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August 21, 2014

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Responsive Comments of the Minnesota Department of Commerce**
Docket No. P407/AM-14-603
Docket No. P405/AM-14-604

Dear Dr. Haar:

Attached are the responsive comments of the Minnesota Department of Commerce (Department) to the August 13, 2014 reply comments filed by Citizens Telecommunications Company of MN, LLC, (Citizens) and Frontier Communications of Minnesota, Inc. (Frontier) in the matter of:

Citizens and Frontier Introducing Frontier Emergency Connect Service.

The Department continues to recommend that Frontier Emergency Connect service be classified as a price regulated service.

Sincerely,

/s/ BONNIE JOHNSON
Public Utilities Telecommunications Analyst

BJ/ja
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

RESPONSIVE COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE

DOCKET NOS. P407/AM-14-603 & P405/AM-14-604

I. BACKGROUND

On July 16, 2014 Citizens and Frontier filed tariff pages to introduce Frontier Emergency Connect Service. In the filing, Citizens stated that “[t]his service is not included in the list of services defined as “price regulated” in Minn. Stat. 237.761, nor does it provide access to the local telephone network, therefore, it is being tariffed under flexibly priced services.”¹

On August 12, 2014, the Department filed comments objecting to the classification of the new service as a flexibly priced service, and asked the Commission to determine the appropriate classification based on the statutes governing the classification and definition of a price regulated service.

On August 13, 2014, Citizens and Frontier filed joint reply comments² (Reply) to the Department’s objections (Reply).

II. INTERPRETATION OF THE STATUTORY DEFINITION AND LIST OF PRICE-REGULATED SERVICES

Frontier argues that Frontier Emergency Connect Service does not meet the three conditions in Minn. Stat. 237.761, subd. 2. Further, because Minn. Stat. 237.761, subd. 2 have three conditions which are conjoined by an “and,” it is necessary for all three conditions to be met in order for the Commission to classify Frontier Emergency Connect Service as a price regulated service.³

¹ See Attachment 1, to the Department’s August 12 comments in the dockets referenced in the above cover letter. (Citizens and Frontier’s cover page to its filing).

² Although the Reply is responding on behalf of both Citizen’s and Frontier, the Reply refers to Frontier only when describing its position. The Department will refer to Frontier only, although this reply responds to both Citizen and Frontier.

³ Reply, pp. 1-2.

With respect to “Specific price-regulated services,” as listed in the Minn. Stat. 237.761, subd. 3, Frontier argues that number (8), “911 emergency services” does not apply to Frontier Emergency Connect Service because “Frontier understands this item to relate to the trunking, routing, database, and other services provided to the entities operating the 911 network.”⁴

The Department disagrees with Frontier. A deeper analysis of Minn. Stat. 237.761, subd. 2, and whether Frontier Emergency Connect Service is a price regulated service by meeting the three statutory conditions is not necessary given that Minn. Stat. 237.761, subd. 3, (8) specifically lists “911 emergency services” as price regulated services. Frontier states that Frontier Emergency Connect service provides only two capabilities to customers: calling 911 and calling Frontier’s call center.⁵ Access to 911 emergency services *is* the primary functionality of the service. While it is true that Frontier could have chosen to not provide this offering, which may suggest that the service could be classified as flexibly priced, the statute seems clear. The statute does not include any restrictions as interpreted by Frontier, that the price regulated service listed in Minn. Stat. 237.761, subd. 3, (8) means only trunking, routing, databases, and other services provided to the entities operating the 911 network. “911 emergency services” to retail customers are critical to customer safety and are appropriately recognized as being price regulated services.⁶

Finally, Frontier states that if you follow the Department’s logic, any bundled service that provides access to 911 would by definition be a price-regulated service. Such bundled services are currently classified as flexibly priced. Whether or not all of Frontier’s services, particularly bundled service that included access to 911 calling, are appropriately classified is not something the Department has attempted to do in the proceeding. The only decision before the Commission is whether Frontier Emergency Connect service is considered “911 emergency services” under the statute.

III. COMMISSION ALTERNATIVES

- A. Find that Emergency Connect Service is a price regulated service.
- B. Find that Emergency Connect Service is a flexibly priced service.
- C. Take other action that the Commission deems appropriate.

⁴ Reply, p. 3.

⁵ Reply, p. 2.

⁶ 911 services are classified as price regulated services in the AFOR plan of Qwest d/b/a CenturyLink.

IV. DEPARTMENT RECOMMENDATION

The Department continues to recommend Alternative A.

- A. Find that Emergency Connect Service is a price regulated service.

/ja

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Responsive Comments**

Docket No. P407/AM-14-603 and P405/AM-14-604

Dated this 21st day of August 2014

/s/Sharon Ferguson

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Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_14-603_AM-14-603
Scott	Bohler	scott.bohler@ftr.com	Frontier Communications Corporation	2378 Wilshire Blvd Mound, MN 55364-1652	Electronic Service	No	OFF_SL_14-603_AM-14-603
Linda	Chavez	linda.chavez@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 55101-2198	Electronic Service	No	OFF_SL_14-603_AM-14-603
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_14-603_AM-14-603
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Jack D.	Phillips	jack.phillips@ftr.com	Frontier Communications Of MN, Inc.	14450 Burnhaven Drive Burnsville, MN 55306	Electronic Service	No	OFF_SL_14-603_AM-14-603

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