

**STATE OF MINNESOTA
BEFORE THE PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
David C. Boyd	Commissioner
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Betsy Wergin	Commissioner

In the Matter of a Rulemaking to Consider
Possible Amendments to Minnesota Rules
parts 7810.4100 through 7810.6100

Docket No.: P-999/R-14-413

Comments of The Telecommunications Consumer and Small Business Coalition

Introduction

The Minnesota Public Utilities Commission (the Commission) has requested comments in the above-captioned proceeding on “whether the rules should be modified and, if so, how they should be changed.” The Telecommunications Consumer and Small Business Coalition (the Coalition) respectfully submits the following comments. The Telecommunications Consumer and Small Business Coalition includes: AARP; the Institute for Local Self-Reliance; the Legal Services Advocacy Project, the Minnesota Communication Action Partnership; and the Twin Cities Metro Independent Business Alliance.¹ The Coalition strongly urges the Commission not to amend the existing service quality rules contained in Minnesota Rules, parts 7810.4100 through 7810.6100. The Coalition also requests that the Commission establish a process and filing deadline for Reply Comments in this proceeding.

¹ See Appendix A for a description of each member of the Coalition.

Comments

I. An Estimated 2,000,000 Minnesotans Still Rely on Landline Service.

CenturyLink continues to provide service to 1,000,000 land lines. If the average household is conservatively estimated at two persons, likely 2,000,000 Minnesotans would be adversely affected by any reduction in service quality standards.

Many Minnesotans reside in rural areas of the state where customers rely exclusively on CenturyLink for their basic telecommunication service. Even where competition may exist, the service provided by competitors is spotty and unreliable, and thus many Minnesotans still require – and in some cases depend on -- landline service. For instance, in rural areas, many homes may show up as having wireless options on maps even though the signal is not strong enough to work within the house. Presently, there is no reliable way to discern who truly has a choice in telephony and who does not.

Telephone communication is a basic necessity for older people, enabling them to maintain social contact, preserve health and safety, and call for assistance in an emergency. People age 65 and older are more likely than any other age group to have landline telephone service in their home and have a justifiable expectation that their phone service will be repaired in a reasonable timeframe should they experience a loss of service.

Further, landline service is critical for certain Minnesotans with disabilities who require specialized assistance to utilize telephone service. For them, even if they have ostensible choices of carrier, in fact equipment requirements limits there choices to one: the incumbent, landline carrier.

Restoring service in a timely matter is not only critical, but for these consumers, could literally mean the difference between life and death. Service quality standards that provide baseline benchmarks of acceptable service are vital and should not be amended in any way that results in a diminution of service.

In its petition regarding the Variance, CenturyLink boasted that only 0.27% of customers experience outages monthly. However, the company failed to note that the percentage translates into 2,700 customer lines monthly – or more than 32,000 annually – who experiences outages. Translating that into human beings, the company in effects asked the Commission to permit a reduction in service quality standards for more than 5,400 Minnesotans each month or nearly 65,000 each year. That is unacceptable. It is equally unacceptable to ask the millions of customers receiving landline service to pay the same amount in rates for lesser service quality. No change in the service quality rules is warranted.

II. CenturyLink’s Interest in Providing Advanced Services to Higher Revenue Producing Customers Should Not Result in Decreased Service Quality for Captive Customers

Testifying before the Commission in oral argument on its Variance Petition, CenturyLink asserted that the service quality rule requiring restoration of service within 24 hours “imposes tremendous cost on Minnesota consumers.” But CenturyLink defines “cost” by the lost opportunity to utilize its technicians, not to restore service to still captive customers, but rather for deployment of advanced services to broadband and other customers. The most vulnerable Minnesotans who continue to depend on landline service and who, through their rates, have allowed CenturyLink to recover its costs of building its infrastructure should not be disadvantaged simply because the company seeks to use its incumbency to the advantage of customers who want advanced services. The service quality rules should remain intact.

III. CenturyLink’s Assurance that Restorations Will Continue to be Prioritized is Incompatible with Redeployment of Personnel to Extend Advanced Services.

In oral and written testimony, CenturyLink assured the Commission that it would continue to prioritize restorations. However, such assertion is incompatible, and in fact antithetical, to its concession that it needs flexibility to “deploy its resources” elsewhere for deployment of advanced services to broadband customers. The company cannot have it both ways. Unless the company plans to increase its costs (which it claims it wants to reduce) to hire more personnel, then the company cannot possibly place the same priority on restorations as it does today. Moreover, if the company in essence is suggesting that it can meet the existing standard while eliminating the 24-hour rule, then there is no reason to amend the rule. CenturyLink’s revelation that it plans to create winners and losers among its customers raises serious and troubling questions about its commitment to vulnerable, captive customers and argues for rejection of any amendments to the service quality rules.

IV. Diminishing Service Quality Standards to Accommodate CenturyLink’s Argument that Competitors Are Held to Lesser Standards Constitutes a “Race to the Bottom” that is Not in the Public Interest

CenturyLink complains that its competitors are not required to comply with the existing service quality standards and relaxation is necessary for it to compete. In effect, what CenturyLink argues is that its alleged competitors provide lesser service quality and the company wants to be able to sink to lower standards. Such an outcome would conflict with one of Minnesota’s statutory telecommunications goals of “maintaining or improving quality of service.” Minn. Stat. § 237.011 (2014). Not only would diminution of service quality be antithetical to legislative intent, it would be against public policy and clearly not in the public interest. The service quality rules should not be amended.

Conclusion

At the crux of the request to amend Minnesota's service quality standards is the search for the legal authority to provide diminished service to hundreds of thousands of Minnesotans – and in many cases CenturyLink's most captive customers. Any request to provide diminished service quality to captive Minnesota landline customers – many of whom are elderly or have disabilities and are exclusively dependent on quality landline service for life, health, and social participation, is not in the public interest and should be rejected.

Dated: December 3, 2014

Respectfully submitted on behalf of the Telecommunications Consumer and Small Business Coalition

A handwritten signature in cursive script that reads "Ron Elwood".

Ron Elwood
Supervising Attorney
Legal Services Advocacy Project

Appendix A

Description of Organizational Members of the Telecommunications Consumer and Small Business Coalition

AARP is a nonprofit, nonpartisan organization, with a membership of more than 650,000 Minnesotans, advocating on issues affecting older Americans, including utilities and telecommunications.

The Institute for Local Self-Reliance is a nonprofit organization providing innovative strategies, working models and timely information to support environmentally sound and equitable community development.

The Legal Services Advocacy Project is a statewide division of Mid-Minnesota Legal Aid, a nonprofit organization representing the interests of low-income Minnesotans through legislative and administrative advocacy, research, and community education activities.

The Minnesota Community Action Partnership the nonprofit, membership organization representing the Community Action Agencies (CAAs) across the state that provide a range of services to families in need to help them move toward economic independence, growth, well-being and opportunity.

The Twin Cities Metro Independent Business Alliance is a membership organization consisting of 300 entrepreneurs, business organizations and individual citizens throughout the seven-county metropolitan area, advancing pro-local business policies, and other work to support local entrepreneurs and strengthen local economies.