

March 6, 2020

Mr. Will Seuffert
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of the Petition of XO Communications Services, LLC for Approval of Partial
Discontinuance of Services and Variance
MPUC Docket No.:

Dear Mr. Seuffert:

Enclosed via efile, on behalf of XO Communications Services, LLC, please find the Original
Filing, Filing Summary, Joint Petition, along with Exhibit 1 and Affidavit of Service with respect
to the above-referenced matter.

Sincerely,



Shannon M. Heim
Attorney at Law
P: (612) 877-5320 F: (612) 877-5022
Shannon.Heim@lawmoss.com

SMH/keb

Attachment
cc: Parties of Record

6003353v1

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

In the Matter of the Petition of XO
Communications Services, LLC for Approval
of Partial Discontinuance of Services and
Variance

MPUC Docket No.: _____

ORIGINAL FILING

The following Petition is submitted to the Minnesota Public Utilities Commission (the “Commission”) pursuant to Minn. Stat. §237.74, subd. 9, and the Rules of the Commission, by XO Communications Services, LLC (“XO” or “Petitioner”).

On January 7, 2020, XO filed revisions to tariffs, M.P.U.C. No. 1 and M.P.U.C. No. 2, seeking to discontinue tariffed retail voice services to a subset of its business customers in Minnesota. XO intends to retain service to existing federal, state and local government agency customers and educational institutions on a grandfathered basis. XO will also continue to offer wholesale services and provide non-regulated services in Minnesota. XO believed filing tariff revisions to downsize the categories of customers eligible for service was adequate under Minn. Rule 7811.2210, subp. 3.B. The Department of Commerce (“Department”) expressed a concern that the Commission should review and approve the action under Minn. Rule 7812.0600, subp. 1, so out of an abundance of caution and respect for the Department, XO files this Petition seeking approval if required. XO seeks to retain its certificate to provide the limited service so it requests a variance.

The filing includes the following:

- A. One paragraph summary of the filing in accordance with Minn. Rules pt. 7829.1300;

- B. Petition for Approval of Partial Discontinuance of Service and Variance, which contains a description of the filing, the impact on Petitioners and affected ratepayers, and the reasons for the filings, provided in accordance with Minn. Rules pt. 7829.1300, subp. 4(F);
- C. Verifications by Karl R. Tucker, Director Regulatory Compliance – State Government and Regulatory Affairs, XO Communications Services LLC; and
- D. Affidavit of Service.

Contact information for the Petitioners is as follows:

Petitioner XO:	XO Communications Services, LLC Carey Gagnon, Associate General Counsel 3131 South Vaughn Way, Suite 550 Aurora, CO 80014
Attorneys for XO:	Shannon M. Heim MOSS & BARNETT 150 South Fifth Street, Suite 1200 Minneapolis, MN 55402 (612) 877-5320
Date of Filing	March 6, 2020
Proposed Effective Date	Seeking approval on or before May 8, 2020
Controlling Statutes	Minn. Stat. §237.74, subd. 9

If additional information is required, please contact the counsel as set forth above.

Dated: March 6, 2020

Respectfully submitted,

XO COMMUNICATIONS SERVICES, LLC

By its counsel:

/s/ Shannon M. Heim

Shannon M. Heim
MOSS & BARNETT
150 South Fifth Street, Suite 1200
Minneapolis, MN 55402
(612) 877-5320
shannon.heim@lawmoss.com

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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MPUC Docket No.: _____

SUMMARY OF FILING

XO Communications Services, LLC (“XO” or “Petitioner”) has submitted Petition to the Minnesota Public Utilities Commission (the “Commission”) pursuant to Minn. Stat. §237.74, subd. 9, and the Rules of the Commission requesting any necessary consents and approvals from the Commission for the partial discontinuance of basic local business service. To the extent the Commission finds a variance is required for XO to continue to serve its federal, state and local government agency customers and educational institutions, XO requests it be granted pursuant to Minn. Rule 7829.3200, subd. 1.

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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MPUC Docket No.: _____

JOINT PETITION

The following Petition is submitted to the Minnesota Public Utilities Commission (the “Commission”) pursuant to Minn. Stat. §237.74, subd. 9, and the Rules of the Commission, by XO Communications Services, LLC (“XO” or “Petitioner”).

