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November 15, 2021

Minnesota Public Utilities Commission
121 7th Place East
Suite 350
Saint Paul, MN 55101

Re: Draft MTA comments on TAP Docket 21-72

Dear Commissioners,

As you know, The Minnesota Telecom Alliance (“MTA”) is a trade association comprised of more than 70 telecommunications companies across Minnesota. MTA members range from family-owned companies and local cooperatives to companies with multi-state operations. MTA’s members provide voice, video, and high-speed internet services to Minnesotans in every area of the state.

The MTA appreciates the opportunity to share these comments on the TAP docket.

The MTA does not object to the Department of Commerce’s comments and recommendations as filed on October 7, 2021. We agree that the TAP credit and surcharge are appropriate. We also have no issues with the 5 recommended “reminders” for carriers.

While not directly affected by implementation of the Department’s current recommendations, the MTA would like the Commission to be aware going forward, that as decisions get made on appropriate levels of support for Minnesota TAP customers, implementation of these changes can have perhaps unintended and counterintuitive regulatory effects on Minnesota’s Local Exchange Companies (LEC’s) and their customers.

In a nutshell: For companies that participate in the Connect America Fund Basic Loop Support (CAF-BLS) They must have local service rates at or above \$30 per month in order to maintain program support eligibility. As the state TAP subsidy increases, it can act to lower the Access Recovery Charge (ARC) calculation below \$30. Somewhat ironically, the affected LECs will then be required to increase local rates to maintain a rate at or above \$30. While this amount will vary by company the somewhat rigorous customer notice requirements for LEC rate increases in Chapter 237 will be triggered, quite often to reflect nominal rate increases of only a few cents.

When this matter is scheduled before the Commission, I would be happy to attend and further discuss these anomalous effects.

Cordially,

Brent J. Christensen

President/CEO