



# NEWS

**Federal Communications Commission**  
**445 12<sup>th</sup> Street, S.W.**  
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**News Media Information 202 / 418-0500**  
**Internet: <http://www.fcc.gov>**

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

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NEWS MEDIA CONTACT:  
Mark Wigfield, 202-418-0253  
E-mail: [mark.wigfield@fcc.gov](mailto:mark.wigfield@fcc.gov)

## **VERIZON AGREES TO \$5 MILLION SETTLEMENT IN RURAL CALL COMPLETION INVESTIGATION**

Washington, D.C. – Verizon has agreed to a \$5 million settlement to resolve a Federal Communications Commission inquiry into the company’s failure to investigate whether rural customers could receive long distance or wireless calls to landline phones. The inquiry, led by the FCC’s Enforcement Bureau, centered on whether, over a period of many months in 2013, Verizon failed to investigate evidence of low call answer rates to 26 different rural areas across the country. Verizon will pay a fine of \$2 million and will implement a compliance plan in which it commits to spend an additional \$3 million over the next three years to improve call completion to rural areas across the country.

“All Americans, no matter where they are located, have a right to make and receive phone calls,” said Travis LeBlanc, Chief of the Enforcement Bureau. “Phone companies are on notice that the FCC will hold them accountable for failures to investigate and ensure that calls go through to the rural heartland of the country.”

In its consent decree with the Enforcement Bureau, Verizon has agreed to:

- Pay a fine of \$2 million to the U.S. Treasury;
- Commit an additional \$3 million over the next three years to address the problem of rural call completion on a company and industry-wide basis;
- Appoint a Rural Call Completion Ombudsman within Verizon to centralize analysis of rural call completion problems;
- Develop a system to automatically identify customer complaints that may be related to rural call completion issues;
- Limit its use of intermediate providers, i.e., telecommunications providers between the Verizon network and the local rural provider, that are often the source of call completion problems;
- Monitor its call answer rates to individual rural areas and conduct an investigation when rates to an area fall below a set threshold in any month;
- Host industry workshops and sponsor an academic study on methods to detect and resolve rural call completion problems;
- Provide quarterly summaries of its investigations to the FCC and meet periodically with Commission staff to identify lessons learned; and
- Prepare a report to be publicly filed with the Commission at the end of the three-year compliance period.

Although the Bureau had significant concerns with Verizon’s failure to investigate, it is encouraged by Verizon’s commitment of significant resources over the next three years toward addressing rural call completion and encourages participation by other industry players and the academic community in the workshops and other broader efforts that are required under the consent decree.

This is the fourth major resolution of a rural call completion investigation and is part of a coordinated effort to address rural call completion problems. The Bureau entered into consent decrees related to rural call completion performance with Matrix Telecom, Inc. and Windstream Corporation in 2014 and with Level 3

Communications, LLC in 2013. Rules requiring long distance providers to record, retain, and report to the Commission call answer and completion data are expected to take effect this year.

For more information about the FCC's efforts with respect to rural call completion:

<http://www.fcc.gov/encyclopedia/problems-long-distance-or-wireless-calling-rural-areas>

The Order and Consent Decree are available at:

[https://apps.fcc.gov/edocs\\_public/attachmatch/DA-15-74A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DA-15-74A1.pdf)

The FCC's prior Orders and Consent Decrees regarding rural call completion are available at:

<http://www.fcc.gov/document/matrix-telecom-pay-875k-resolve-rural-call-investigation>

<http://www.fcc.gov/document/windstream-pays-25m-resolve-rural-call-completion-investigation>

<http://www.fcc.gov/document/fcc-and-level-3-settle-complex-rural-call-completion-investigation>

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