On January 7, 2020, XO filed revisions to M.P.U.C. No. 1 and M.P.U.C. No. 2 seeking to discontinue tariffed retail voice services to a subset of its business customers in Minnesota. XO intends to retain service to existing federal, state and local government agency customers and educational institution customers on a grandfathered basis. XO will also continue to offer wholesale services and provide non-regulated services in Minnesota. XO believed filing tariff revisions to downsize the categories of customers eligible for service without withdrawing completely from its service area was adequate under Minn. Rule 7811.2210, subp. 3.B. The Department of Commerce (“Department”) expressed a concern that the Commission should review and approve the action under Minn. Rule 7812.0600, subp. 6, so out of an abundance of caution and respect for the Department, XO files this Petition seeking approval if required. XO

seeks to retain its certificate to provide the limited service so to the extent necessary, XO also requests a variance.

Immediately following Commission approval, XO will cease offering service to approximately 43 business customers and continue to offer services at the same rates, terms and conditions to any existing federal, state and local government agency customers and education institution customers on a grandfathered basis.

The Petitioner requests that the Commission grant all consents and approvals on or before May 8, 2020.

I. THE PETITIONER: XO Communications.

XO is a Delaware limited liability company formed on August 30, 2011. Pursuant to Orders issued by the Commission in Docket No. P5880,5736/PA-04-1594, XO is authorized to offer and provide 1) facilities based and resold local service in all Minnesota exchanges served by CenturyLink (former Qwest Corporation and Embarq Minnesota, Inc., exchanges) Frontier Communications of Minnesota, Inc. and Citizens Telecommunications Co. of Minnesota, Inc.; 2) interexchange service; and local niche service in Minnesota. In 2016, the Commission approved transfer of indirect control of XO to Verizon Communications, Inc. in Docket No. P-6422/OA-16-237. XO does not have any subsidiaries.

II. REQUEST TO PARTIALLY DISCONTINUE SERVICE AND VARIANCE FROM REGULATORY SERVICE REQUIREMENTS AS NECESSARY.

XO currently offers regulated and unregulated services in Minnesota pursuant to its certificate of authority. XO's market share has steadily dwindled and it can no longer responsibly maintain tariffed retail services to the majority of its business customers. On January 7, 2020, XO filed a tariff revision to downsize its retail service offerings in Minnesota. After review of the tariff filing and extended discussion, the Department indicated that it believed that XO is

required to obtain Commission approval to cease providing business voice services to any customers in Minnesota. The Department additionally opined that XO requires a variance from the Commission since it would be providing basic business local service to a limited subset of customers. XO filed its tariff revision believing that it Minn. Stat. § 237.74 and Minn. R. 7811.2210, subp. 11 allows telecommunications carriers to discontinue service without Commission consent since there are multiple alternate providers offering comparable retail services, including MCImetro Access Transmission Services Corp. d/b/a Verizon Access Transmission Services, Qwest Corporation d/b/a CenturyLink, Embarq Minnesota, Inc. d/b/a CenturyLink, Frontier Communications of Minnesota, Inc., and Citizens Telecommunications Company of Minnesota, LLC. XO believes Minnesota law supports its position, but out of respect for the Department's analysis, seeks Commission consent to the extent necessary to facilitate the planned change in service in as expedient a manner as possible. XO provided multiple notices¹ to its customers, but recently issued a further notice at the Department's request providing a list of alternate Local Service Providers as required by Minn. R. 7812.0600, subp. 1 (attached as Exhibit 1).

As of the date of this filing, XO only has 43 basic local business customers receiving tariffed services that will be subject to the proposed change. Given the repeated written notices, bill messages and personal outreach by XO customer service, it is unlikely many more of the remaining customers will transition before XO discontinues service. XO proposes to grandfather service to its federal, state, and local government agency customers and educational institution customers. XO will continue to serve one remaining customer once the tariff revision is accepted. XO will continue to offer its wholesale services and to provide non-regulated services

¹ Letters were delivered by US Mail in June, October and December of 2019. Bill messages were included in the August, October, November and December bills in 2019.

in Minnesota. XO believes that its certificate permits it to serve the limited subset of business customers identified in its tariff. However, to the extent the Commission concurs with the Department's conclusion that a variance is required pursuant to Minn. R. 7829.3200, XO respectfully requests that one be granted. As discussed herein, strict enforcement of the 7812.0600 would require discontinuance of service to institutional customers that would impose an excessive burden. Granting the variance would not adversely affect the public interest because it would maintain the status quo for the affected institutional customers.

