

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Working Case to Address)
Security Practices for Protecting Essential)
Utility Infrastructure)

Case No. AW-2015-0206

**RESPONSE OF THE MISSOURI SMALL TELEPHONE COMPANY GROUP
AND THE MISSOURI INDEPENDENT TELEPHONE COMPANY GROUP**

In response to the Missouri Public Service Commission (“Commission”) Staff’s June 8, 2015 Request for Commission Order and July 17, 2015 Amended Request, the Missouri Small Telephone Company Group and Missouri Independent Telephone Company Group,¹ (collectively “the STCG”) state to the Commission as follows:

INTRODUCTION

The STCG is made up of thirty-five (35) small telephone companies, each serving between approximately 200 and 15,000 access lines in predominantly rural, high-cost areas within the state of Missouri. The STCG companies are “incumbent local exchange telecommunications companies” or “ILECs” as defined by §386.020(22) RSMo. Cum. Supp. 2013. Several STCG members also have affiliates that are competitive local exchange carriers (i.e. “CLECs”).

The STCG companies have a long history of providing high quality telecommunications service in rural Missouri. Many STCG members have been providing service for over 100 years, and the STCG companies continue to pioneer the build-out of broadband service in rural Missouri. The STCG companies are very small in comparison to Missouri’s large ILECs (such as AT&T and CenturyLink), and the STCG companies have fewer regulatory resources.

¹ See Attachment A.

RESPONSE TO STAFF'S AMENDED REQUEST

A. MARCH 23, 2015 WORKSHOP

Staff's Amended Request for Commission Order references the March 23 workshop on potential cybersecurity and physical infrastructure security issues and states that "a consensus was reached that a set of questions should be sent to all utilities, asking about those [security practices] matters." (Staff Amended Request, p. 1) However, no members of the STCG were present at that meeting. This was because initial indications were that Staff's focus in this matter (as in prior dockets) was on Missouri's regulated electric, natural gas, sewer, and water utilities. Thus, there was no "consensus" by the telecommunications industry that Staff's questions should be sent to Missouri telecommunications companies. In fact, Ric Telthorst, the President of the Missouri Telecommunications Industry Association, sent Staff written comments stating the MTIA's belief that telecommunications providers should not be included in this docket, citing the fact that the Federal Communications Commission (FCC) already has established a proceeding on cybersecurity issues.

B. FCC CYBERSECURITY DOCKET

The FCC's Public Safety and Homeland Security Bureau has a pending docket to address cybersecurity issues on a comprehensive, national basis.² The FCC's docket recognizes the sensitivity of the confidential cybersecurity information involved.

On March 19, 2015, the Bureau issued a notice seeking comment on the Cybersecurity Risk Management and Best Practices Report (the Report) submitted by the fourth Communications Security, Reliability and Interoperability Council (CSRIC IV)

² *In the Matter of CSRIC IV Cybersecurity Risk Management and Assurance Recommendations*, PS Docket No. 15-68.

filed in PS Docket No. 15-68. See attached Public Notice. The FCC tasked CSRIC IV with recommending voluntary mechanisms to assure the FCC and the public that telecommunications providers are taking the necessary measures to manage cybersecurity risks. The 415-page Final Report by Working Group 4 is available on the FCC's web site.³

The FCC's comment cycle on the Report was recently completed, with initial comments filed on May 29, 2015 and reply comments filed on June 26, 2015. Because the cybersecurity issues are already pending before the FCC, the STCG believes that including telecommunications providers in any Commission cybersecurity proceeding may result in duplicative, inconsistent, or irreconcilable reporting or other requirements. Missouri's incumbent local exchange carriers include many of the largest, nationwide telecommunications providers in the country (such as AT&T and CenturyLink), as well as some of the country's smallest, locally-based companies. The Working Group 4 Report recognizes that cybersecurity best practices must be company-specific and will necessarily differ based on a company's business needs, size, and threat environment.⁴

Because the FCC is already pursuing an extensive, national effort to develop macro-level best practices for telecommunications cybersecurity that take into account company size, potential for security exposure, and other key factors, the STCG respectfully requests that the Commission decline to mandate responses by telecommunications carriers, and particularly small carriers such as the STCG member companies, to the lengthy list of questions filed by Staff.

³ http://transition.fcc.gov/pshs/advisory/csric4/CSRIC_WG4_Report_Final_March_18_2015.pdf.

