question:

"3. The *precise issue* to be answered by the Commission's declaratory ruling Does South Dakota law require bona fide requests as a prerequisite to determining if RLEC exemptions do or do not apply when a CLEC is requesting delivery of 9-1-1 traffic from an RLEC, assuming voluntary agreements are not feasible?"¹¹ (emphasis added)

In its Order, the Commission drifted beyond the Petition by including the statement;

"The Commission finds that for a CLEC to successfully provide its telecommunications services throughout the state, it requires from other local exchange companies in South Dakota public switched telephone network connections, or in other words, interconnection."¹²

¹⁰ *Order* at p. 2.

¹¹ Petition, at p. 3. <u>https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/petition.pdf</u>

¹² Order at p. 2.

The Commission answered a question that was not asked. The Petition did not request the Commission to determine *when* or *whether* the initial bona fide request must be filed, only what happens *after* a request is filed. This oversight creates a due process and notice problem, and appealable question in the record. However, this is easily remedied by removing this sentence from the Order (as provided for in NextGen's Amended Order).

So that there is no confusion or uncertainty as to what the Board was requesting in its Declaratory Ruling, the Board was careful to make very clear the specific confines of its request through multiple consistent written and oral statements;

- "... the Board is requesting a narrow, non-party specific, legal ruling in this Petition, which would allow the Board to make informed decisions moving forward."¹³
- 2) "The Board's Petition presents no legal arguments, only facts and a question.
 Moreover, the Board's question intentionally *does not specify interconnection* . . . "¹⁴ (emphasis added)
- 3) "... this Docket merely asks the Commission to declare what the law sets as the appropriate procedure to begin to determine responsibility for those areas, as applicable. Thus, the Board is *not asking* the Commission to *Order NextGen or SDTA to do anything*, but is rather asking whether South Dakota law requires bona fide requests as a prerequisite to determining if RLEC exemptions do or do not apply

¹³ Petition at p. 3 <u>https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/petition.pdf</u>

¹⁴ In the Matter of the Petition for a Declaratory Ruling Determining Competitive Local Exchange Carrier Processes for Requesting 9-1-1 Traffic Delivery from Rural Local Exchange Carriers Reply Comments on Petition for Declaratory Ruling and Opposition to Motion to Dismiss (TC18-013) filed June 22, 2018 ("Board Reply"). <u>https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/911replycomment.pdf</u>

when a CLEC is requesting delivery of 9-1-1 traffic from an RLEC, assuming voluntary agreements are not feasible."¹⁵ (emphasis added)

- 4) "The Board's only pertinent reply to the other Comments filed in this Docket is to reiterate that the Board has only asked the question recorded in the Petition"¹⁶
- 5) "Recognizing the numerous legal and factual issues that have been identified, the Board asks that the Commission deny NextGen's Motion to Dismiss and issue a Declaratory Ruling *answering only the basic, legal question stated in the Petition*:"¹⁷ (emphasis added)
- 6) "... we decided to respectfully ask for this declaratory ruling and just so I am very clear, the question is, does South Dakota law require bona fide requests as a prerequisite to determining if RLEC exemptions do or do not apply when a CLEC is requesting to delivery of 9-1-1 traffic from an RLEC, *assuming voluntary agreements are not feasible*?"¹⁸ (emphasis added)
- 7) (Chairperson) "Thank you. The Board, you get the last word." "Thank you, Madam Chair, Jenna Howell again. Um, I believe that this has been fully explained what we are looking for, what we are asking. Um, as far as the specific back and forth in the replies and the comments, the Board will just stand on what we have filed and we thank you for considering answering our question today. Thank you."¹⁹

¹⁵ *Board Reply* at p. 7.

¹⁶ Board Reply at p. 8.

¹⁷ Board Reply at p. 9.

¹⁸ On record statement of Ms. Jenna E. Howell, General Counsel and Director Department of Public Safety, appearing for the Board from the transcript of the audio recording of the June 26, 2018 Public Hearing of the South Dakota Public Utilities Commission ("Transcript"). This quote began at approximately 1 hour, 2 minutes into the hearing.

¹⁹ IBID *Transcript* at approximately 1 hour 13 minutes into the hearing.

The Commission's statement as to the application of "interconnection" is beyond the

Board's request and outside the context of the Petition. The Board should receive exactly what it

asked for, no more or no less; an Order answering only the Board's questions as illustrated by the

revised language noted in the Amended Order.

D. The Commission's Written Order is Inconsistent with the Motion Made by

Commissioner Nelson at the Hearing

This is the motion as recited by Commissioner Nelson;

"Madam Chair, in TC 18-013 I move to declare that when, ... I move that the Commission declare that when a competitive local exchange carrier is requesting delivery of 9-1-1 traffic from a rural exchange carrier, it must submit a bona fide request for interconnection as contemplated in both state and federal law and file a copy of the request with the South Dakota Public Utilities Commission."²⁰

Before the Commission's vote, Commissioner Nelson also commented;

"The only caveat that I would make, and I just want to make it clear, um, in Mr. Coit's verbal comments today, he asked us to consider the facts from the prior docket. *And, I just want to make it clear that my decision on this question is not based on any facts from the prior docket, because I believe those facts were in dispute. And so, my decision on this is based solely on the law as I read it.*"²¹ (emphasis added)

Then the Motion, as transcribed above and offered by Commissioner Nelson, was

unanimously approved by the Commission.