III. THE PROPOSED TRANSACTION IS IN THE PUBLIC INTEREST.

XO provides retail services to business customers exclusively in Minnesota. The business segment of the market benefits from healthy competition. No XO customer subject to the partial discontinuation will suffer from a lack of options to procure similar business voice services. Customers may procure service from MCImetro Access Transmission Services Corp. d/b/a Verizon Access Transmission Services, Qwest Corporation d/b/a CenturyLink, Embarq Minnesota, Inc. d/b/a CenturyLink, Frontier Communications of Minnesota, Inc., and Citizens Telecommunications Company of Minnesota, LLC. Several additional competitive carriers serve XO's market and are available to provide service.² XO notes that transition to a new carrier is a more significant undertaking for institutional customers. XO respectfully believes it serves the public interest for the Commission to allow XO to continue to provide business voice service to these customers.

XO remains unconvinced that a variance is required for a competitive carrier in this circumstance, but respectfully submits that if necessary, granting a narrow variance to XO

² Competitive carriers include: Access Media Holdings, LLC d/b/a Access Media 3, Bullseye Telecom, Inc., CenturyLink Communications, LLC, Charter Fiberlink CC VIII, LLC, Comcast Phone of Minnesota, Inc., Electric Lightwave, LLC d/b/a Allstream, McLeodUSA Telecommunications Services, L.L.C. d/b/a PAETEC Business Services, Tekstar Communications, Inc. d/b/a Arvig, Velocity The Greatest Phone Company Ever, Inc. dba V-One, Inc., and Windstream NTI, LLC.

preserves service for important anchor institutions. Minnesota Rule 7829.3200, subp.1 controls the grant of a variance.

Subpart 1. When granted. The commission shall grant a variance to its rules when it determines that the following requirements are met:

- A. enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
- B. granting the variance would not adversely affect the public interest; and
- C. granting the variance would not conflict with standards imposed by law.

The facts presented to the Commission support a variance allowing XO to retain its certificate and serve a subset of business customers. Adopting an all or nothing approach would deprive XO's institutional customers the benefit of continuing service. Conversely, there are very few business customers remaining to transition to alternative carriers that may be negatively impacted by XO's partial discontinuation of service. Likewise, there is no adverse effect on the public interest by granting a variance to XO. There are multiple competitors in the market who stand ready and willing to provide substantially similar retail service to existing customers. Overall, the variance being sought is minimal and affects no customer or carrier. It sets no adverse precedent given the competition available to customers.

IV. REQUESTED APPROVAL OF TRANSFER AND PROCEDURE.

A. Timing.

To minimize the period of uncertainty and to facilitate the requested transition, the Petitioner seeks approval by the Commission by May 8, 2020 or earlier through the Commission's consent calendar subcommittee pursuant to Minn. Stat. § 216A.03 subd. 8a.

B. Process.

Petitioner requests that the Commission follow its usual comment and reply process for review of Petitions. To facilitate the review process, copies of this Petition with its Exhibit have been simultaneously served on the Department of Commerce and the Office of Attorney General. Notice to other parties and to customers will be provided as required by law or regulation.

V. CONCLUSION.

Based on the foregoing, the Petitioner respectfully requests that the Commission grant any and all authorizations and consents for the partial discontinuance of business voice service to all customers except XO's existing federal, state and local government agency customers and educational institution customers on a grandfathered basis. To the extent a variance is required, XO respectfully requests the Commission grant it the ability to retain its certificate to serve the grandfathered customers.

Respectfully submitted,

XO COMMUNICATIONS SERVICES, LLC

By its counsel:

Dated: March 6, 2020

/s/ Shannon M. Heim
Shannon M. Heim
MOSS & BARNETT
150 South Fifth Street, Suite 1200
Minneapolis, MN 55402
(612) 877-5000
shannon.heim@lawmoss.com

EXHIBIT 1: Customer Notice

EXHIBIT 1

TO CUSTOMERS IN MINNESOTA: MN NOTICE OF DISCONTINUATION OF SERVICE

Discontinuation of XO Communications Services basic local retail service within the state of MINNESOTA for customers who are not existing Federal, state, and local Government agencies or educational institutions.

On or after May 8, 2020, the following XO service will be discontinued: XO Basic Business Lines. Other names for this service are Basic Business Lines, Small Business Basic Business Line Service, Small Business Basic Business Line II Service, Small Business Basic Business Local Line Service, Small Business Basic Business Local Line II Service, Business Services Basic Business Line Service, Business Services Basic Business Line II Service, and Business Services Basic Business Local Line Service.