C. THE COMMISSION ONLY REGULATES A SMALL SUBSET OF PROVIDERS.

The FCC regulates the broad range of “communications” and voice service providers (including wireless carriers and Broadband providers). On the other hand, the Commission’s regulatory oversight is limited to a small subset of telecommunications providers (LECs) which represent only a small portion of today’s “communications” and voice providers. This creates two issues. First, any information that the Commission receives from regulated LECs will represent only a small subset of today’s communications and voice service providers, thereby limiting its practical value. Second, requiring LECs to provide responses (but not unregulated wireless or Broadband voice providers) to Staff’s lengthy list of 21 questions creates an unfair regulatory burden on LECs. This is particularly so for Missouri’s small telecommunications providers with limited regulatory resources and staff.

D. PRIOR COMMISSION ORDERS PROHIBITED SUCH WRITTEN RESPONSES.

Without commenting on the specifics of Staff’s proposed questions, it appears that mandated responses to these questions would be inconsistent with the Commission’s *Order* in File No. EW-2013-0011, issued March 13, 2013 which stated:

No notifications or reports concerning the matters outlined in Staff’s recommendation shall be made in documentary form, i.e. no physical, digital or electronic reports shall be produced or filed in any docket, workshop, investigation or case, either noncontested or contested; nor shall the information provided to Staff be transmitted electronically to Staff or shared with any other entity. **The information shall only be reported orally to designated Staff members, unless the Commission directs otherwise.**

p. 2 (defining “orally” as “**in-person oral communications**”)(emphasis added).

⁴ See e.g. *Id.*, Final March 18 Report, Section 9.9, *Small and Medium Business Cybersecurity*

E. MISSOURI ILECS ALREADY REPORT ON EMERGENCY PREPAREDNESS.

Missouri's incumbent local exchange carriers already report annually to both the FCC and PSC on their ability to function in emergency situations as required by 47 U.S.C. §54.202(a)(2). See e.g. FCC Form 481 Annual ETC Reports, line 610.

Missouri's regulated telecommunications providers also report to the Commission on any "abnormal service conditions" and must prepare and file with the Commission a detailed "disaster recovery plan". See 4 CSR 240-3.550(5)(D) and (E). Thus, existing rules and procedures are already in place for emergency preparedness.

CONCLUSION

The STCG respectfully requests that the Commission decline Staff's amended request to require incumbent local exchange telecommunications companies (ILECs) to respond to its lengthy list of cybersecurity questions. The STCG further recommends that the Commission also decline Staff's initial request to require competitive local exchange telecommunications companies (CLECs) to respond to the same lengthy list of questions.

Alternatively, if the Commission is interested in receiving feedback from a subset of carriers providing telecommunications service in Missouri, then the Commission should expressly state that any responses to the cybersecurity questions by telecommunications companies are optional and voluntary. Finally, any order inviting or requiring telecommunications companies to answer Staff's questions must carefully set forth the security procedures for delivery and storage of the responses and clearly designate all such responses as Highly Confidential.

Respectfully submitted,

/s/ Brian T. McCartney

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Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was served electronically on this 24th day of July, 2015, to:

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/s/ Brian T. McCartney

ATTACHMENT A

STCG

BPS Telephone Company
Citizens Telephone Company of Higginsville, Mo.
Craw-Kan Telephone Cooperative, Inc.
Ellington Telephone Company
Farber Telephone Company
Fidelity Telephone Company
Goodman Telephone Company
Granby Telephone Company
Grand River Mutual Telephone Corporation d/b/a GRM Networks
Green Hills Telephone Corporation
Holway Telephone Company d/b/a American Broadband
Iamo Telephone Company
Kingdom Telephone Company
K.L.M. Telephone Company d/b/a American Broadband
Lathrop Telephone Company d/b/a LTC Networks
Le-Ru Telephone Company
Mark Twain Rural Telephone Company
McDonald County Telephone Company
Miller Telephone Company
New Florence Telephone Company
New London Telephone Company
Northeast Missouri Rural Telephone Company
Orchard Farm Telephone Company
Oregon Farmers Mutual Telephone Company
Ozark Telephone Company
Peace Valley Telephone Company, Inc.
Rock Port Telephone Company
Seneca Telephone Company
Steelville Telephone Exchange, Inc.
Stoutland Telephone Company

MITG

Alma Communications Company d/b/a Alma Telephone Company
Chariton Valley Telephone Corporation
Choctaw Telephone Company
MoKAN DIAL Inc.
Otelco Mid-Missouri, LLC