²⁰ *Motion by Commissioner Nelson* from the Transcript of the audio recording of the June 26, 2018 Public Hearing of the South Dakota Public Utilities Commission ("Transcript"). This quote began at 1 hour, 14 minutes, and 13 seconds into the hearing.

²¹ Transcript at 1 Hour, 15 minutes, and 18 seconds.

Nothing in either the verbal motion, or in the subsequent Commission discussion, included or even eluded to the content of the statement recited at the end of the Commission's subsequent written Order;

"The Commission finds that for a CLEC to successfully provide its telecommunications services throughout the state, it requires from other local exchange companies in South Dakota public switched telephone network connections, or in other words, interconnection."²²

This statement and conclusion were not issues presented by the Board, briefed by Parties, nor contained in Commissioner Nelson's motion; therefore, this statement has no foundation or justification in the Order and should be removed.

SDTA argues that this statement was an "assumed fact".²³ Notwithstanding that whatever an "assumed fact" is, that it cannot simultaneously be a "disputed fact," the concept proffered by SDTA would logically lead to an unworkable system where no participant could rely on clarity from the Commission or stability in its Orders. The concept of a "fact" would be rendered meaningless as would the concept of basic due process. The Commission is bound to follow the law, and respond to the Board Petition *as filed*. All comments and replies regarding the Board Petition were to clarify a party's legal and factual arguments in support or opposition of that party's position, not to permit or encourage the creation of unsubstantiated "assumed facts."

²² *Order* at p. 2.

 ²³ Response of South Dakota Telecommunications Association to NextGen Communications Objections to June 28, 2017 Commission Order (TC18-013) Filed June 20, 2018, at p. 5. ("SDTA Response")
 <u>https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/sdta.pdf</u>

E. NextGen Does Not Need or Provide Public Switched Services

In its Comments²⁴, SDTA makes several statements regarding NextGen's NG9-1-1

network design that are incorrect;

"It is SDTA's understanding that NextGen has been retained by the State of South Dakota to provide NG911 services that support all or most of the Public Safety Answering Points (PSAPs) in the State. This being the case, obviously something more than dedicated, non-switched transport services, such as special access services are needed by NextGen to meet its contractual obligations. NextGen is surely not positioned to receive all 911 calls into its ESInet through the use of only special access type services (which would require dedicated loop facilities to all local exchange service end users). Both local transport and local switching or routing functions would be required."²⁵

These statements must be corrected as they may cause confusion and generate irrelevant

questions.

There is no need assume anything about NextGen's NG9-1-1 network design; its public

record.²⁶ Also, SDN, an SDTA member, already has a commercial (not a Section 251/252

agreement) contract with NextGen for dedicated 9-1-1 transport services.

South Dakota defines "local exchange service" as two-way communications within a

local area²⁷. The Federal Communications Commission defines "local switched service" as part

of "local exchange service" with the distinguishing characteristic that this service allows "calls

between end users" on the public switched telephone network²⁸. As NextGen has noted

²⁷ (13) "Local exchange service," the access to and transmission of two-way switched telecommunications service within a local exchange area; (South Dakota Codified Laws Section 49-31-1. Definitions.) http://sdlegislature.gov/Statutes/Codified Laws/DisplayStatute.aspx?Type=Statute&Statute=49-31-1

²⁴ Response of South Dakota Telecommunications Association to NextGen Communications Objections to June 28, 2017 Commission Order (TC18-013) Filed June 20, 2018. ("SDTA Response") https://puc.sd.gov/commission/dockets/telecom/2018/tc18-013/sdta.pdf

²⁵ SDTA Response at p. 6.

²⁶ Full details regarding the ESInet are available from the 9-1-1 Coordination Board's website, <u>https://dps.sd.gov/resource-library/RFP-2228-Emergency-Services-IP-Network.doc-425</u>

²⁸ Local exchange telephone service: Local exchange (local telephone) or exchange access service that

repeatedly, the ESInet is not a "two-way" network for originating 9-1-1 calls, and no RLEC subscriber calling "9-1-1" would be directed to another local subscriber (PSAPs are not local subscribers). Despite the fact that SDN (SDTA's exclusive access transport monopoly) has offered NextGen "dedicated facilities" to each SDTA member (on commercial terms outside of the Section 251/252 process), and that the responsibility for the cost of these facilities is the largest unanswered question among the Parties, local switched services are not part of the ESInet network design provided by NextGen.