XO will waive any early termination charges associated with these services. Any of these services that are subject to automatic-renewal are no longer being automatically-renewed; however, we will continue to provide service until the discontinuance date. Verizon would be pleased to work with you to transfer any of these services to alternative Verizon solutions, as available. To assist with your transition, we are currently running an attractive range of promotions on a number of Verizon solutions.

For more information about Verizon's services please contact us via MyXO.com or via the toll-free phone number on your bill. If you already have an existing Verizon sales representative, client service manager ('CSM') or contracts manager assigned to your business or you are supported by an authorized Verizon partner, please contact them directly.

We value your business and look forward to helping you realize the benefits that our advanced offerings can unlock for you.

Please share this important information with other members of your organization (e.g., IT, provisioning, network engineers, billing, operations, carrier managers) as they may be impacted.


These changes are subject to regulatory-agency approvals. For existing Federal, state, and local Government agencies and educational institutions, modifications to service offerings will continue to be subject to the terms of the tariff or their contract.

In addition to MCImetro Access Transmission Services Corp. dba Verizon Access Transmission Services and the Local Exchange Carriers –Qwest Corporation dba CenturyLink, Embarq Minnesota, Inc. dba CenturyLink, Frontier Communications of Minnesota, Inc., and Citizens Telecommunications Company of Minnesota, LLC -- the other Local Service Providers (LSPs) listed below provide basic business service and may have service that is available to you depending on your location. For further information on alternative LSPs available in your city or township, please go to mn.gov/puc/telecommunications/utility/.

Access Media Holdings, LLC dba Access Media 3
Bullseye Telecom, Inc.
CenturyLink Communications, LLC
Charter Fiberlink CC VIII, LLC
Comcast Phone of Minnesota, Inc.
Electric Lightwave, LLC dba Allstream
McLeodUSA Telecommunications Services, L.L.C. dba PAETEC Business Services
Tekstar Communications, Inc. dba Arvig
Velocity The Greatest Phone Company Ever, Inc. dba V-One, Inc.
Windstream NTI, LLC

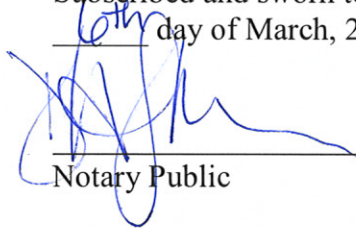
VERIFICATION OF PETITION

Kelly Faul, Senior Manager of State Government Relations for XO Communications Services, LLC, a Delaware limited liability company, certifies that she has reviewed this Petition and the facts stated herein, of which she has personal knowledge, and that the same are true and correct to the best of her present knowledge and belief.



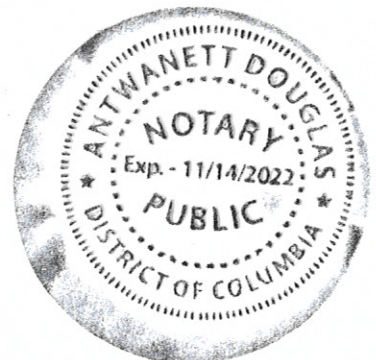
Kelly Faul

Subscribed and sworn to before me this
6th day of March, 2020.



Notary Public

ANTWANETT DOUGLAS
Notary Public, District of Columbia
My Commission Expires 11/14/2022



AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

In the Matter of the Petition of XO
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Karen E. Berg being first duly sworn on oath, deposes and states that on the 6th day of March, 2020, copies of the Original Filing, Filing Summary, and Joint Petition, with Exhibit 1 were filed electronically or mailed by United States first class mail, postage prepaid thereon, to the following:

Will Seuffert *Electronic*
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

Linda Chavez *Electronic*
Minnesota Department of Commerce
85 Seventh Place East, Suite 500
St. Paul, MN 55101

Electronic
Generic Notice Commerce Attorneys
445 Minnesota Street, Suite 1800
St. Paul, MN 55101

Electronic
Generic Notice - RUD
Office of Attorney General
1400 Bremer Tower
445 Minnesota Street
St. Paul, MN 55101

Sarah Beimers *Electronic*
Department of Administration
200 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155

Electronic/Paper
Dana Wahlberg
State of Minnesota 911 Program Manager
Department of Public Safety
Emergency Communication Networks
445 Cedar Street, Suite 1725
St. Paul, MN 55101

Pete Eggiman *Electronic/Paper*
Director of 911 Services
Metropolitan Emergency Services Board
2099 University Avenue West, Suite 201
St. Paul, MN 55104

Karen E. Berg

Karen E. Berg

Subscribed and sworn to before me this
6th day of March, 2020.

Liz M. Randall

Notary Public