F. NextGen Does Not Formally "Request 9-1-1 Traffic"

Both the SDTA and the Commission have incorrectly stated (and the Board assumes) that the provision of 9-1-1 services entails that NextGen must formally "request 9-1-1 traffic" from other carriers. This is an incorrect understanding of the connectivity process for several reasons. If formally requesting 9-1-1 traffic is a current or future requirement applicable to NextGen for the provision of 9-1-1 services, why isn't this a requirement for the current legacy 9-1-1 provider, CenturyLink? To accept this dichotomy, both the Commission and the SDTA must ignore these facts;

1) state and federal *mandates* for RLECs to provide 9-1-1 service preceded NextGen's CLEC certification by 20+ years,

2) the RLECs have provided 9-1-1 services for decades and are *currently providing* 9-1-1 services to their subscribers, and

allows end users to originate and/or terminate local telephone calls on the *public switched telephone network*, . . . **Public switched telephone network**: The interconnected set of telecommunications networks that use analog or Time Division Multiplexing (TDM) format to transmit voice calls *between end-user customers* and the telecommunications network (emphasis added). Both terms are defined in the <u>Federal Communication's Glossary</u> <u>of Terms Used in FCC Form 744</u>. <u>https://transition.fcc.gov/form477/477glossary.pdf</u>

3) no approved legacy "9-1-1 request" agreements are on file at the Commission. The RLECs' 9-1-1 service obligations did not begin with NextGen's CLEC certification. SDTA agrees that CLEC certification by itself does not "create" an interconnection mandate.²⁹ Therefore, no regulatory obligation to formally "request 9-1-1 traffic" currently exists or was created by NextGen's CLEC certification.

Also, both the SDTA and the Commission misinterpret the technical design and operation of the NG9-1-1 network; RLEC 9-1-1 traffic is only *delivered to* the network, no traffic flows back to RLECs from the *same network connection*. SDTA's comments at the Hearing, as SDTA well knows, misstate the operation of the ESInet.³⁰ Only two-way traffic at the interconnection point legally qualifies as an "interconnection."³¹ NextGen will gladly provide sworn expert testimony to this fact if needed.

Lastly, it is an undisputed fact that the RLECs can, and some may already, deliver their 9-1-1 traffic directly to a PSAP *without* the use of the legacy 9-1-1 network, or in future, the NG9-1-1 network. Neither the Board nor NextGen has the power to compel connectivity, and an RLEC *could lawfully refuse* a request for Section 251/252 "interconnection."³² Therefore, how

²⁹ "Contrary to what NextGen argues in one section of their reply comments, we are not taking a position that CLEC certification creates some affirmative obligation on the part of NextGen or any other carriers to interconnect with any or every RLEC." State of Rich Coit, Executive Director and General Counsel, SDTA. Transcript at approximately 1 hour, 9 minutes into the Hearing.

 $^{^{30}}$ The ESInet call flow and design are available as described in NextGen's RFP response. The ESInet does not use the "public switched network," both for traffic management and security reasons, to transport calls to PSAPs, and in many cases the PSAP that answers a call is not in the same local calling area as the 9-1-1 caller (that's one of the advantages of the ESInet – call traffic management). SDTA knows that it's member, SDN, provides NextGen's dedicated circuit PSAP connectivity under contract, and that it is not local exchange access.

³¹ NextGen has written extensively on this topic. "Interconnection. Interconnection is the linking of two networks for the mutual exchange of traffic. This term does not include the transport and termination of traffic." 47 C.F. R. § 51.5. <u>https://www.law.cornell.edu/cfr/text/47/51.5</u> See also Indiana Bell Tel. Co., Inc. v. Stephan, 247 F. Supp. 3d 978, 986 (S.D. Ind. 2017); S. New England Tel. Co. v. Comcast Phone of Connecticut, Inc., 718 F.3d 53, 62 (2d Cir. 2013).

³² An RLEC's reason to comply with an interconnection request would be to fulfill its state and federal obligations to provide 9-1-1 services, and if the RLEC already connected to a PSAP, it would satisfy this requirement. Connectivity with NextGen's network, in such a situation, would serve no statutory purpose and may be technically impossible (9-1-1 traffic would not follow two paths simultaneously).

could NextGen authoritatively force a "request" for such 9-1-1 traffic? The legal mandate to provide 9-1-1, decision to deliver, and responsibility for delivering 9-1-1 traffic to the ESInet lies with the RLECs alone. No other interconnection paradigm make sense for the RLECs.

NextGen has previously provided a revised version of the Commission's Order, the Amended Order, with the language suggested herein properly placed in the discussion and Declaration. For clarity, legal efficacy, and the avoidance of appealable error, NextGen urges the Commission to reissue its Order with the addition of the omitted language and other changes as noted in the Amended Order.

WHEREFORE, NextGen requests the Commission to reject the arguments of the SDTA and to adopt the previously submitted Amended Order which contains the modest conforming changes outlined above.

Dated this 20th day of July 2018.

NEXTGEN COMMUNICATIONS, INC.

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of Petition to Intervene was served electronically on the parties listed below on July 20, 2018:

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Dated this 20th day of July 2018.

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